

Individual Arrested and Charged with Operating Notorious Darknet Cryptocurrency “Mixer”

[justice.gov/opa/pr/individual-arrested-and-charged-operating-notorious-darknet-cryptocurrency-mixer](https://www.justice.gov/opa/pr/individual-arrested-and-charged-operating-notorious-darknet-cryptocurrency-mixer)



Press Release

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For Immediate Release

Office of Public Affairs

Bitcoin Fog Service Allegedly Laundered \$335 Million in Cryptocurrency Since 2011

A dual Russian-Swedish national was arrested Tuesday at Los Angeles International Airport on criminal charges related to his alleged operation of the longest-running bitcoin money laundering service on the darknet.

According to court documents, Roman Sterlingov, 32, operated Bitcoin Fog since 2011. Bitcoin Fog was the longest-running cryptocurrency “mixer,” gaining notoriety as a go-to money laundering service for criminals seeking to hide their illicit proceeds from law enforcement. Over the course of its decade-long operation, Bitcoin Fog moved over 1.2 million bitcoin – valued at approximately \$335 million at the time of the transactions. The bulk of this cryptocurrency came from darknet marketplaces and was tied to illegal narcotics, computer fraud and abuse activities, and identity theft.

Sterlingov is charged by complaint with money laundering, operating an unlicensed money transmitting business, and money transmission without a license in the District of Columbia.

Acting Assistant Attorney General Nicholas L. McQuaid of the Justice Department’s Criminal Division; Acting U.S. Attorney Channing D. Phillips of the District of Columbia; Acting Special Agent in Charge Darrell J. Waldon of IRS-Criminal Investigation (IRS-CI); and Assistant Director in Charge Steven M. D’Antuono of the FBI’s Washington Field Office made the announcement.

The IRS-CI District of Columbia Cyber Crime Unit and the FBI Washington Field Office are investigating the case. Essential support was provided by Excygent; the IRS-CI Los Angeles Field Office, Van Nuys Post of Duty; FBI Los Angeles Field Office; Homeland Security Investigations; Customs and Border Patrol; the U.S. Attorneys' Offices for the Central District of California, Northern District of California, and Southern District of New York; and the Financial Crimes Enforcement Network of the U.S. Department of Treasury. The Department of Justice's Office of International Affairs provided invaluable assistance, as did Europol; the Swedish Economic Crime Authority, the Swedish Prosecution Authority, and the Swedish Police; and the General Inspectorate of Romanian Police, Directorate for Combatting Organized Crime and the Directorate for Investigating Organized Crime and Terrorism.

Trial Attorney C. Alden Pelker of the Criminal Division's Computer Crime and Intellectual Property Section and Assistant U.S. Attorney Christopher B. Brown of the U.S. Attorney's Office for the District of Columbia are prosecuting the case, with assistance from Paralegal Specialist Chad Byron. Former Assistant U.S. Attorneys Youli Lee and Zia Faruqui made invaluable contributions during their tenures on the case team. The team also appreciates the previous support of Trial Attorney S. Riane Harper of the Computer Crime and Intellectual Property Section; Paralegal Specialist Kenny Nguyen; former Paralegal Specialists Toni Anne Donato and Bianca Evans; and former Assistant U.S. Attorney Allen O'Rourke over the course of this long-running investigation.

A criminal complaint is merely an allegation and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

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Topics

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