



CryptoLink - April 2026

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Recent enforcement activity across U.S. and international authorities reflects a continued focus on fraud and unregistered activity in the crypto sector. In April 2026, the Department of Justice (DOJ) initiated a compensation process for victims of the OneCoin scheme, which defrauded investors of more than \$4 billion, and announced coordinated actions through its Scam Center Strike Force targeting Southeast Asian fraud operations. These actions included criminal charges, seizures of fraudulent infrastructure and efforts to restrain more than \$700 million in cryptocurrency tied to money laundering. U.S. enforcement activity also included the 23-year prison sentence of a Texas individual for a \$20 million crypto fraud and an eight-year sentence for a French national who operated an unlicensed crypto-based money laundering network involving hundreds of millions of dollars. The Securities and Exchange Commission (SEC) brought new charges alleging a \$16 million fraudulent securities offering tied to "Bitcoin Latinum" tokens, while the New York Attorney General sued Coinbase and Gemini over alleged illegal prediction market activity. Additional developments included Tether's cooperation with U.S. authorities to freeze \$344 million in USDT linked to unlawful conduct, a U.K. Financial Conduct Authority crackdown on unregistered peer-to-peer crypto traders and a federal court decision denying Sam Bankman-Fried's motion for a new trial.

On May 14, the Senate Banking Committee favorably reported its portion of digital asset market structure legislation to the full Senate by a 15-9 vote. Democratic Senators Ruben Gallego (D-AZ) and Angela Alsobrooks (D-MD) supported the bill alongside all Republicans on the panel, though neither Democrat committed to supporting the legislation on the Senate floor if negotiations stall over a contentious ethics provision restricting certain crypto-related activities by government officials. Democrats have expressed significant concern regarding the Trump family's crypto business.

The committee vote followed an agreement between Senator Thom Tillis and Senator Angela Alsobrooks on stablecoin yield payments. The compromise restricts yield-like rewards for holding stablecoins while allowing similar rewards when users spend or use them. Crypto firms have largely supported the compromise, while banks continue to argue that such rewards pose risks to deposits and, by extension, their ability to lend. Before the bill reaches the Senate floor, it must be combined with text from the Senate Agriculture Committee. Although that committee

reported its portion in January 2026, it did so along party lines and negotiations are ongoing to finalize the legislation. Both committees must resolve outstanding issues before a full Senate vote can proceed.

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Key Developments

SEC Announces Enforcement Results for Fiscal Year 2025

On April 7 2026, the U.S. Securities and Exchange Commission (SEC) announced its enforcement results for the fiscal year that ended on September 30 2025. During fiscal year 2025, the SEC filed 456 enforcement actions; this included 303 standalone actions and 69 follow-on administrative proceedings seeking to bar or suspend individuals from certain functions in the securities markets based on criminal convictions, civil injunctions or other orders, and resulted in monetary relief totaling \$17.9 billion. The SEC's press release noted that in fiscal year 2025, the "Commission made a necessary course correction in its approach to enforcing the federal securities laws in the context of crypto assets" and remains "committed to detecting, deterring, and bringing actions against those seeking to take advantage of investors by misusing new technologies." Fiscal year 2025 brought significant accomplishments in the digital asset space.

In February 2025, the SEC announced the launch of the Cyber and Emerging Technologies Unit to complement the work of the Crypto Task Force. In addition, the SEC brought charges against New York City-based Unicorn, Inc. and four of its current or former top executives for alleged false and misleading statements in an offering of certificates that purportedly conveyed rights to receive crypto assets called Unicorn tokens. In another case, the SEC brought charges against PGI Global founder Ramil Palafox for allegedly orchestrating a \$198 million crypto asset and foreign exchange fraud scheme.

The SEC's press release can be found [here](#).

