

Crypto firm Binance pulls out of Russia

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Binance has taken a severe hit since crypto markets collapsed and regulators began probing the legality of its business.

Cryptocurrency firm Binance said on Wednesday it was selling its Russia business, months after reports suggested US authorities were investigating possible sanctions violations.

Bloomberg reported in May that the US Department of Justice was looking into claims Russians had used Binance to skirt US sanctions imposed over Moscow's invasion of Ukraine.

The firm, which has faced severe regulatory hurdles across the world, has previously denied breaking sanctions but in a statement on Wednesday said it was making a "full exit" from the Russian market.

"As we look toward the future, we recognize that operating in Russia is not compatible with Binance's compliance strategy," chief compliance officer Noah Perlman said in a statement.

The firm said the process would take a year to complete and would involve selling its assets to CommEX, a company that only launched on Tuesday.

Iran controversy

In a message on X, formerly Twitter, reacting to the Binance deal, CommEX said, "A hearty welcome to our new users from Russia and around the world!"

CommEX has a [website](#) and channels on the Telegram messaging app in Russian and English, but its representatives on Telegram deflected questions from users about its ownership and where it was based.

The firm did not immediately respond to an AFP request for comment.

Binance runs crypto exchanges and provides other services across the world but it has taken a severe hit since crypto markets collapsed and regulators began probing the legality of its business.

In November last year, the firm admitted its exchange had "interacted"

with "bad actors" in Iran after Reuters reports alleged it had helped move billions of dollars in defiance of US sanctions.

Binance was founded in 2017 in China by Canadian national Changpeng Zhao but following a crypto crackdown by Beijing, he moved its operations to locations including Singapore, Bahrain, Dubai, Paris and the Cayman Islands.

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