

## Cadwalader Partners Featured in Recent Press

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Cadwalader partners Mercedes Kelley Tunstall and Peter Malyshev recently spoke with *Wired* and *Bloomberg*, respectively, about the evolving relationship between banks, cryptocurrency, and financial regulations.

Cadwalader partner **Mercedes Kelley Tunstall** spoke with *Wired* about the complicated relationship between banks and #crypto in an article, "Chokepoint 2.0: An Investigation Promises the Truth About Crypto's Biggest Conspiracy," published February 18.

In the crypto space, it can be very difficult to obtain ordinary financial services from banks. Many crypto companies have reported having a hard time finding a bank willing to even open a checking account for them. This problem has led to many in the industry claiming that there is a conspiracy by the federal government to cut the crypto industry out of the banking system.

While most agree that banks are reluctant to do business with crypto-related organizations, experts have offered other explanations for the phenomenon.

"I don't believe that there was any conspiracy," said Mercedes. "You've got a real concern about money laundering, fraud, and terrorist financing occurring with cryptocurrency."

After FTX collapsed **amid allegations of fraud**, said Mercedes, the banks had particular reason for limiting the number of crypto clients they worked with: Both to protect themselves from the reputational risk associated with providing services to a company later revealed to be fraudulent and the operational risk tied to the possibility that other crypto businesses might become casualties **in the FTX fallout**.

"The banking industry is very gossipy," she said. "I think there was maybe a crowd mentality driving [the unwillingness to work with crypto businesses] but not anything more nefarious than that."

Read the full article [here](#).

Cadwalader partner [Peter Malyshev](#) spoke with *Bloomberg* about cryptocurrency exchange Crypto.com inviting its U.S. users to “trade their own prediction” on sports events, including who would win the Super Bowl.

By adding markets for “yes” or “no” positions on the outcome of the NFL playoffs and college football bowl games, these swaps contracts appear to look and function like online sports betting, a characterization Crypto.com disputes.

While such hypothetical uses for sports swaps do exist, they are rare. “How many hot dog vendors will be buying and selling futures?” asked Peter.

Read it [here](#).