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N.Zealand Freezes Assets of Alleged Russian Cyber Criminal

By AFP

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Alexander Vinnik **Petros Giannakouris / AP / TASS**

New Zealand police revealed Monday they had frozen NZ$140 million (US$90 million) in assets linked to a Russian man accused of laundering money for organized crime using cyber currency.

Police said they acted after discovering funds belonging to Alexander Vinnik, who is in custody in France facing fraud charges, were being held in a New Zealand company.

"These funds are likely to reflect the profit gained from the victimization of thousands, if not hundreds of thousands, of people globally as a result of cybercrime and organized crime," commissioner Andrew Coster said.

Vinnik operated digital currency exchange BTC-e until his arrest in 2017 in the northern Greek tourist resort of Halkidiki, prompting a three-way extradition tussle between the

United States, France and Russia.

A U.S. indictment accused him of 21 charges ranging from identity theft and facilitating drug trafficking to money laundering.

French authorities accused him of defrauding more than 100 people in six cities, while he was wanted in Russia on lesser fraud charges totalling 9,500 euros (US$10,600).

Vinnik has previously denied the charges.

Coster said New Zealand police had worked closely with the U.S. Internal Revenue Service on the case.

"The global criminal community need to understand New Zealand's financial system, and companies established here, are not the places to try to hide illicit income," he said.

Coster said the investigation was ongoing and that a court application had been lodged seeking forfeiture of the funds.

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