

US reaches over-\$4 billion settlement with world's largest cryptocurrency exchange, AP source says

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The U.S. government has reached a settlement with the world's largest

cryptocurrency exchange worth more than \$4 billion, a person familiar with the agreement told The Associated Press on Wednesday.

The settlement with Binance was confirmed on the condition of anonymity ahead of an expected announcement. The value of the settlement was first reported by Bloomberg.

It comes months after the company was accused of operating as an unregistered securities exchange and violating a slew of U.S. securities laws in a lawsuit from regulators.

Binance is a Cayman Islands limited liability company founded by CEO Changpeng Zhao. The charges were similar to practices uncovered after the collapse of the second largest cryptocurrency exchange, FTX, last year.

Zhao has also faced allegations of diverting customer funds, concealing the fact that the company was commingling billions of dollars in investor assets and sending them to a third party that Zhao also owned.

At the time the U.S. Securities and Exchange Commission filed suit against the [company](#), Binance said that it had been cooperating with the investigation but said that the agency "chose to act unilaterally and litigate."

The cryptocurrency industry has been marred by scandals and market meltdowns. Sam Bankman-Fried, the 31-year-old founder of the failed cryptocurrency brokerage, was convicted earlier this month of fraud for stealing at least \$10 billion from customers and investors.

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