Treasury Proposes Rule to Implement the GENIUS Act's Requirements to Counter Illicit Finance

On April 8 2026, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) and the Office of Foreign Assets Control (OFAC) issued a joint proposed rule to

implement provisions of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act). The proposed rule, which implements the GENIUS Act's anti-money laundering and sanctions compliance program requirements, encourages innovation in payment stablecoins while providing an appropriately tailored regime to mitigate potential illicit finance risks. The proposed rule would subject permitted payment stablecoin issuers (PPSIs) to requirements applicable to financial institutions relating to the prevention of money laundering and impose obligations specified in the GENIUS Act. The proposed rule would require PPSIs to adopt and maintain an effective sanctions compliance program.

Treasury's press release and the notice of proposed rulemaking can be found [here](#).

CFTC Announces Innovation Task Force Staff

On April 10 2026, the Commodity Futures Trading Commission (CFTC) announced the members of the Innovation Task Force (ITF). The ITF will work with the CFTC to develop a "clear regulatory framework for innovators focused on crypto assets and blockchain technologies; artificial intelligence and autonomous systems; and prediction markets and event contracts." The ITF, led by Michael J. Passalacqua (Senior Advisor to Chairman Michael Selig), is composed of staff from various divisions and offices throughout the CFTC, as well as individuals with extensive private sector experience working on these issues.

The CFTC's press release can be found [here](#).

SEC Staff Statement Regarding Broker-Dealer Registration of Certain User Interfaces Utilized to Prepare Transactions in Crypto Asset Securities

On April 13 2026, the SEC's Staff of the Division of Trading and Markets issued a statement providing its views on the broker-dealer registration requirements under Section 15(a) of the Securities Exchange Act of 1934 with respect to a person that creates, offers, and/or operates certain interfaces used to prepare transactions in crypto asset securities (referred to as "Covered User Interface Providers"). The statement is part of an effort by the SEC to provide greater clarity on the application of federal securities laws to activities involving crypto asset securities. In circumstances where a Covered User Interface Provider takes certain measures described in the statement relating to its creation, offering and/or operation of a "Covered User Interface," the statement confirms that SEC Staff will not object to the provider operating without registering as a broker-dealer under Section 15(b) of the Exchange Act.

The SEC's press release can be found [here](#).

CFTC Chairman Selig Gives Testimony Before the U.S. House Committee on Agriculture

On April 16 2026, CFTC Chairman Michael S. Selig provided testimony before the U.S. House Committee on Agriculture, noting that the CFTC has "taken a leading role in delivering on President Trump's mandate to make America the crypto capital of the world." Chairman Selig added that the CFTC joined an SEC interpretation to provide guidance resolving ambiguity as to which crypto assets are commodities and which are securities and "worked quickly to provide clarity concerning tokenized collateral, the capital treatment for payment stablecoins, and the obligations of software developers building in the United States."

He also stated that “anyone who engages in fraud, manipulation or insider trading in any of our markets: we will find you, and you will face the full force of the law.”

Chairman Selig’s remarks can be found [here](#).

Key Enforcement Actions

DOJ Announces Compensation Process for OneCoin Fraud Victims With Funds Recovered Through Asset Forfeiture

On April 13 2026, the U.S. Department of Justice (DOJ) announced the beginning of the remission compensation process to provide recovery for victims of the international investment scheme involving OneCoin Ltd. (OneCoin).

Between 2014 and 2019, the co-founders of OneCoin and others orchestrated “a large, international cryptocurrency investment scheme defrauding investors from around the globe.” As a result of misrepresentations made about OneCoin, victims invested over \$4 billion worldwide. The DOJ filed a number of OneCoin-related prosecutions in the Southern District of New York. Several key figures involved in the scheme have been sentenced and the DOJ pursued criminal forfeiture of property derived from the proceeds of the fraud scheme. More than \$40 million in forfeited assets are currently available for victim compensation. Through the remission process, victims who purchased the fraudulent OneCoin cryptocurrency between 2014 and 2019 may be eligible for compensation.

