

News **Cryptocurrency**

Feds Bust Crypto Kingpins in Billion-Dollar Russian Laundering Scheme

March 07, 2025 By  **Michael A. Mora**



U.S. Department of Justice building in Washington. Photo: Diego M. Radzinski/ALM

The U.S. Department of Justice announced Friday that it charged two administrations with operating a multibillion-dollar cryptocurrency money laundering service as part of a coordinated action with Germany and Finland to take down the online infrastructure used to operate the digital asset exchange Garantex.

In doing so, the Justice Department unsealed a Feb. 27 indictment against Aleksej Besciokov, 46, a Lithuanian national and Russian resident, and Aleksandr Mira Serda, 40, a Russian national and United Arab Emirates resident, who faces a separate charge of conspiracy to violate sanctions and conspiracy to operate an unlicensed money transmitting business.

"This prosecution demonstrates that the SEC's decision to walk away from enforcing claims that some cryptocurrencies are securities won't necessarily dampen the Department of Justice's enthusiasm for pursuing fraud and money laundering cases against crypto companies," said Arlo Devlin-Brown, former chief of the public corruption unit at the U.S. Attorney's Office for the Southern District of New York and a partner at Covington & Burling.

Devlin-Brown, who is not involved in the case, added: "Crypto money laundering is used by transnational criminal networks that the DOJ has announced it will focus on, so my expectation is we'll see more actions like this."

Serda, Garantex's co-founder and chief commercial officer, and Besciokov have controlled and operated the crypto exchange since 2019, according to the indictment. Garantex is alleged to have received hundreds of millions of dollars in criminal proceeds and the exchange was used to facilitate various crimes, including hacking, ransomware, terrorism and drug trafficking.

In the indictment, prosecutors alleged Serda and Besciokov knew that criminal proceeds were being laundered through the crypto exchange and they took steps to conceal the facilitation of illegal activities on its platform, such as providing Russian law enforcement incomplete information in response to a records request and falsely claiming accounts were not verified.

In April 2022, the Justice Department sanctioned Garantex for its role in facilitating money laundering of funds from ransomware actors and darknet markets. As a result, Serda and Besciokov are accused of redesigning Garantex's operations to evade and violate U.S. sanctions and induce U.S. businesses to unwittingly transact with Garantex in violation of the sanctions.

Meanwhile, in February, the European Union included Garantex in a sanction package over the conflict in Ukraine, accusing the exchange of being closely affiliated with Russian banks sanctioned by the EU and circumventing sanctions implemented by the EU.

And on Thursday, U.S. Secret Service executed a seizure order authorized by a federal district court judge in Virginia against three website domain names used to support Garantex's operations. On the same day, Garantex disclosed that stablecoin Tether had blocked digital wallets on the exchange holding over \$28 million, forcing it to suspend operations.

"We have bad news," Garantex said on Telegram. "Tether has entered the war against the Russian crypto market."

Russian lawmaker Anton Gorelkin wrote on Telegram that it is “impossible to completely block this market for Russia,” adding, “Cryptocurrencies will remain one of the most effective tools for circumventing sanctions, although USDT can be safely deleted from this list.”

Page printed from: <https://www.law.com/nationallawjournal/2025/03/07/feds-bust-crypto-kingpins-in-billion-dollar-russian-laundering-scheme/>

NOT FOR REPRINT

© 2025 ALM Global, LLC, All Rights Reserved. Request academic re-use from www.copyright.com. All other uses, submit a request to asset-and-logo-licensing@alm.com. For more information visit [Asset & Logo Licensing](#).