



Weekly Crypto News Recap

February 10, 2023

TOP STORIES OF THE WEEK

Kraken Agreed to Shutter US Crypto-Staking Operations to Settle SEC Charges: Source CoinDesk

Kraken has agreed to pay \$30m in penalties and shut its cryptocurrency-staking operations servicing U.S. customers to settle charges with the SEC. The settlement marks the SEC's first crackdown on staking, a common service offered at centralized crypto exchanges, including most of the major exchanges in the United States such as Coinbase and Binance US. In a statement, Kraken said its agreement to end its on-chain staking services would affect only U.S. clients, and that most assets enrolled in its program by U.S. users would be automatically "unstaked" starting on Thursday.

Banks under pressure from U.S. authorities to cut ties with crypto firms

Cointelegraph

United States authorities appear to be resurrecting past techniques to crack down on crypto firms and banks offering services to the industry, several sources told Cointelegraph. The alleged strategy consists of isolating the traditional financial system from the crypto market by spanning "multiple agencies to discourage banks from dealing with crypto firms," aiming to lead crypto businesses to become "completely unbanked," according to Nic Carter — co-founder of venture firm Castle Island. According to Carter: "Regulators threaten and bully bank leadership behind the scenes, then publish public 'guidance' stressing that banks are still free to custody crypto or service crypto clients. In reality, they're not free to do this, by any means." One recent example was a joint statement released on Jan. 3 by the Fed, the FDIC and

the Office of the Comptroller of the Currency warning about the risks of banks engaging in crypto and encouraging them to refrain from doing so due to “safety and soundness” concerns.

MakerDAO Contributors Propose First Native Liquidity Market Focused on DAI Stablecoin

CoinDesk

Leading MakerDAO community participants have proposed creating a liquidity market called Spark Protocol for lending and borrowing crypto assets focused on DAI, Maker’s \$5 billion stablecoin. The first product will be Spark Lend, which will allow users to borrow DAI at a set DAI Savings Rate, which currently stands at 1%. According to the proposal, Spark Lend will support highly liquid decentralized assets as collateral such as ETH, DAI and wrapped derivatives of staked ETH (wstETH) and BTC (wBTC). Spark would use the smart contract system of Aave v3, the recently upgraded third version of the DeFi lending giant. In exchange, the developer team Phoenix Labs intends to send 10% of the protocol’s profits earned on the Spark Protocol’s DAI market in the next two years to Aave DAO.

Binance to Suspend USD Bank Transfers from Wednesday

CryptoCurrency – Finance Magnates

Crypto exchange giant Binance is temporarily suspending US dollar deposits and withdrawals using bank transfers on its global platform. Binance CEO Changpeng Zhao (CZ) hinted that some banks are withdrawing support from the cryptocurrency industry due to last year's challenges. CZ further noted that USD bank transfers are leveraged by only 0.01% of its monthly active users, but he acknowledged the poor user experience of this suspension and aims to remediate it quickly. The service limitations notably will not affect the customers of Binance US.

Genesis creditors to expect 80% recovery under proposed restructuring plan

Cointelegraph

Genesis Global has announced it has reached an "agreement in principle" with Digital Currency Group (DCG), which will eventually see its crypto lending and trading arm sold as part of restructuring efforts. A Genesis creditor revealed the new proposed restructuring plan between Genesis, Digital Currency Group, Gemini, and other

creditors will see creditors getting back at least 80% of their funds. Genesis's bankruptcy was recently covered in our [January Monthly Commentary](#).

