

Police: Crypto firm founder Do Kwon arrested in Montenegro

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A screen, right, shows the falling values of the Luna cryptocurrency, at a cryptocurrency exchange in Seoul, South Korea, Friday, May 27, 2022. Police in Montenegro have arrested Terraform Labs founder Do Kwon, who is wanted in South Korea in connection with a \$40 billion crash of the firm’s cryptocurrency that devastated retail investors around the world, the European country’s interior minister said Thursday, March 23, 2023. Credit: Ryu Hyo-lim/Yonhap via AP

Police in Montenegro have arrested Terraform Labs founder Do Kwon, who is wanted in South Korea in connection with a \$40 billion crash of the firm's cryptocurrency that devastated retail investors around the world, the European country's interior minister said Thursday.

"Montenegrin police arrested an individual who is believed to be one of the most wanted fugitives, South Korean citizen Do Kwon," Interior Minister Filip Adzic said on Twitter.

Montenegrin authorities were awaiting official confirmation of the identity of a man who was arrested at the airport in the capital, Podgorica, with false documents, but they believe it's Kwon, Adzic added.

South Korea asked Interpol in September to circulate a "red notice" for the 31-year-old across the agency's 195 member nations to find and apprehend him.

Kwon and five others connected to Terraform are wanted because of allegations of fraud and financial crimes in relation to the implosion of its digital currencies in May 2022.

TerraUSD was designed as a "stablecoin," which are pegged to stable assets like the U.S. dollar to prevent drastic fluctuations in prices. However, around \$40 billion in market value was erased for the holders of TerraUSD and its floating sister currency, Luna, after the stablecoin plunged far below its \$1 peg in May.

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