

Australian Banks Freeze Accounts of Bitcoin Users

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The Sydney Morning Herald reported that Bitcoin users across Australia are reporting that their accounts have been abruptly frozen by the country's "Big Four" banks. Some users complain that the banks are describing their Bitcoin activities as a "security risk". -GEG

Adding to the pressures on bitcoin early this morning, the [Sydney Morning Herald](#) reported that bitcoin users across Australia are reporting that their accounts have been abruptly frozen by the country's "Big Four" banks. And while the banks have remained largely tight-lipped about the closures, many angry account-holders are jumping to conclusions and blaming the banks for punishing them because of their involvement with bitcoin.

Bitcoin investors are claiming Australia's banks are freezing their accounts and transfers to cryptocurrency exchanges, with a viral tweet slamming the big four and an exchange platform putting a restriction on Australian deposits.

According to the Herald, cryptocurrency trader and Youtuber Alex Saunders called out National Australia Bank, ANZ, the Commonwealth Bank of Australia and Westpac Banking Corporation on Twitter for freezing customer accounts and transfers to four different bitcoin exchanges – CoinJar, CoinSpot, Coinbase and BTC Markets.

In response, some users complained that their activities with the cryptocurrency had still been described as a "security risk" by their financial institutions.

While not every bank had explicit policies governing their relationship with

cryptocurrencies, according to the Morning Herald, Commonwealth Bank's June 2017 terms and conditions for CommBiz accounts specifically excludes this activity, saying it can refuse to process an international money transfer or an international cash management transaction "because the destination account previously has been connected to a fraud or an attempted fraudulent transaction or is an account used to facilitate payments to Bitcoins or similar virtual currency payment services".

A Commonwealth Bank spokesman said it was receptive to innovation in alternative currencies and payment systems "however, we do not currently use or recommend any existing virtual currencies as we do not believe they have yet met a minimum standard of regulation, reliability, and reputation compared to other currencies that we offer to our customers".

"Our customers can interact with these currencies as long as they comply with our terms and conditions and all relevant legal obligations," he said.

One Twitter user, Michaela Juric, who is known on twitter as Bitcoin Babe, said she had business accounts closed by 30 banks and posted a picture of a letter from ANZ, saying it was closing her accounts effective 30 January 2018 in accordance with its terms and conditions.

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