

## Financial Services

# New York Attorney General Launches Cryptocurrency Exchange Inquiry

By: [Jolene E. Negre](#)

On April 17, the New York Attorney General's Office released a [statement](#) that it has launched a fact-finding inquiry into 13 cryptocurrency exchanges. Questionnaires were sent to the following exchanges:

- Coinbase, Inc. (GDAX)
- Gemini Trust Company
- bitFlyer USA, Inc.
- iFinex Inc. (Bitfinex)
- Bitstamp USA Inc.
- Payward, Inc. (Kraken)
- Bittrex, Inc.
- Circle Internet Financial Limited (Poloniex LLC)
- Binance Limited
- Elite Way Developments LLP (Tidex.com)
- Gate Technology Incorporated (Gate.io)
- itBit Trust Company
- Huobi Global Limited (Huobi.Pro)

The text of the questionnaires can be found [here](#).

The Attorney General's release suggests that the inquiry is part of a broader investor protection effort and emphasizes a greater need for transparency and accountability. The questionnaires relate to the following categories:

- Ownership and control
- Basic operation and fees
- Trading policies and procedures
- Outages and other suspensions of trading
- Internal controls
- Privacy and money laundering
- Protections against risks to customer funds
- Written materials

New York State's action comes on the heels of reports in March that the US Securities and Exchange Commission (SEC) [issued subpoenas](#) to as many as 80 entities and individuals involved in the virtual currency space over the preceding several months. As additional regulators enter the fray, cryptocurrency exchanges would be well served to consult with counsel regarding their business practices.

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