

Insider Trading in NFTs? That's Not a Crime, Defense Lawyers Claim

Media Mentions

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Bracewell's **Seth DuCharme** spoke with *The Wall Street Journal* about a nonfungible tokens trading case involving Nathaniel Chastain, a former employee of the NFT market OpenSea, who became the first person charged in a scheme that prosecutors described as insider trading in NFTs.

The case comes amid a campaign by the US Justice Department to more aggressively pursue wrongdoing, an effort first outlined by US Deputy Attorney General Lisa Monaco in a speech last year.

"She basically said, 'Be bold, take risks'," said DuCharme. Digital assets are an "intriguing area for those who want it to be at the front of the hunting party," he added. But ultimately prosecutors will have to convince a jury that Chastain was involved in something like "lying, cheating and stealing" and that he knew he was doing something wrong, said DuCharme.

"It's typically not in the interest of justice to notify people of what is criminal behavior by prosecuting them," he said.

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