

US seizes Bitcoin operator accounts

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Software engineer Mike Caldwell shows the front (R) and back (L) sides of a physical Bitcoin he minted in his shop on April 26, 2013 in Sandy, Utah. Bitcoin is an experimental digital currency used over the Internet. US authorities seized the accounts of a Bitcoin digital currency exchange operator, claiming it was functioning as an "unlicensed money service business," court documents showed.

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A warrant revealed by the Department of Homeland Security showed a

judge signed the seizure order Tuesday for the accounts of Mutum Sigillum LCC, a subsidiary of Japan-based Mt. Gox, the world's biggest [Bitcoin](#) exchange.

The warrant said the account based on the [electronic payments](#) platform Dwolla and held at Veridian Credit Union "was used to move money" as "part of an unlicensed money service" in violation of US law.

The US law enforcement action creates doubts about the future of Bitcoin, a mysterious digital currency which saw a flurry of interest this year which some called a bubble.

Bitcoins were launched in 2009 in the wake of the [global financial crisis](#) by an anonymous programmer who wanted to create a currency independent of any central bank or [financial institution](#).

A form of "e-money," Bitcoin is made of strings of dazzlingly complex code, written in such a way that it becomes increasingly difficult to generate new Bitcoins, with the number in circulation designed to eventually top out at 21 million.

Originally worth less than a cent, the value peaked during the Cyprus financial crisis at \$266. On Friday the price listed on the Blockchain website was \$118.

A Homeland Security official said that the agency could not comment on the matter "in order not to compromise this ongoing investigation."

Some officials fear the [virtual currency](#) can be used by criminals or terrorists, or could be vulnerable to hackers.

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