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SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California

Acting United States Attorney
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For Immediate Release

Almost \$57 Million in Seized Cryptocurrency Being Sold for Victims of BitConnect Fraud

NEWS RELEASE SUMMARY—November 16, 2021

SAN DIEGO — Pursuant to court order, the U.S. Attorney’s Office for the Southern District of California, in conjunction with the U.S. Postal Investigative Service, will begin liquidation of approximately \$57 million in cryptocurrency (at current estimated prices) seized from the top North American promoter of BitConnect. This liquidation is believed to be the largest single recovery of cryptocurrency for victims to date.

On September 1, 2021, Glenn Arcaro, 44, of Los Angeles, pleaded guilty for his participation in a massive conspiracy involving BitConnect, a cryptocurrency investment scheme, which defrauded investors from the United States and abroad of over \$2 billion. The BitConnect scheme is believed to be the largest cryptocurrency fraud ever charged criminally.

As part of his plea agreement, Arcaro admitted that he earned no less than \$24 million from the BitConnect fraud conspiracy, all of which, according to court documents, he has agreed repay to defrauded investors. The order entered on November 12, 2021, begins the process of making those victims whole by liquidating the fraud proceeds in Arcaro’s possession—the vast majority of which were in the form of cryptocurrencies, including Bitcoin, Ethereum, Litecoin, Dash, and several others.

Acting U.S. Attorney Randy S. Grossman praised the work of the prosecutors and law enforcement agencies handling this matter, including the FBI’s Cleveland Field Office, as well as, more locally, IRS-CI, the Financial Investigations and Border Crimes Task Force (the “FIBC”—a multiagency Task Force based in San Diego and Imperial Counties, funded by the Treasury Executive Office of Asset Forfeiture), who are investigating the matter, and the U.S. Postal Investigative Service in the Southern District of California who is liquidating the cryptocurrency.

All investor victims of the BitConnect fraud are encouraged to visit the following webpage - <https://www.justice.gov/usao-sdca/us-v-glenn-arcaro-21cr02542-twr> for information on their

rights as a victim, the ability to submit a victim impact statement, and to identify themselves as a potential victim.

Arcaro's sentencing is scheduled to occur on January 7, 2022, before U.S. District Judge Todd W. Robinson.

DEFENDANT

Case Number 21CR2542-TWR

Glenn Arcaro

Los Angeles, CA

Age: 44

SUMMARY OF CHARGES

Conspiracy to Commit Wire Fraud—Title 18, U.S.C., Section 1349

Criminal Forfeiture—Title 18, U.S.C., Section 982

Maximum penalty: Twenty years in prison, \$250,000 fine or twice the gross gain or loss from the offense, whichever is greater, forfeiture, and restitution

AGENCIES

FBI

IRS Criminal Investigation—Financial Investigations and Border Crimes Task Force

United States Postal Inspection Service

*The charges and allegations contained in an indictment or information are merely accusations, and the defendants are considered innocent unless and until proven guilty.

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