

Dear Sir / Madam,

**Subject: Dealing with cryptocurrency (Eg: Bitcoin, cryptopay etc)**

**What is a cryptocurrency?**

A cryptocurrency is a digital or virtual currency that uses cryptography as a security (i.e. Bitcoin). One defining feature of cryptocurrencies is the fact that they are not issued by any central authority. They operate through a decentralised system - a network of independent computers that communicate and transmit cryptocurrency transactions and data to each other. Prices are based on supply and demand. The rate at which a cryptocurrency can be exchanged for another currency can fluctuate widely.

**What is your stance on cryptocurrencies?**

Although advances in technology have driven a need for the international financial system to be more efficient, transparent and digital, the lack of regulation and standards around ownership disclosures coupled with huge price volatility of cryptocurrencies introduces additional systemic risks.

There have been a number of incidents of fraud involving cryptocurrencies where cryptocurrency exchanges have lost clients' cryptocurrency holdings.

As cryptocurrencies are not regulated, and there is material fraud risk, Standard Chartered implemented immediate restrictions of cryptocurrency transactions.

**Does SCB offer cryptocurrency- related products?**

We do not offer any cryptocurrency lending or wealth management products or services to fund cryptocurrency purchases.

In addition to that, Staff are not allowed to give cryptocurrency related advice to clients as it does not fall within the Bank's approved product / asset list.

**Can I still purchase cryptocurrency?**

The Bank wouldn't encourage clients to purchase cryptocurrency given its unregulated nature, as well as extremely high volatility.

Given our position as a responsible lender and the unregulated landscape of cryptocurrencies, we are not in a position to block funds disbursed from a personal loan and used for cryptocurrency purchases. However, we will reject any application where a client self-declares that they intend to use the same to buy cryptocurrency.

**Why did Standard Chartered Bank restrict crypto transactions?**

Given our position as a responsible lender, and as per the guidance received from Qatar Central Bank - all the banks operating in the country are urged not to deal, under any circumstance, with this currency or replace them with any other currency or send or receive any financial transactions for purchasing or selling this currency - the Bank has decided to restrict cryptocurrency transactions in order to limit our clients' exposure to this unregulated asset.

Thank you for banking with Standard Chartered Bank.