

Montenegro paves way for bail of crypto fugitive Do Kwon

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The Terraform founder Do Kwon has been in custody in Montenegro since late March.

A Montenegro court on Friday paved the way for the release on bail of fugitive cryptocurrency entrepreneur Do Kwon, as he awaits trial for

document forgery.

The Terraform founder has been in custody in Montenegro since late March after being arrested at the capital's airport carrying alleged fake travel documents.

Both Seoul and Washington are seeking Kwon's extradition for his suspected role in fraud linked to his company's dramatic collapse last year, which wiped out about \$40 billion of investors' money and shook global crypto markets.

The [court](#) "accepted bail of 400,000 euros" (\$435,000) each for Kwon and a companion he was arrested with in March. The court also "ordered that they be released upon payment" according to a statement.

Prosecutors are appealing the decision and the defendants will remain in custody pending the outcome of that appeal. If released, the two suspects would be confined to house arrest and banned from leaving the apartment.

Kwon, whose real name is Kwon Do-hyung, is facing two cases in Montenegro—the first involving his alleged possession of forged travel documents and the second regarding his possible extradition.

Prior to his arrest, Kwon had been on the run for months after fleeing first South Korea and then Singapore ahead of the company's crash in May last year.

In September, South Korean [prosecutors](#) asked Interpol to place him on the red notice list across the agency's 195 member nations and revoked his passport.

Kwon's TerraUSD was marketed as a "stablecoin", which is typically

pegged to stable assets such as the US dollar to prevent drastic fluctuations in prices.

Cryptocurrencies have come under increasing scrutiny from regulators after a string of recent controversies, including the high-profile collapse of the exchange FTX.

The digital currency sector has also been hit hard by the demise of US crypto lenders Silvergate and Signature amid a string of banking failures earlier this year that rattled [global markets](#).

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