BITCOIN

[LocalBitcoins shuts down after a decade in operation](#)

[Satoshi-Era Bitcoin Address Moves \\$9.6 Million in BTC After 11 Years](#)

[Former Bitcoin Dev Gavin Andresen Regrets Previous Support for Craig Wright, Calls it a 'Mistake' – Here's Why](#)

[Average BTC block size reaches new ATH at over 2 MB](#)

[How Bitcoin NFTs Might Accidentally Fix Bitcoin's Security Budget](#)

[Lightning Network reaches all-time high in bitcoin capacity](#)

ETHEREUM

[StarkWare to Open Source Its Ethereum Scaling System](#)

[More than 100,000 ETH has gone through MEV-Boost since The Merge](#)

[Discounts, premiums narrow for Ethereum liquid staking derivatives ahead of Shanghai](#)

[Ethereum Testnet Processes First ETH Staking Withdrawals](#)

[Lido's staked Ethereum crosses 5M, Frax Ethereum on the rise](#)

ALTCOINS

[Liquid Staking Tokens Rally as Kraken Shuts Staking Service to Settle With SEC](#)

[OP Token Falls After Surprise Optimism Airdrop](#)

[Celsius' motion to extend timeline for restructuring plan faces objection from creditors](#)

[Chiliz launches layer-1 blockchain to expand fan token ecosystem](#)

[DeFi Giant MakerDAO to Introduce Aave Rival Dubbed Spark Protocol](#)

[Value locked in Rocketpool doubles in two months, rises to \\$1 billion](#)

[Flux Finance Launches Lending Token Collateralized by U.S. Treasuries](#)

[Brave Adds Support For Solana on iOS and Android](#)

[ConsenSys adds 7.03M votes to Uniswap BNB Chain migration proposal amid VC battle](#)

[TRON DAO Establishes Artificial Intelligence Development Fund](#)

[Aptos Plans Network Upgrade, 'More Clarity' Around Token Distribution](#)

[The Graph's Token Doubles in 24 Hours](#)

[Cryptex Finance's New Index Token to Track Top 10 NFT Collections](#)

[Aave integrates Chainlink's proof of reserves on Avalanche via BGD Labs](#)

[Lido presents plan for Version 2, adding staking withdrawals and more](#)

[ENS DAO votes to sell \\$16.5 million of ETH for USDC via CoW Swap](#)

[Aave Opens Door for Lido Rewards Across Three Networks](#)

[Decentralized Lending Protocol Clearpool to Start Institutional Borrowing Platform](#)

[Aave CEO: New Security Upgrades 'Silo the Risk Away'](#)

[DeFi Lender Alchemix Approves ALCX Token Buyback Plan](#)

[Community votes to deploy Uniswap v3 on Boba Network](#)

[Trader Joe's native token 'joe' goes omni-chain with LayerZero partnership](#)

[Chainlink oracle, data feeds coming to StarkNet ecosystem](#)



[BitMEX CEO owns largest GMX holdings – over 200K tokens](#)
[A16z 15M bloc vote against Uniswap BNB Chain deployment raises decentralization concerns](#)
[Decentralized Lending Protocol Centrifuge Accrues \\$6M Unpaid Debt](#)
[Options Automated Market Maker Lyra Deploys to Arbitrum Network](#)
[MakerDAO revenue fell 42% in 2022 amid shrinking crypto lending market](#)

STABLECOINS

[MakerDAO integrates Chainlink oracle to help maintain DAI stability](#)
[Tether’s assets exceed liabilities in new reserves report by BDO](#)
[FTM Soars 35% on the Week as Fantom Preps Stablecoin Relaunch](#)

CRYPTO ECOSYSTEM

[Crypto Super Bowl Advertising Will Be Absent This Year](#)
[Getting rid of crypto staking would be a ‘terrible path’ for the US — Coinbase CEO](#)
[Crypto ATM Provider Coin Cloud Files for Chapter 11 Bankruptcy](#)
[MetaMask adds Onramp.money to streamline crypto purchases in India](#)
[CoinGecko and 21Shares propose global crypto classification standard](#)
[NYU to launch Web3 learning workshop in partnership with Near Protocol](#)
[Chorus One brings MEV protocol to Solana](#)
[‘Multichain future is very clear’ — MetaMask to support all tokens via Snaps](#)
[Barry Silbert's DCG Sells Grayscale Assets to Raise Funds](#)
[Damus to lure in Crypto Twitter with Bitcoin revenue payout option](#)
[Crypto Bank Juno Resumes Services After Pause](#)
[Gemini, Genesis Reach \\$100 Million Agreement Over Earn Program](#)
[‘Decentralized Infura’ may help prevent Ethereum app crashes: Interview](#)
[DeFi Giants Join Forces on Twitter to Promote Decentralization](#)
[Several Buyers Indicate Interest In Hodlnaut: Report](#)
[Genesis unsecured creditors’ committee appointed](#)
[Filecoin’s Protocol Labs lays off one-fifth of staff](#)
[Zodia Custody Teams Up With SBI Digital Asset Holdings to Form Crypto Custodian in Japan](#)

