

Xapo Private Bank becomes world's first licensed bank to enable tether deposits and withdrawals

Issued by [Xapo Bank](#)

5 Jun 2023

Crypto enthusiasts celebrate the possibilities of USDT payment rails.



Seamus Rocca, CEO at Xapo Bank

[Xapo Private Bank](#), the fully licensed private bank that combines traditional banking with access to Bitcoin and stablecoins, has become the first bank in the world to integrate Tether ([USDT](#)) payment rails. Beginning with a phased rollout, the payment rails will be fully available to all members by the end of May. Building on its existing [USDC rails](#) that were launched in March, the bank is now enabling members to leverage the world's most widely adopted stablecoin for payments as an alternative to time consuming and costly SWIFT rails.

“ Xapo Bank is the only regulated bank in the world which offers a USD account with stablecoin rails. ”

– Seamus Rocca, CEO of Xapo Bank

With a market cap of \$82bn, USDT is the world's most used stablecoin, and one of the most traded cryptocurrencies by volume, having pioneered the digital dollar concept. It empowers growing ventures and innovation throughout the blockchain space, providing a quicker and more efficient way for millions of people across the globe to send and receive money for remittances and other payments. It is also particularly [popular](#) in emerging markets that are suffering from hyperinflation and economic uncertainty.

Xapo Private Bank has seen a strong appetite for the efficiency of stablecoin deposits and withdrawals amongst its members, many of whom are based in emerging markets. Since enabling USDC deposits in November it has received \$48m in USDC deposits, and enabled \$4.5m in USDC withdrawal since the function went live in March. It has also experienced an 19% increase in member onboarding requests since the USDC withdrawal function went live in March.

By allowing members to deposit and withdraw using USDT with no fees charged, Xapo Private Bank is bringing its attractive

4.1% annual interest rate return on deposits to the attention of a new cohort of potential members who are looking for an alternative to Swift payments. Similarly to its USDC offering, Xapo Private Bank is offering a 1:1 conversion rate from USDT to USD. All USDT deposits received by Xapo Bank are automatically converted to USD, meaning that members can benefit from a 4.1% annual interest rate on USD deposits.



The crypto exchange graveyard and why regulation is essential

Xapo Bank 30 May 2023



A fully licensed and regulated bank, Xapo Private Bank is a member of the Gibraltar Deposit Guarantee Scheme, meaning that Xapo Bank guarantees its members' USD deposits up to the US dollar equivalent of €100,000. Xapo Private Bank does not take any risks with deposits received using USDT. All such deposits are automatically converted to USD and deposited into the member's account. Unlike traditional banks, Xapo Private Bank does not lend and therefore does not rely on fractional reserve banking to make money as its core business model. Instead, it has all its customers' funds in reserve and invested in short term liquid assets in order to pass the benefit of that interest earned, to its customers.

[Seamus Rocca](#), CEO of Xapo Bank said: "Xapo Bank is the only regulated bank in the world which offers a USD account with stablecoin rails. This is a unique offering that combines the compliance and safety of a traditional bank, with the speed, efficiency and breadth of use of USDT. By growing our payment rail options, we are committed to eliminating the timely and often expensive deposit and withdrawal processes into regular banks. We are empowering our members to grow their wealth and access and spend it in a seamless manner."

Xapo Private Bank is constantly striving to grow its payment rails options, offering members additional currency choices managed with the security of a fully-regulated Bank. Reflecting this, in addition to the USDC and USDT payment rails, Xapo Bank previously integrated with the [Faster Payment System \(FPS\)](#) to activate support for GBP settlement for account deposits and withdrawals. It also announced an integration with Bitcoin's Lightning Network, in collaboration with Lightspark, earlier this month.

To learn more about Xapo Bank visit: <https://www.xapo.com/>

- " **Xapo Bank launches euro payment rails, expanding integrated offering for crypto and retail banking** 12 Jun 2023
- " **Xapo Private Bank becomes world's first licensed bank to enable tether deposits and withdrawals** 5 Jun 2023
- " **The crypto exchange graveyard and why regulation is essential** 30 May 2023
- " **More crypto-savvy Africans seek financial safety in Gibraltar** 13 Apr 2023
- " **Xapo Bank becomes the first fully licensed bank to enable USDC deposits and withdrawals** 24 Mar 2023

Xapo Bank



Xapo Private Bank is a leading Bitcoin custodian and a fully licensed private bank. Founded in 2013, Xapo Private Bank is considered one of the most trusted Bitcoin custodians in the industry. Now a crypto-friendly bank, Xapo Private Bank is the first fully licensed bank to enable members to transact in both USD and USDC through one secure, simple and user-centric app. Both Xapo Private Bank and Xapo VASP are regulated by the Gibraltar Financial Services Commission.

[Profile](#) | [News](#) | [Contact](#) | [Twitter](#) | [Facebook](#) | [RSS Feed](#)