The DOJ’s press release can be found [here](#).

Texas Man Who Orchestrated \$20 Million Cryptocurrency Scam Sentenced to 23 Years in Prison

On April 16 2026, the U.S. Attorney's Office for the Northern District of Illinois announced that Robert Dunlap, a Texas man “who orchestrated a cryptocurrency scam that bilked nearly 1,000 investors out of more than \$20 million,” has been sentenced to 23 years in federal prison. From 2018 to 2023, Dunlap claimed to operate a cryptocurrency business that sold a purported digital asset called “Meta-1 Coin” through a “Meta-1 Coin Trust.” Dunlap made numerous false and misleading statements to potential and actual investors, causing nearly 1,000 investors to lose more than \$20 million. A federal jury convicted Dunlap on mail fraud charges. U.S. District Judge LaShonda A. Hunt sentenced him to 23 years in prison and ordered restitution.

The U.S. Attorney's Office press release can be found [here](#).

SEC Charges Bitcoin Latinum Founder and Affiliated Companies with Allegedly Defrauding Investors in \$16 Million Securities Offering

On April 17 2026, the SEC charged Donald G. Basile and two entities he controlled (GIBF GP, Inc. and Monsoon Blockchain Corporation) with allegedly defrauding hundreds of investors across the United States in a \$16 million securities offering of “Simple Agreements for Future Tokens”

(SAFTs). These purported to give investors the right to receive a crypto asset called “Bitcoin Latinum” or “LTNM” at a future date. According to the complaint filed in the United States District Court for the Eastern District of New York, Basile offered and sold the SAFTs as securities and made several false and misleading statements about LTNM and the offering. The SEC seeks injunctive relief, disgorgement with prejudgment interest, civil penalties and a conduct-based injunction, as well as an officer-and-director bar.

The SEC’s press release can be found [here](#).

New York Attorney General James Sues Coinbase and Gemini for Running Illegal Gambling Platforms in New York

On April 21 2026, New York Attorney General Letitia James sued Coinbase Financial Markets, Inc. (Coinbase) and Gemini, Titan LLC (Gemini) for illegally running gambling operations in New York through their so-called “prediction market” platforms. According to the press release, both Coinbase and Gemini offer users the ability to bet on events, including sports, entertainment and elections, in violation of New York law. An investigation by the Office of the Attorney General found that Coinbase and Gemini are operating prediction markets that constitute illegal, unlicensed gambling operations. These operations expose New Yorkers “to serious financial and personal risk.” Attorney General James is seeking court orders requiring Coinbase and Gemini to pay fines, forfeit illegal profits and pay restitution to customers.

New York Attorney General James’ press release can be found [here](#).

U.K. FCA Leads First Crackdown on Illegal Crypto Trading

On April 22 2024, the U.K. Financial Conduct Authority (FCA) announced that it had carried out its first operation with partners to disrupt illegal peer-to-peer crypto trading across multiple London locations. Working with HM Revenue & Customs (HMRC) and the South West Regional Organised Crime Unit (SWROCU), the FCA targeted eight premises suspected of illegal peer-to-peer crypto trading. The FCA issued cease-and-desist letters at each site, notifying traders to stop illegal activity immediately. Evidence obtained during the on-site inspections is supporting a number of ongoing criminal investigations. Steve Smart, executive director of enforcement and market oversight at the FCA, stated that “Unregistered peer-to-peer crypto traders operating in the UK are doing so illegally and pose a financial crime risk. We will use our powers and work with partners to disrupt them.”

The FCA’s press release can be found [here](#).

