



Money laundering

BANKS vs CRYPTOCURRENCY

A look at some of the biggest scams in the US over the past decade



BANKS

CRYPTOCURRENCY

Present



May 2020 — Vitalli Antonenko, NYC
NYC resident Vitalli Antonenko was charged in US District Court of Massachusetts with conspiracy to carry out payment card trafficking and crypto money laundering. He allegedly sold credit card information and laundered the money through Bitcoin.

\$ 40,000
Apr 2020 — Maksim Boiko, LA
The FBI arrested a Russian rapper living in the US for money laundering using, among evidence, Instagram pictures including huge wads of cash, both dollars and rubles. It was discovered that he used the disgraced coin exchange BTC-e for laundering the funds.

\$ 387,964
Aug 2019 — Kunal Kalra, LA
LA resident Kunal Kalra, apprehended for selling two pounds of meth to an undercover agent, pleaded guilty to running a money laundering scheme using Bitcoin.

\$ 25,000,000 \$ 25 million
Apr 2019 — Callaway Crain & Mark Sanchez, NYC
In a first-of-its-kind conviction in the state of New York, 2 men pleaded guilty to running a steroid and controlled substance business laundering millions of dollars in cryptocurrency and Western Union payments.

\$ 2,800,000 \$ 2.8 million
Feb 2019 — Randall Carter (Founder, My Big Coin)
Randall Crater, the principal operator of My Big Coin Pay Inc, was caught in a \$6 million scheme to defraud people. He was arrested in Florida after being charged in an indictment filed in federal court in Boston with seven counts of wire fraud and unlawful monetary transactions.

\$ 6,000,000 \$ 6 million
Jul 2018 — Lynn Tetley ("Bitcoin Maven"), California
Former stockbroker & real estate investor Theresa Lynn Tetley, known as the "Bitcoin Maven," was sentenced to 1 year in prison by the Central District of California. Tetley offered "bitcoin-for-cash exchange services" without registering as a money services business with the Financial Crimes Enforcement Network (FinCEN).

\$ 9,500,000+ \$ 9.5+ million
Feb 2018 — LeadInvest, Texas
The Texas State Securities Board has issued an emergency cease and desist order to website Leadinvest.com, citing a failure to disclose information about its specialists and cryptocurrency mining activities, as well as fraudulently selling unlicensed securities.

\$ 177,000,000 \$ 177 million
Jun 2017 — Anthony R Murgio, NY
Anthony R Murgio was sentenced to 66 months in prison for operating an internet-based Bitcoin exchange through which he processed more than \$10 million in illegal Bitcoin transactions.

\$ 10,000,000 \$ 10 million
Nov 2016 — Timothy G, First Farmer Financial LLC, Florida
Timothy G Fisher, president & chief operating officer of First Farmers Financial LLC, a Florida-based financial firm, pled guilty to one count of money laundering in connection with the sale of \$179 million in sham loans to a Milwaukee investment company.

\$ 2,500,000 \$ 2.5 million
Apr 2016 — Market Natural Trading, LLC, San Francisco
Sole member and investment advisor of the hedge fund Market Natural Trading, LLC was convicted of 23 counts of wire fraud, identity theft, money laundering and contempt of court. He was sentenced to 15 years in prison.

\$ 6,000,000,000 \$ 6 billion
Jan 2016 — Arthur Budovsky, Founder of Liberty Reserve, NY
Liberty Reserve was a digital currency platform and a predecessor to Cryptocurrency. In 2016, founder Arthur Budovsky was found guilty of money laundering by US authorities and was sentenced to 20 years in prison.

\$ 300,000,000 \$ 300 million
Oct 2014 — Teodoro Nguema Obiang
Son of the President of Equatorial Guinea (and current Vice President) left the country with over \$300 million from 2004-2011, via bribery and money laundering. In 2014, he signed a US settlement and had over \$30 million of assets seized, including Michael Jackson memorabilia and a Malibu mansion bought through a shell company.

\$ 9,400,000,000 \$ 670,000,000,000
Jul 2012 — HSBC Bank, UK-USA
HSBC showed gross oversight of \$670 billion in wire transfers from Mexico and more than \$9.4 billion in purchases of U.S. Their negligence in monitoring transactions allowed Mexican and Colombian drug cartels to launder dirty money. They were later persecuted by U.S. authorities.

\$ 390,000,000,000 \$ 390 billion
Mar 2010 — Waschovia Bank, Miami
One of the largest banks in the US, Waschovia was found guilty of allowing Mexican drug cartels to launder money through the institution from 2004-2007. Apart from wire transfers, the cartels also used Waschovia's bulk cash service to ship dirty money to the US. The bank is now a part of Wells-Fargo.

\$ 2 trillion
Bloomberg reported that banks launder around \$2 trillion a year, whereas money laundered via crypto exchanges in 2019 amounted to \$2.8 billion.

It is clear that despite the fact that cryptocurrencies may seem like unregulated, uncharted territory for many, traditional banking institutions continue to pose a greater risk for money laundering.

So, where is your money safer?



2020



2019 — Standard Chartered Bank, NY
The bank has a history of continuing illegal practices and being negligent with AML protocol. Despite previous fines and warnings, the bank continued to ignore sanctions against Burma, Zimbabwe, Iran, Cuba, Sudan, and Syria. They were fined by the U.S. Federal Reserve for their criminal oversight.

\$ 250,000,000,000 \$ 250 billion



Oct 2018 — Matthial Krull (Former Julius Baer banker), USA - PDVSA, Venezuela
Matthias Krull helped launder \$1.2 billion embezzled from a state-owned body, Petróleos de Venezuela SA. He was sentenced by a US court to 10 years in prison.

\$ 1,200,000,000 \$ 1.2 billion

July 2018 — International team of 8 individuals, Florida
US Attorney's Office for the Southern District of Florida charged 8 individuals (1 American, 1 German, 1 Columbian, 1 Portugese, 4 Venezuelans) with conspiracy to commit money laundering, interstate and foreign travel in aid of racketeering enterprises for their alleged involvement in a sprawling \$1.2 billion international money laundering conspiracy.

\$ 1,200,000,000 \$ 1.2 billion

Jun 2018 — Muhammad Sohail Qasmani, Karachi-New York
As part of a global computer hacking and telecommunications fraud scheme, Muhammad Qasmani was sentenced to 48 months in prison for laundering more than \$19.6 million. He was persecuted by US authorities.

\$ 19,000,000+ \$ 19+ million

Jan 2018 — Jake C Files (State Senator), Arkansas
Arkansas Senator Jake C Files pled guilty in the US District Court of Arkansas to one count of wire fraud, one count of money laundering, and one count of bank fraud. Between August & Dec 2016, he used his position of power to obtain the state's General Improvement Funds (GIF) through fraudulent means.

\$ 1,000,000+ \$ 1+ million

2018

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