NFTS / GAMING / METAVERSE

[Little Shapes was a ‘social experiment’ to expose NFT botnets: founder](#)
[NFT Market Shows Signs Recovery After Rough Year: Report](#)
[Popular Rihanna Song Offered as NFT With Royalty Sharing Ahead of Super Bowl](#)
[OnChain Monkey NFTs Double in Price After Creators Put Them on Bitcoin](#)
[Ordinal Punks emerge as leading Bitcoin NFT collection](#)
[Was the MetaBirkin Verdict Bad for NFTs, or Just for Knockoffs?](#)
[Bitcoin NFTs Explode in Popularity as BitMEX Research Shows 13,000 Ordinals](#)
[BAYC freezes Dookey Dash leaderboard with nearly \\$73 million in trading volume](#)
[Gamers Are Paying Thousands for High Scores in Yuga Labs' Dookey Dash](#)
[OpenSea Accused of Theft, Negligence and Extortion by User Suing NFT Marketplace for \\$500,000](#)
[ChatGPT.ens domain name sells for over \\$10k](#)

[From \\$8 Mint to \\$4K Flip: Open Edition NFTs Are Reenergizing the Market](#)
[Saudi Arabia, The Sandbox agree to collaborate on metaverse projects](#)
[NFT Market Share Battle Ramps Up Between OpenSea and Blur](#)
[MMA bruiser Jon Jones gets cuddly with cute panda NFTs](#)
[Giannis Antetokounmpo NFT Sells for Record-Breaking \\$187K on Sorare NBA](#)
[Yuga Labs Settles With Ryder Ripps Collaborator in Trademark Suit](#)
[W3E announces a new series of Web3 Esport tournaments](#)
[Bill Murray Walks Into a Members-Only NFT Party: I Thought It Was the 'National Federation of Tennis'](#)
[NFTfi Processes Record Number Of Loans In January](#)
[Web3 Community NounsDAO Is Creating an NFT Comic Book Series](#)

MINING

[CleanSpark 2023 buying spree continues as company seeks to add 50-75MW](#)
[Mississippi Senate passes bill to protect cryptocurrency miners from discrimination](#)
[Abkhazia Police Seize 396 Crypto Mining Rigs in 48 Hours as Electricity Woes Continue](#)
[Bankrupt Crypto Lender BlockFi Takes Two-Thirds Loss to Settle Bitcoin Miner Bitfarms' Debt](#)
[Russian government subsidizes crypto mining facility in Siberia](#)
[Argo Blockchain CEO, Interim Chairman Peter Wall steps down](#)
[Bitcoin Miner Digihost Completes Controversial Power Plant Acquisition, Doubling Energy Capacity](#)
[Kazakhstan's President Signs Legislation to Limit Energy Usage of Crypto Mining](#)
[Cloud Mining Firm BitFuFu to Delay SPAC IPO as Appetite for Crypto Stocks Languishes](#)
[Decentralized Identity Network Space ID Raises \\$10M](#)
[Bitcoin Miner Stronghold Digital Restructures Remaining \\$55M of Debt](#)
[Shares of Bitcoin Miner Hut 8 Slump on Merger With US Bitcoin Corp.](#)
[Riot reports 17K miners offline due to Texas weather](#)

