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**FIDELITY DIGITAL ASSETSSM ADDS COLLATERAL AGENT CAPABILITIES,
WILL CUSTODY BITCOIN PLEDGED ON LOANS FINANCED BY BLOCKFI**

New capability brings capital efficiency to institutional clients who can now access risk-managed cash borrowing while maintaining unparalleled asset security

BOSTON, December 10, 2020 -- Fidelity Digital AssetsSM today announced a new offering that enables clients on Fidelity's institutional-grade digital assets custody platform to pledge bitcoin as collateral in a transaction. The new capability marks Fidelity's entrance into the digital asset financing space, strengthening and broadening [Fidelity Digital Assets'](#) existing custody offering, which remains integrated with a trade execution venue for customer liquidity needs. In conjunction with the launch of the collateral agent capability, [BlockFi](#), a leading cryptocurrency lending platform and a CME Bitcoin Futures Block Liquidity Provider, will begin to offer its institutional customers the option to custody bitcoin pledged as collateral in their cash loans on Fidelity's platform. Fidelity Digital Assets continues to build out its offering to include more of the services that institutions have come to expect from traditional asset classes, sparking new growth opportunities that prompted a recently announced [hiring initiative](#).

"We continue to see demand for increased capital efficiency from institutions that maintain long bitcoin positions, and with this collateral agent capability, our customers seeking that efficiency can access more opportunity with the capital that they trust us to keep safe," said Christine Sandler, head of Sales and Marketing for Fidelity Digital Assets. "For Fidelity Digital Assets, this is an exciting first step into supporting the thriving lending market for digital assets and deepens our relationships within the digital assets ecosystem with leading firms like BlockFi which allows us to provide even more institutional-grade solutions to investors in this space."

“We're thrilled to be collaborating with Fidelity Digital Assets to help facilitate capital efficiency within their robust digital asset management platform,” said Zac Prince, CEO and founder of BlockFi. “Having an ability to finance positions is a critical component of financial services infrastructure and this collaboration reflects an exciting development for the digital asset ecosystem.”

Demand for Digital Assets Continues to Grow among Institutional Investors

Marrying risk-managed loan agreements with best-in-class custody furthers the opportunities for institutions to enter and grow within the digital asset market. According to Fidelity’s research¹, there has been increased institutional appeal in and adoption of digital assets, with [36% of institutions surveyed invested in the asset class and more than 6 in 10 investors highlighting digital assets have a place in portfolios](#). Driven by public support for the asset class by notable institutional investors and corporate treasurers, as well as bitcoin’s year-to-date price performance increasing upward by over 150%², Fidelity Digital Assets expects continued growth in demand for bitcoin financing solutions. This surge in institutional investor interest comes at a time of significant monetary and fiscal stimulus and unprecedented policy decisions triggered by the recent worldwide pandemic and an investor search for an uncorrelated store of value asset with upside potential, as highlighted in a recent [Investment Thesis report](#) by Fidelity Digital Assets.

“The business and market momentum we’ve seen this year have reinforced our belief that institutional investors are looking for a more comprehensive offering in the digital assets space, and we look forward to continuing to evolve our platform to meet their needs and deliver even greater value to our clients,” said Sandler.

Fidelity has been working for years to develop a blockchain ecosystem, with a heavy focus on research and development and the goal of becoming a holistic solutions provider in the digital assets space. For more information about Fidelity Digital Assets’ offering, please visit <http://fidelitydigitalassets.com>.

About Fidelity Digital Assets

Fidelity Digital Assets offers a full-service enterprise-grade platform for securing, trading and supporting digital assets. A business of Fidelity Investments, one of the world’s largest and most diversified financial services providers with more than \$8.7 trillion in client assets under administration, Fidelity Digital Assets combines the operational and technical capabilities of the broader Fidelity

¹ *The Institutional Investors Digital Asset Survey: 2020 Review*. Greenwich Associates conducted the blind survey on behalf of Fidelity Digital Assets, Fidelity Center for Applied Technology and Fidelity Consulting from November 18th, 2019 to March 6th, 2020, including interviews with 774 institutional investors. 393 respondents were based in the U.S. and 381 respondents were based in Europe.

² *BTC Pricing Data Source: CoinMetrics. Pricing data quoted as of 12/08/2020.*

organization with dedicated blockchain expertise to deliver a completely new offering for institutional investors. Learn more at <http://fidelitydigitalassets.com>.

Fidelity Digital Asset Services, LLC NMLS ID#1773897

About Fidelity Investments

Fidelity's mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$8.7 trillion, including discretionary assets of \$3.4 trillion as of October 31, 2020, we focus on meeting the unique needs of a diverse set of customers: helping more than 32 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 institutions with investment and technology solutions to invest their own clients' money. Privately held for more than 70 years, Fidelity employs more than 47,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about-fidelity/our-company>.

About BlockFi

Founded in 2017 by Zac Prince and Flori Marquez, BlockFi was created with the goal of providing credit services to markets with limited access to financial products. Bridging the gap between the worlds of traditional finance and blockchain technology, BlockFi Institutional Services provides lending and borrowing of cryptocurrencies, stablecoins, and US dollars, powered by our retail cryptocurrency balance. We can customize our lending products for each client's specific business strategy, and are constantly evolving our services to address any future needs that might arise. BlockFi is backed by leading institutional investors and operates with a focus on compliance with U.S. laws and regulations. Digital currency is not legal tender, is not backed by the government, and crypto interest accounts are not subject to FDIC or SIPC protections. This press release is not a commitment to make a loan and loans may be subject to credit approval. Loan products and services are subject to change. Learn more at BlockFi.com.

BlockFi Lending LLC NMLS ID#1737520 | BlockFi Trading LLC NMLS ID#1873137

BlockFi and Fidelity Investments are independent entities and are not legally affiliated.

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Digital assets are speculative and highly volatile, can become illiquid at any time, and are for investors with a high risk tolerance. Investors in digital assets could lose the entire value of their investment.

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