

THE DIGITAL ASSETS EDGE

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DTCC LAUNCHES DTCC DIGITAL ASSETS SOLUTIONS

Following regulatory authorisation in December, The Depository Trust & Clearing Corporation (DTCC) has launched a new business line — DTCC Digital Assets Solutions — to tokenise real world DTC custodied assets.

According to DTCC, this step reflects growing client interest in tokenisation and builds upon the work of DTCC Digital Assets, which remains at the forefront of developing digital financial market infrastructure.

Together, the two businesses will partner to strengthen DTCC's leadership role as a bridge between traditional market infrastructure and emerging digital asset ecosystems.

DTCC Digital Asset Solutions will sit within Clearing & Securities Services, which includes three clearing agency subsidiaries and is led by Brian Steele, and specifically under the firm's Equities portfolio, led by Val Wotton. It will be responsible for developing and driving DTCC's strategy to tokenise DTC custodied assets. In doing so, it will create a wide range of innovative solutions that are connected to existing DTCC assets and services. To ensure maximum impact, the business will leverage technology created by DTCC Digital Assets to deliver offerings that are integrated with DTCC's existing infrastructure and risk framework.

Tom Sullivan, who has more than 20 years of experience in securities and banking with a focus on operations and innovation, will lead DTCC Digital Asset Solutions.

DTCC Digital Assets, under the leadership of Nadine Chakar, will continue its work with digital technologies and co-creating

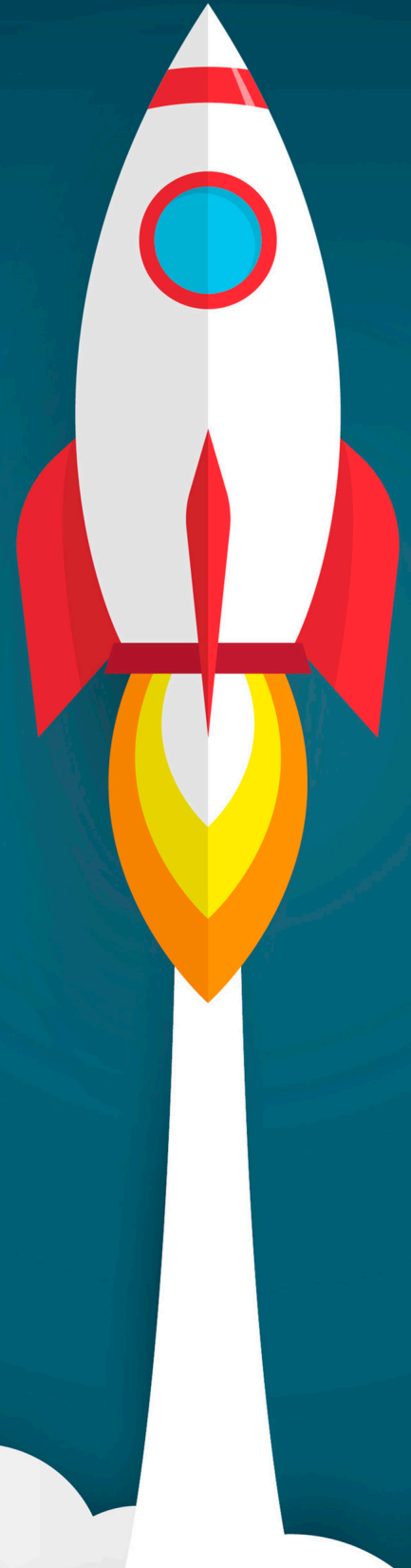
technology-driven platforms with the industry, building upon its previous work developing solutions such as DTCC ComposerX, DTCC LaunchPad, and Collateral AppChain in a Web3 digital ecosystem.

DTCC Digital Assets will also continue to focus on developing and enhancing its ComposerX platform in support of the industry, which will enable clients to leverage the same infrastructure used by DTCC.

To support the development of DTCC Digital Asset Solutions offerings and ensure close alignment with industry needs, the firm is establishing the Digital Assets Solutions Advisory Council, which will launch in the second quarter of 2026. The council will primarily be composed of senior business leaders from client firms and will be focused on business level requirements, product prioritisation, and client readiness related specifically to DTCC Digital Assets Solutions offerings and DTC digital initiatives, including the new tokenisation service.

