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Coinbase, Bakkt Face Surge of U.S. Crypto Lawsuits

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WASHINGTON, D.C. A growing wave of class-action lawsuits is hitting the U.S. crypto industry in 2025, targeting firms from digital exchanges like Coinbase and Bakkt to global corporations such as Nike. According to new data from financial consultancy Cornerstone Research, securities-related legal claims against crypto firms in the first half of this year are already close to matching all of 2024.

The lawsuits reflect heightened scrutiny of crypto operations despite a shift in federal regulatory enforcement under President Donald Trump. While the Securities and Exchange Commission has relaxed its approach under the new administration, private investors are pushing forward with lawsuits alleging securities violations, fraud, privacy breaches, and other misconduct.

Georgia- and New York-based exchange Bakkt is being sued by investors who accuse the firm of failing to disclose the withdrawal of two key clients, Webull and Bank of America. The April lawsuit, led by investor Guy Serge A. Franklin, also names former CEO Gavin Michael, current CEO Andrew Main, and interim CFO Karen Alexander.

According to the claim, Webull accounted for 74% of Bakkt's crypto services revenue from 2023 through 2024, while Bank of America contributed 17% of its loyalty revenue. The plaintiffs allege that this loss could result in a 73% decline in top-line revenue and that Bakkt made "materially false or misleading statements" about its financial stability.

Coinbase, one of the most prominent American crypto exchanges, is defending itself against several class-action lawsuits filed across multiple states.

In February, investor Wenduo Guo filed a complaint in New Jersey federal court claiming Coinbase failed to disclose that customer assets may be classified as part of its bankruptcy estate, effectively turning users into unsecured creditors.

In a separate May lawsuit filed in Illinois, plaintiffs Scott Bernstein, Gina Greeder, and James Lonergan accused Coinbase of violating the state's Biometric Information Privacy Act (BIPA) by collecting and storing facial recognition data without clear retention or deletion policies. "Coinbase does not publicly provide a retention schedule," the plaintiffs stated in the complaint.

Adding to its legal troubles, Coinbase disclosed on May 15 that a data breach had occurred after overseas support staff were bribed by cybercriminals. The breach may cost between $180 million and $400 million in compensation and system recovery. Investor Brady Nessler filed suit on May 22, citing losses resulting from the attack.

Tech company Strategy, known for its aggressive Bitcoin investment strategy under executive chairman Michael Saylor, was hit with a class-action suit in mid-May. According to a Securities and Exchange Commission (SEC) filing, the lawsuit alleges the company and its leadership made misleading statements about the expected profitability of their Bitcoin holdings and treasury operations.

The lawsuit was filed just before Strategy acquired 7,390 additional Bitcoin for $764.9 million, paying an average price of over $103,000 per token.

A memecoin project known as LIBRA has landed in court following its dramatic collapse earlier this year. Initially promoted as a blockchain initiative to boost Argentina's economy, the project gained momentum after a now-deleted tweet from Argentine President Javier Milei.

As LIBRA's price plunged, U.S.-based Burwick Law filed a class-action suit against Kelsier Ventures, KIP Protocol, and Meteora, accusing them of a "deceptive, manipulative, and fundamentally unfair" launch. Hayden Davis, co-founder of Kelsier Ventures, has argued that the New York court lacks jurisdiction over the globally launched token. The memecoin platform Pump. Fun was targeted in a July class-action lawsuit alleging that it functioned like a "rigged slot machine," generating more than $5.5 billion through meme token schemes.

The filing includes RICO (Racketeer Influenced and Corrupt Organizations Act) claims, as well as fraud and civil conspiracy. Plaintiffs argue the platform operated without a legitimate product or service, instead profiting from the rapid launch and crash of joke tokens.

Major U.S. brand Nike is also facing a lawsuit, accused of executing a "rug pull" by shutting down its RTFKT NFT platform after heavily marketing digital sneaker assets. The lawsuit, filed on April 25, is led by user Jagdeep Cheema and others who claim they suffered damages after investing in what they allege were unregistered securities.

The plaintiffs are seeking $5 million in damages, arguing that Nike misled buyers and violated consumer protection laws by abandoning the NFT venture after market interest dropped.

Although the volume of lawsuits is growing, resolution can take years. In one example, a 2020 lawsuit against Binance by investor Chase Williams alleging the sale of unregistered digital tokens was only cleared to proceed earlier this year after the U.S. Supreme Court declined to intervene in January.

As legal scrutiny increases, investors appear more determined to challenge the conduct of crypto companies. While federal regulators may have shifted priorities, the courtroom is quickly becoming the arena where the crypto industry is being held to account.