



VICTORY IN COMPLEX CRYPTO FRAUD: BLK PARTNERS SECURES MAJOR ABU DHABI COURT WIN

BLK Partners' litigation team has successfully secured a landmark judgment in one of the firm's most complex fraud cases. The matter involved a sophisticated cryptocurrency scam that caused our client to suffer losses of several million USD. With the Abu Dhabi Criminal Court now having issued its ruling, we are highlighting key insights that may help others navigate similar schemes.

THE CHALLENGE

What initially appeared to be a routine investment fraud claim evolved into a multi-layered deception, challenging both our investigators and courtroom strategy.

Our client was caught in a multi-stage trap. First, they were lured by a persuasive crypto trading platform and subsequently targeted by a seemingly London-based "lawyer," who appeared entirely professional with polished emails, invoice-style PDFs, official letterhead, and a UK phone number that went straight to voicemail at unusual hours.

The sophistication of the scheme was remarkable. The perpetrators constructed an entire ecosystem of false credibility, including slick websites, staged testimonials, forged documents resembling court papers, friendly account managers, and subtle psychological nudges. They even allowed an early withdrawal, a classic confidence tactic intended to encourage larger deposits, which was temporarily successful.

BUILDING THE CASE

Partner Haytham Alieh led BLK's litigation team, working closely with Senior Associate Amany Ahmed and Associate Mohamed Zaky to develop a legal strategy from the ground up.

From the outset, the team recognized this was not a typical fraud case. It was insufficient to merely demonstrate that funds were misappropriated. The team needed to trace digital footprints, distinguish legitimate transfers from fraudulent



activity, and translate technical blockchain findings into evidence comprehensible to the court.

The work progressed in structured stages. The team conducted comprehensive due diligence to map the full transaction chain from bank wires to exchanges, wallet-to-wallet transfers, and, where applicable, mixers and off-ramps. While traditional banking records revealed only part of the activity, blockchain ledgers, wallet clusters, and timestamped transfers demonstrated who moved what, and precisely when.

Next, the team emphasized the importance of expert testimony, successfully requesting the appointment of an independent forensic accountant to analyze the cryptocurrency flows. This step proved decisive. The expert's report distinguished routine commercial activity from transactions without a legitimate basis, revealing a recurring pattern of fraudulent transfers that became the foundation of the case.

THE LEGAL FRAMEWORK

The dispute required navigating multiple layers of UAE law. Arguments were based on the Federal Decree Law on Combating Cybercrimes, alongside the traditional fraud provisions under the Crimes and Penalties Law.

This dual approach presented both challenges and opportunities. BLK demonstrated that cryptocurrency fraud falls squarely within the legal framework: digital assets are considered property susceptible to theft, online platforms can serve as instruments of deception, and legal protections fully extend to victims of digitally originated offenses.

THE OUTCOME

The court endorsed BLK's approach during a contested hearing. The defendant was convicted, sentenced to imprisonment, deported, and ordered to pay court costs. Critically, the court formally recognized the fraudulent nature of the transactions, establishing an important precedent for cryptocurrency fraud litigation in the UAE.





The civil claim for damages has been referred to the competent civil court, where BLK will continue pursuing full recovery for the client. Ongoing tracing work and expert analysis will follow the funds wherever they go.

BROADER IMPLICATIONS

This judgment highlights key lessons for legal practitioners: cryptocurrency fraud is not hypothetical; it is occurring now, affecting individuals and businesses across the UAE.

While the law provides mechanisms to address these offenses, success requires counsel capable of navigating both technical and legal dimensions and presenting them clearly to the court. Courts are increasingly comfortable with such disputes, but they rely on advocates to translate complex technical material into familiar legal concepts. The engagement of forensic experts with blockchain and digital asset expertise is often essential.

For potential victims, the message is clear: legal recourse is available. When evidence is carefully compiled and presented clearly, UAE courts will hold perpetrators accountable. Timely, structured action can make a significant difference, even when the transaction trail appears complex.

LOOKING FORWARD

As cryptocurrency adoption continues to grow in the region, similar cases are likely to increase. BLK remains committed to staying at the forefront, enhancing technical expertise, refining litigation strategies, and maintaining the rigorous legal analysis expected by our clients.

Complex litigation is always a team effort. The dedication, attention to detail, and tireless work of the team were critical to achieving this outcome. By combining deep legal expertise with a strong understanding of blockchain technology and coordinating meticulously at every stage, the team ensured that every element of the case was thoroughly addressed. Their collaboration not only strengthened the client's position in court but also demonstrated the standard of excellence required for handling similarly complex cases.

THE TEAM



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