In the interim, the current Early User Working Group, which was formed late last year to focus on certain use cases, will continue to operate but will be folded under the new Digital Assets Solutions Advisory Council ahead of its first meeting at the end of April.

The mandate of the already-established Digital Assets Advisory Council, which is aligned to DTCC Digital Assets, will continue to focus broadly on digital asset infrastructure, innovation, and curating a Web3 ecosystem, while championing interoperability, partnerships, and standards across the industry. The two councils will collaborate closely to ensure strategic alignment.





06 News Focus

TON Foundation partners with SCRYPT

09 News Focus

Swiss banks launch CHF stablecoin sandbox

11 News Focus

Transcend connects to Canton Network

08 News Focus

Apex Group to expand digital asset servicing capabilities

10 News Focus

Broadridge live with onchain governance

14 Cayman Islands

David Lloyd of CV5 Capital, considers how institutional capital will not be unlocked by technological novelty alone, but by the development of robust, regulator-aligned infrastructure



18



26



36



22



30



37

18 Digital Bonds

The tokenised bond market remains small, but the motives and methods of corporate and sovereign issuers are markedly different. Karl Loomes examines these two paths

26 Tokenisation

Zarah Choudhary explores whether digital-native settlement represents incremental enhancement or the beginning of structural redesign across Europe's post-trade ecosystem

36 People Moves

Rapatz joins DAAA board

22 Interview

Hansa Tote sits down with Ami Ben-David, founder and CEO of Ownera, to talk about current trends, what sets the firm apart, and the tokenisation journey

30 US Regulation

Tahlia Kraefft examines Washington's crypto supervisory shift, and the wider effort to integrate digital assets into the traditional financial regulatory system

37 People Moves

Securitize appoints Redfearn as President



TON FOUNDATION PARTNERS WITH SCRYPT

The Open Network (TON) Foundation, a non-profit organisation supporting the development of TON Blockchain, is partnering with SCRYPT, one of Switzerland's stablecoin infrastructure partners, to provide businesses with institutional-grade infrastructure to access USDT on the TON Blockchain.

TON Foundation says that it has selected SCRYPT as its institutional infrastructure partner to meet the increasing demand of stablecoins as the settlement layer of choice for global payments, ecosystem distribution, and treasury operations.

SCRYPT will provide execution, settlement, and fiat access in a move that helps TON Foundation further position TON Blockchain as a scalable alternative to existing settlement networks, the firm adds.

SCRYPT — the operating system for digital assets — enables banks, fintechs, payment providers, and corporate treasuries to access USDT on TON through a single, Swiss-licensed regulated platform.

This includes near-instant cross-border settlement, fiat conversions, and fully compliant 24/7 on/off ramps.

According to SCRYPT, by combining deep liquidity, proprietary technology, and Swiss regulatory oversight, it enables institutional clients to move, convert, and settle USDT flows on TON Blockchain at scale.

Nikola Plecas, vice president of payments at TON Foundation, comments: "We've put payments innovation at the centre of our strategy for growth this year. We believe this is a key area in demonstrating how

blockchain can power real-world financial infrastructure beyond tokenisation.

"This partnership enables that next phase, bringing more and more institutions into the TON ecosystem and making the global movement of money ever more decentralised and seamless."

Gabriel Titopoulos, managing director of markets and trading at SCRYPT, adds: "Stablecoin rails are becoming the settlement layer for global payments.

"This partnership enables banks, payment operators, fintechs, and corporate treasuries to access stablecoins on TON with the trusted digital asset infrastructure partner, handling execution, settlement, custody, and fiat conversions at institutional scale."

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APEX GROUP TO EXPAND DIGITAL ASSET SERVICING CAPABILITIES

Apex Group is expanding its digital asset servicing capabilities through a new collaboration between the European Depository Bank (EDB) and Zodia Custody.

The firm says that the initiative — subject to the relevant regulatory approvals for EDB across Luxembourg (Commission de Surveillance du Secteur Financier), Ireland (Central Bank of Ireland), and Malta (Malta Financial Services Authority) — will support the development of a trusted digital sub-custody service to meet growing client demand for secure and compliant access to digital assets.

The firms add that the planned collaboration strengthens Apex Group's digital asset strategy by anchoring its future offering in secure digital custody and supports EDB's work to secure the permissions required to act as a digital asset custodian.

Once integrated, