Publications & News

Publications and Presentations

U.S. Regulator's Crypto Conundrum Hurts Ransomware Victims

April 21, 2021

As Published on Forbes

Jason Nagi heads Offit Kurman's FinTech and Regulation practice, and is the Chair of the firm's Distressed Real Estate group.

Ransomware was invented 30 years ago when an AIDS researcher mailed between 10 and 20 thousand 5.25 floppy disks emblazoned with the name "AIDS Information Version 2.0," to people and businesses around the world. Over the past 30 years, much has changed including our use of computers which now, instead of being attached to cathode ray television sets, fit into our pockets. The trajectory, from floppy disks in the 80's, to e-commerce by the early 2000s, has culminated in the minting of digital money. Since then, as the use of cryptocurrency has grown, other industries have grown with it.

One industry, often overlooked, is ransomware. Ransomware is a plague on businesses world-wide. Indeed, the U.S. government recommends not paying these ransoms. New guidance, however, issued by the Financial Crimes Enforcement Network ("**FinCEN**") to the industry in late 2020, takes this too far; it threatens to impose sanctions on the insurance industry that has bloomed around cybercrime and will likely hurt the victims, not the criminals.

Click here to read the full article >>

Related People

- Jason Nagi