

AML & CTF in the future blockchain world

Camilla Frost

Nov 21, 2019

A blockchain analysis company

We create transparency for a global economy built on blockchains, enabling banks, business, and governments to have a common understanding of how people use cryptocurrency

Camilla Frost, DK

Chainalysis Inc., since July 2017

- Director of Strategic Initiatives
- Product Manager

Gartner

IT UNIVERSITY OF CPH



Cryptocurrency is a new way to transfer value & increasingly mainstream

\$110BN

Approximate
exchange traded
volume YTD
(btc only)

\$3M

Approximate
received from
illicit entities YTD
(multi coin)

Challenge: Bad actors taking advantage

Hamas Calls on Supporters to Donate to Group in Bitcoin

By Michael Arnold and Saud Abu Ramadan
January 30, 2019, 8:02 AM EST

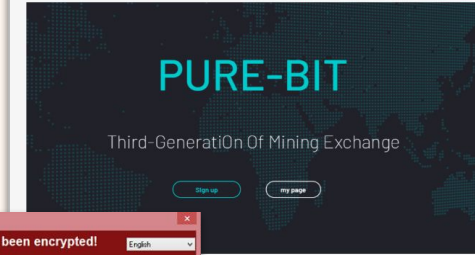


تعلم
كاتب الشهيد عز الدين القسبي
عن بدء استقبال
دعمكم المالي للمقاومة
بعملة ال "بيتكوين"
عبر عنوان المحفظة الرسمي والوحيد:
3PajPWymUexhewHPczmlQ8CMYatKAGNj3y

يرجى نسخ عنوان المحفظة
من الموقع الرسمي لكاتب القسام
www.alqassam.net

Terrorist financing

Fraudulent South Korean Exchange Pure Bit Nabs \$2.8M in ICO Exit Scam



Scams and thefts



Wana Decrypt0r 2.0
Oops, your files have been encrypted!

Payment will be raised on
5/16/2017 06:47:55
Time Left
02:23:57:37

Your files will be lost on
5/20/2017 06:47:55
Time Left
06:23:57:37

Can I Recover My Files?
Sure. We guarantee that you can recover all your files safely and easily. But you have not so enough time.
You can decrypt some of your files for free. Try now by clicking <Decrypt>. But if you want to decrypt all your files, you need to pay.
You only have 3 days to submit the payment. After that the price will be doubled. Also, if you don't pay in 7 days, you won't be able to recover your files forever. We will have free events for users who are so poor that they couldn't pay in 6 months.

How Do I Pay?
Payment is accepted in Bitcoin only. For more information, click <About bitcoin>. Please check the current price of Bitcoin and buy some bitcoins. For more information, click <How to buy bitcoins>. And send the correct amount to the address specified in this window: After your payment, click <Check Payment>. Best time to check: 9:00am - 11:00am

Send \$300 worth of bitcoin to this address:
12t5YDPgwue29Nymgw519p7AA8isjr6SMw

Check Payment Decrypt

Ransomware

Darknet markets



Terrorist groups and violent extremists use crypto



الطريقة الثالثة

POLONIEX BINANCE BITTREX
Huobi BITFINEX CEXIO

قم بإنشاء حساب جديد
على إحدى منصات التداول

1

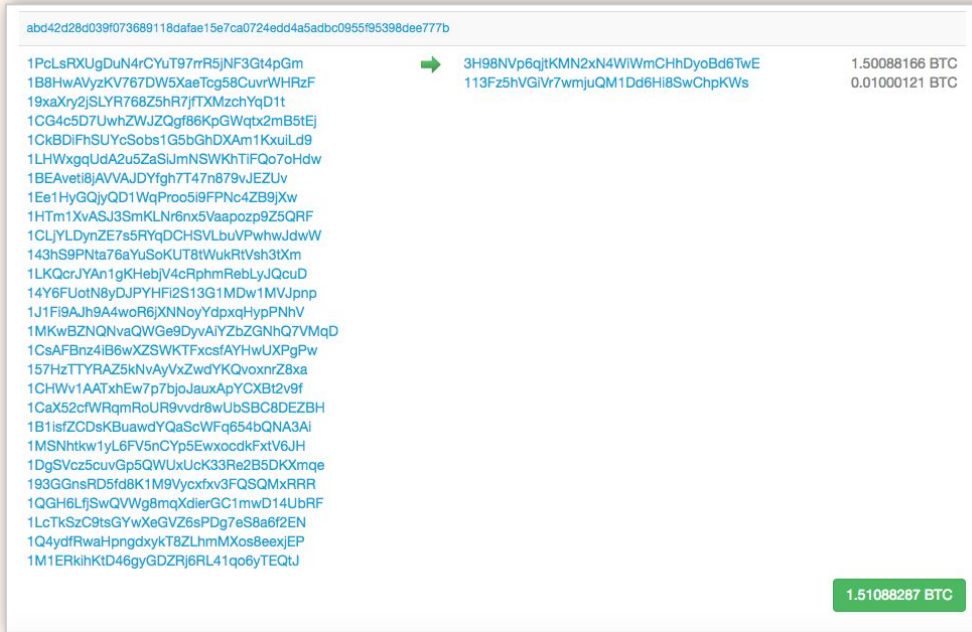
Create a new account on one of the trading platforms

