

GALL



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Gall Obtains Proprietary Injunction and Mareva Injunction to Freeze a Cryptocurrency Wallet

Gall recently obtained a proprietary injunction over misappropriated crypto tokens on an urgent basis to prevent the dissipation of funds. In addition to the proprietary injunction, Gall also obtained a Mareva injunction against the Defendant's cryptocurrency wallet by identifying the wallet address.

Unfortunately, cryptocurrency is the new target for frauds given the anonymous nature of transactions on the cryptocurrency market. Once a fraudster is able to divert crypto tokens to a new wallet which they control, the victim is left with little information save for the fraudster's wallet address.

In obtaining the injunction, the team overcame a few difficulties common to cryptocurrency cases.

- First, as is expected, the identity of the wallet holder was unknown. Therefore, the Gall team proceeded against the Defendant as "Account Holder of Wallet Address" at the interim relief stage.
- Second, as the identity of the wallet holder was unknown, the team also had to overcome issues regarding service on the Defendant.
- Third, the "location" of the wallet is up for debate. This raised the issue of whether or not there were assets within the jurisdiction for the Court to freeze, and whether or not there was any 'lexis' which the Court has jurisdiction to hear the matter.

As the world witnesses a rise in the use of digital assets, we foresee that more crypto-related injunctions will be needed to prevent dissipation pending the resolution of the underlying dispute.

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