EXCHANGES

[Binance deploys zk-SNARKs on proof-of-reserves system](#)
[Voyager Users Will Need Binance US Accounts to Get Their Money Back](#)
[Su Zhu unveils new OPNX exchange for trading trapped crypto funds](#)
[Binance Seeks Lobbyist as EU Finalizes Crypto Rules](#)
[Binance Is Organizing a Consortium to Try to Rebuild Trust in Crypto: Source](#)
[Crypto Exchange Bitstamp Registers in France](#)
[FTX Lawyers Sullivan & Cromwell Bill \\$7.5M for First 19 Day's Bankruptcy Work](#)
[Kraken's team is flush with IPO talent, even if it's not quite the right time](#)
[FTX Being Advised by Cybersecurity Firm Sygnia on Hack Inquiry, CEO Ray Says](#)
[New FTX CEO Charged Crypto Exchange \\$690K Last Year: Hearing](#)
[Crypto Exchanges Made up 84% of Job Cuts Last Month: CoinGecko](#)
[Crypto Exchange Binance Introduces Tool for Calculating Taxes on Transactions](#)
[FTX Japan Bidding Deadline Extended](#)
[Single whale withdraws over \\$120M in Bitcoin from crypto exchange Gate.io](#)
[FTX Asks Politicians Who Received Bankman-Fried Donations to Return Money](#)
[Justin Sun backs FTX Debt token 'FUD' in possible securities law breach](#)



[TZero to Sunset tZero Crypto App Amid Regulatory Challenges](#)

CAPITAL RAISES

[Coincover secures \\$30M in funding to strengthen digital asset security](#)

[FanDuel Co-Founders Raise \\$4M for Digital Music Collectible Startup Vault](#)

[VRRB Labs raises pre-seed round at \\$20 million valuation as it builds its own Layer 1](#)

[Crypto Lender SALT Raises \\$64.4M to Resume Operations](#)

[Ethereum restaking protocol EigenLayer is raising \\$50 million](#)

INVESTMENT MANAGEMENT

[a16z crypto taps Eddy Lazzarin as new chief tech officer](#)

[Paradigm shift as crypto VC firm names general partners for first time](#)

[Venture crypto investing down 75%, but 'native-VCs' continue staying course](#)

[Grayscale continues to challenge SEC for spot Bitcoin ETF conversion](#)

[Coinshares reports fourth consecutive week of inflows](#)

[Crypto VC Firm Pantera Loses Co-CIO Joey Krug](#)

TRADFI / TECH

[PayPal Held \\$604M of Customers' Crypto as of Year-End 2022](#)

[Microsoft Disbands Industrial Metaverse Project: Report](#)

[90% of BNY Mellon's Institutional Clients are Interested in Digital Assets: Report](#)

[German DekaBank plans to launch tokenization platform by 2024](#)

[Payments provider Affirm to sunset crypto program after 19% staff cut](#)

[Microsoft, Google chatbot frenzy prompts rally in AI, big data tokens](#)

[Dell Joins Hedera Governing Council to Explore Developing Decentralized Applications](#)

[Signature Bank Sued for 'Substantially Facilitating' FTX Comingling](#)

[Digital bank Revolut launches crypto staking for UK and EEA customers: Report](#)

[Visa's crypto strategy targets stablecoin settlements](#)

[Elon Musk Says Twitter Will Share Ad Revenue With Creators](#)

CBDC

[5,000 Merchants in India Now Accept Payments in Digital Rupee: Deputy Governor](#)

[BIS to launch stablecoin monitoring project and up focus on CBDC experiments](#)

[Unpacking India's CBDC Pilots as Country Prepares for Digital Rupee](#)

[Laotian CBDC proof-of-concept project to launch using system pioneered in Cambodia](#)

[UK government and central bank tease CBDC consultation](#)

[Chinese cities gives away \\$26.6M in Digital Yuan to drive adoption](#)

[Kazakhstan's digital currency in pilot stage, per Binance, national bank joint report](#)

REGULATORY / COUNTRIES

[SEC Commissioner Peirce: Kraken Staking Action Not a 'Fair Way of Regulating'](#)

[China to launch national blockchain research center](#)



