

# New York regulator issues first bitcoin license to company

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State regulators have approved their first license to a company dealing in virtual currency such as bitcoin.

Circle Internet Financial has outlined security, capitalization, controls against money laundering and other measures intended to protect consumers and root out illicit transactions, the Department of Financial Services said Tuesday.

State regulators are reviewing applications from 24 other companies under final rules adopted in June, department spokesman Matt Anderson said. The licenses are now required for companies that want to do business with New Yorkers, he said.

"Issuing the first BitLicense is an important milestone in the long-term development of the virtual currency industry," department Superintendent Anthony Albanese said. "Putting in place rules of the road ... is vital to building trust in this new financial technology."

Bitcoin, a virtual currency created by computers that run complex algorithms, can be used to buy and sell some goods and services without government-issued money. It has been gaining the backing of investors and mainstream businesses, including major online retailers.

In May, New York regulators granted their first charter under the state's banking law for a commercial exchange for virtual currency to itBit Trust Company LLC in New York City.

Boston-based Circle Internet Financial, with offices in San Francisco, New York, Dublin and London, has 65 employees and customers in more than 100 countries, spokeswoman Sarah Mitchell said. The company won't disclose exact transaction and volume data, but they are seeing "significant consumer demand" globally for its product, which currently enables transactions in U.S. dollars and in bitcoin, she said.

"Our goal is to make sending and receiving money instant, secure and free for people around the world, including New Yorkers," said Sean Neville, co-founder and president.

Mitchell described Circle Internet Financial as a consumer payments company. Its primary use is for sending and receiving U.S. dollars. They plan to add the euro and pound sterling next, followed by other currencies such as the Chinese yuan in the future, she said.

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