Infographic about Bitcoin in a Hamas-affiliated publication - Jan 30, 2019

Hamas video instructing users how to buy bitcoin - March 24, 2019

You need ability to tell good guys from bad guys

What you see on the blockchain



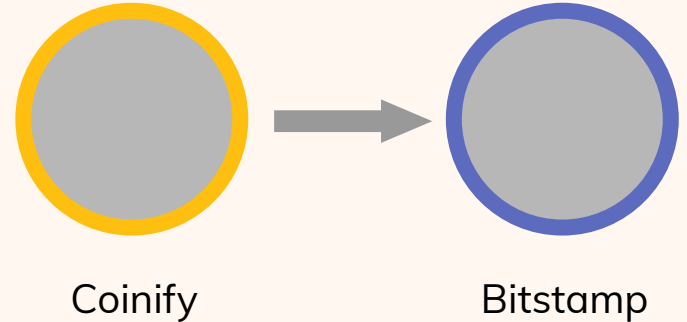
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1B8HwAVyzKV767DW5XaeTcg58CuvrWHRzF		113Fz5hVGiv7r7wmjuQM1Dd6H8SwChpKWs	0.01000121 BTC

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1LcTkSzC9tsGYwXeGVZ6sPDg7eS8a8f2EN
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1.51088287 BTC

What you see in Chainalysis



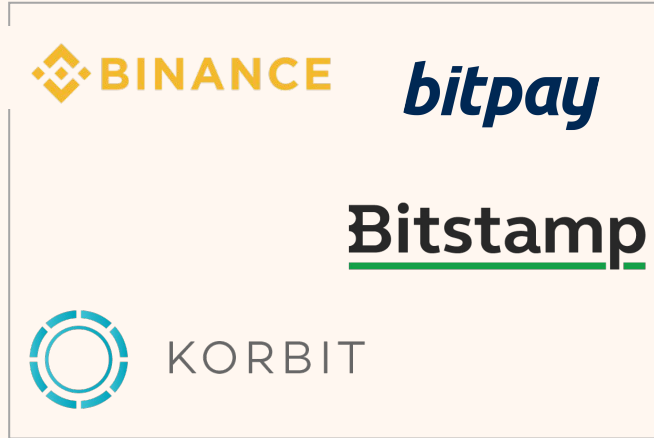
200+ customers across 40 countries

Law Enforcement & Regulators



Chainalysis Reactor

Cryptocurrency Businesses



Chainalysis KYT (Know Your Transaction)

Financial Institutions



Chainalysis Kryptos
NEW

WIRED

How a Bitcoin Trail Led to a Massive Dark Web Child-Porn Site Takedown

10.16.2019 02:32 PM



Welcome to
Video: largest child
pornography site in
the world

> 1 million addresses

250,000 videos

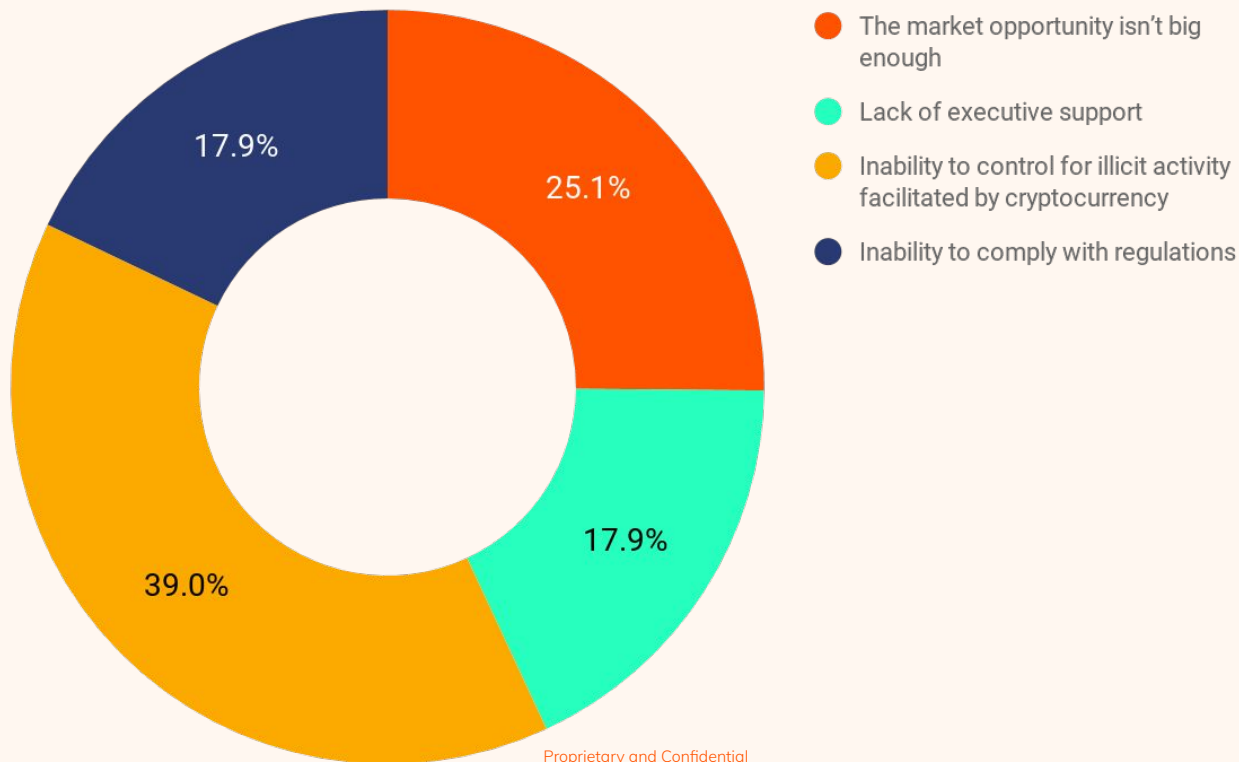
\$353,000 USD (BTC)

Takedown by the
numbers

337 site users
across 38 countries
23 minors rescued

■ The Future AML and cryptocurrencies?

Of the following, what is the #1 thing holding you back from doing more work with cryptocurrency?



Thank you!
Questions?