Scam Center Strike Force Takes Major Actions Against Southeast Asian Scam Centers Targeting Americans

April 23 2026, the DOJ announced a series of coordinated actions by the Scam Center Strike Force against Southeast Asian criminal organizations operating scam centers that have defrauded Americans of billions of dollars. Criminal charges were filed against two Chinese nationals who managed a cryptocurrency investment fraud compound in Burma and attempted to open another compound in Cambodia. Additionally, the Strike Force seized a Telegram messaging app channel used to recruit human trafficking victims to a scam compound in Cambodia to carry out a law enforcement impersonation scheme and seized 503 fake investment websites. The Strike Force

has also continued to identify funds involved in money laundering from scam centers, seeking to seize and forfeit those funds, and has collectively restrained more than \$700 million in cryptocurrency alleged to be tied to such activity.

In a coordinated interagency action, the Department of the Treasury also announced sanctions against Cambodian scam center operators and the Department of State announced rewards for information leading to the seizure or recovery of proceeds related to the Tai Chang scam center, a separate operation in Burma.

The DOJ's press release can be found [here](#).

Tether Supports Freeze of More Than \$344 Million in USD₮ in Coordination with OFAC and U.S. Law Enforcement

April 23 2026, Tether announced that it supported the U.S. government in freezing \$344 million USD₮ across two addresses. The freeze was executed after the addresses were identified, preventing further movement of funds. The freeze follows information shared with Tether by several U.S. authorities regarding activity tied to unlawful conduct.

Tether's press release can be found [here](#).

Judge Denies Sam Bankman-Fried New Trial

April 28 2026, District Judge Lewis A. Kaplan issued a memorandum and order denying a motion for a new trial in the matter of U.S. v. Samuel Bankman-Fried. On February 5 2026, Bankman-Fried requested a new trial, primarily relying on “supposed evidence that he claims to have been newly discovered.”

For the reasons set out in the order, as well as for “substantially the same reasons stated in the government’s opposition,” the motion was denied in all respects. Judge Kaplan noted that Bankman-Fried’s contention regarding “newly discovered” witnesses whose predicted testimony warrants a new trial is “baseless on multiple independently sufficient levels with regard to each of the witnesses for the reasons thoroughly demonstrated by the government’s memorandum.” Judge Kaplan further stated that the assertion that the witnesses’ “absence (or, in one case, the decision of the witness to testify against him) was a product of government threats and retaliation is wildly conspiratorial and entirely contradicted by the record.”

The memorandum and order can be found [here](#).

French National Sentenced to Eight Years in Prison for Laundering Hundreds of Millions of Dollars Using Shell Companies and Crypto Accounts

On April 28 2026, the U.S. Attorney's Office for the Southern District of New York announced that Maximilien De Hoop Cartier was sentenced to eight years in prison for his role in a “sophisticated international money laundering network that laundered hundreds of millions of dollars in illicit proceeds, including the proceeds of drug trafficking, through the United States.” Cartier was sentenced before U.S. District Judge Mary Kay Vyskocil. On October 23 2025, Cartier pled guilty to one count of operating an unlicensed money transmitting business and one count of conspiracy to commit bank fraud. According to charging documents and other filings and statements made in court, since at least 2018, Cartier ran an unlicensed money transmitting business that operated

an over-the-counter cryptocurrency exchange to buy and sell cryptocurrency on behalf of his clients. In addition to his prison term, Cartier was ordered to pay over \$2.3 million in forfeiture and to forfeit certain shell company bank accounts.

The U.S. Attorney's Office press release can be found [here](#).

Akin Thought Leadership

[Akin Attorneys Author Article on SEC and CFTC Collaboration in Digital Asset Oversight](#) (April 8, 2026)

[SEC and CFTC Issue Guidance on the Applicability of Federal Securities Laws to Crypto Assets and Blockchain Activities](#) (March 24, 2026)

[CFTC Issues Guidance and Advanced Notice of Proposed Rulemaking Relating to Prediction Markets](#) (March 16, 2026)

[Board Considerations for Public Companies Engaging with Digital Assets](#) (February 19, 2026)

[OFAC Settlement with Blockchain Wallet Provider Spotlights Sanctions Risks for Digital Assets Intermediaries](#) (January 21, 2026)

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