Large theft of NEM crypto coins in Japan a concern for investors

Coincheck, one of the largest digital exchanges in Japan has announced a heist of the crypto currency NEM to the value of £320 million!

The theft was reported Friday as the exchange shut down all crypto trading except Bitcoin.



Coincheck, one of the largest digital exchanges in Japan has announced a heist of the crypto currency NEM to the value of £320 million!

The theft was reported Friday as the exchange shut down all crypto trading except Bitcoin.

This once again raises concerns about the safety of investors' money in crypto currencies, and occurring once again in Japan, where the infamous Mt. Gox collapse occurred a coupe of years ago.

In this particular case, the heist was for a little known crypto token or coin, NEM. Coincheck know the wallet address where the coins were transferred, but given the secrecy of the crypto world, one wonders how they will discover the identity of the owner to seek restitution of the funds?

Coincheck are talking about a 90% reimbursement for customers who incurred losses, and one wonders where that money is coming from?

Sadly, it's another example of the dangers that can happen in this evolving world of crypto currencies, let's hope lessons are learned here and a more secure system results.

It's worth mentioning that investments in crypto tokens and currencies are not covered by any government protection scheme, so in the event of theft, there's no FCA nor SEC to turn to for restitution, you're on your own….