

Cari Stinebower Discusses Recent Arrest of Bitzlato Cofounder with *Reuters*

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Winston & Strawn Partner Cari Stinebower was recently quoted in *Reuters*, where she discussed the recent arrest of Anatoly Legkodymov, majority shareholder and cofounder of virtual currency exchange Bitzlato Ltd.

Mr. Legkodymov was arrested in Miami on Tuesday, January 17, 2023 on charges of operating Bitzlato Ltd. as an unlicensed money exchange business that he previously claimed to cater to “known crooks.” The company allegedly received more than \$15 million in ransomware proceeds and engaged in activities such as the exchange of cryptocurrency with a company described as an online marketplace for narcotics, stolen financial information, fraudulent identification documents, and money laundering services. Prosecutors also allege that Bitzlato broke rules requiring significant vetting of customers and failed to meet requirements aimed at preventing money laundering, in addition to using U.S. online infrastructure while knowingly servicing U.S. customers and conducting transactions with U.S.-based exchanges.

Cari shared with *Reuters* that “[n]one of the mainstream financial institutions will deal with an entity identified as a primary money laundering concern”. She also added that “While U.S. financial institutions will refuse to engage in business with Bitzlato, (one would expect that) other financial institutions will follow suit,” and that “the impact will be to freeze Bitzlato out of the global financial sector almost immediately.”

[Read the full article.](#)

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