



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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Contact:

Elizabeth Smith

415.740.6097

DFPI Moves to Suspend BlockFi’s Lending License, Confirms BlockFi No Longer Lending in California

Sacramento – The Department of Financial Protection and Innovation (DFPI) has issued a [notice to suspend](#) BlockFi Lending LLC’s California Financing Law lender license for 30 days pending the Department’s investigation into BlockFi’s recent announcement to limit its platform activity including pausing client withdrawals.

BlockFi’s announcement, made on November 10, 2022, from its Twitter account @BlockFi, acknowledged that it cannot “operate business as usual” given the “lack of clarity on the status of FTX.com, FTX US and Alameda.” The DFPI is investigating BlockFi’s compliance with the laws within the Commissioner’s jurisdiction, including the California Financing Law. The DFPI is also investigating FTX.

BlockFi reports to the DFPI that it has ceased offering loans in California and asks clients not deposit to the BlockFi Wallet or its interest accounts.

In February of 2022, the Commissioner ordered BlockFi to desist and refrain from offering or selling unqualified, non-exempt securities in the form of Blockfi interest accounts in California.

The DFPI takes its oversight responsibility very seriously. We expect any person offering securities, lender, or other financial services provider that operates in California to comply with our financial laws. If you have been impacted by these events, please contact the DFPI online (dfpi.ca.gov/file-a-complaint) or call toll-free at (866) 275-2677.

The DFPI is the agency responsible for administering the state’s lending and banking laws, the recent California Consumer Financial Protection Law and the state’s securities laws, which govern broker dealers, investment advisers, and commodities.

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