[Stablecoin Issuer Paxos Faces NYDFS Probe](#)
[IRS Seeks Court Approval to Identify Kraken Crypto Customers](#)
[US authorities allegedly using banks to crack down on crypto – Nic Carter](#)
[Paxos attempts to quash speculation of trouble with the OCC](#)
[Proposed Israeli law to classify crypto as securities will hurt the industry, says crypto exec](#)
[Dubai Prohibits Privacy Coins Like Monero Under New Crypto Rules](#)
[Argentina's National Securities Commission to Set Requirements and Rules for Crypto Companies](#)
[South Korean officials traveled to Serbia to find Do Kwon](#)
[Voyager subpoenas FTX and Alameda execs as judge orders fee examiner](#)
[SEC Directs Examiners to Focus on How US Broker-Dealers Are Pitching Crypto](#)
[US prosecutors seek postponement of fraud charges by CFTC, SEC against SBF](#)
[Former Coinbase product manager pleads guilty in insider trading case](#)
[ConsenSys releases statement of support for continuation of the Jarrett tax case](#)
[SBF lawyers reach agreement on messaging apps usage](#)
[Dubai Mandates Licensing for Crypto Companies as It Sets Out Regulatory Requirements](#)
[Did dYdX violate the law by changing its tokenomics?](#)
[Bank of Italy selectively encouraging DLT, preparing for MiCA, governor says](#)
[Hong Kong Regulator Wants to Beef Up Its Staff Covering Virtual Assets](#)
[Italy Setting Up Crypto Environment That Meets EU's New Laws, Central Bank Governor Says](#)
[Brazil to Grant Prosecutors, Police New Crypto Confiscation Powers](#)
[South Korea broadens rules defining which tokens are securities](#)
[Jack Dorsey-Backed Decentralized Twitter Alternative Damus Banned in China](#)
[US CFTC Chief Promises More 'Precedent-Setting' Crypto Enforcement Cases](#)
[US Senate Banking Committee to Hold 'Crypto Crash' Hearing This Month](#)

ENVIRONMENTAL, SOCIAL, GOVERNANCE

[UK blockchain carbon offset platform raises \\$45M in seed funding](#)
[Binance to support users in Turkey's earthquake region with \\$100 airdrops in BNB tokens](#)
[Global Crypto Industry Pledges Aid to Turkey Following Deadly Earthquakes](#)

SURVEYS, HACKS, MISC

[Bitzlato co-founder released from brief arrest and questioning: Report](#)
[Darknet Revenues Fell After Hydra's Shutdown: Chainalysis](#)
[Robinhood board gives nod to buy Sam Bankman-Fried's \\$578M stake](#)
[Craig Wright loses U.K. case as judge rules Bitcoin file format can't be copyrighted](#)
[FTX debtors can issue subpoenas to company 'insiders,' court says](#)
[3AC Liquidators Ask Judge to Intervene, Say Co-Founder Is 'Withholding Information'](#)
[Sam Bankman-Fried Appeals Judge's Decision to Reveal Names of His \\$250M Bond Backers](#)
['Solver' Hacks CoW Swap](#)
[Uniswap founder denies swindling Balance.io co-founder](#)
[Judge Rejects Request to Ease Restrictions on Sam Bankman-Fried's Communications](#)
[Luxury Rehab Centers Introduce Treatment for Crypto Addiction – Here's Why](#)
[Dingo crypto token flagged as scam over 99% transaction fee backdoor](#)

[FTX-linked townhouse in Washington DC unlisted: Report](#)
[YouTuber baits MMA fighter into secretly shilling fake NFTs for \\$1K](#)
[Sam Bankman-Fried's Emergent Fidelity Technologies Files for Bankruptcy](#)
[Elon Musk cleared in trial over Tesla tweets](#)
[FTX-backed NFT company airing \\$6.5 million Super Bowl commercial](#)
[Craig Wright's UK Case Against 16 Bitcoin Developers to Go to Full Trial](#)
[Balance CEO alleges betrayal at hands of Uniswap founder](#)
[U.S. Trustee Opposes FTX Subpoenas Aimed at Sam-Bankman Fried's Inner Circle](#)

[LINK](#)



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