

Netagio restructuring its business



Netagio restructure to launch wealth storage business and close Bitcoin exchange

London, February 16th 2015 - Netagio, the UK Bitcoin, GBP, USD and EUR exchange, today announced a restructuring of its current business with a view to launching a wealth storage business in March 2015.

Netagio will provide physical vault safekeeping options globally, for retail and institutional investors, high net worth individuals and family offices.

Drawing on Netagio's heritage as a trusted storage provider for both gold and Bitcoin and having served as a custodian for Bitcoin funds, Netagio will start offering secure cash storage options for firms and individuals wishing to diversify their savings risk.

Against a backdrop of bank bail-outs, caps on cash withdrawals and concerns surrounding bank malpractices regarding client fund segregation, Netagio will offer customers the opportunity to safeguard their funds in globally located money vaults.

The new Netagio business will continue to operate under the rigorous KYC requirements and transparency obligations it adhered to as an exchange.

As part of the new corporate direction, Netagio will close its Bitcoin, GBP, USD and EUR exchange platform and trading on all order books will be suspended from today, 16th February. This announcement marks the start of a 30 day notice period for its customers to withdraw their funds and close their trading accounts.

The Netagio exchange was set up against analyst and industry practitioners' expectations of growing Bitcoin trading volumes in the UK and Europe, with a concrete plan to establish a trusted Bitcoin marketplace for retail customers and institutional investors with an appetite for opportunity in the cryptocurrency space.

While succeeding in establishing a trusted Bitcoin marketplace, the Bitcoin industry as a whole has experienced a series of setbacks recently, which have led to stagnation in the industry and trading volumes as well as adverse price reaction, in contrast to industry expectations in 2014.

Continuing regulatory uncertainty across global jurisdictions, a lack of a common approach to regulating Bitcoin businesses, the anticompetitive decision by banks to deny Bitcoin businesses a bank account and banking services, as well as IT hacking challenges, have had an adverse impact on the expected growth of the industry trading volumes.

Market share of Bitcoin trading globally continues to mirror Bitcoin adoption stages, with China leading the way with 67%, the US capturing 27% of all Bitcoin trading, the EU following with 2.5% and the UK with a stagnating 0.25%, mostly as a result of a lack of regulatory guidelines and UK banks withdrawing banking support from British Bitcoin businesses.

Simon Hamblin, CEO of Netagio, said: "As with any early stage business, we have kept the business plan under close and constant review. We have worked tirelessly to protect our customers' interests and in response to demand introduced USD and EUR order books, followed by credit / debit card payments options.

<https://assignbuster.com/netagio-restructuring-its-business/>

From the outset we voluntarily subjected ourselves to rigorous external audits and have implemented strict regulatory and compliance requirements (AML and KYC) in order to operate an orderly and transparent Bitcoin market place and contribute to the overall transparency and best practice in the Bitcoin industry.

We are immensely proud of our efforts and achievements to date while facing the reality of a stagnating market place in Europe, in an environment of regulatory and political uncertainty facing Bitcoin businesses.

As experienced Board representatives we recognise when industry winds blow in other directions and it is time to review and restructure.”

Hamblin added: “ We look forward to bringing our experience and established credibility to bear in the new wealth storage venture. At the time when trust in banks is low and potential bank bail-outs across Europe are a reality, the need for alternative ways to safeguard savings is clear, with cash savings significantly on the increase.

Our heritage in gold and Bitcoin storage puts us on the right path to work with our partners to provide highly secure, globally located vaults to fulfil our customers’ cash safekeeping needs”.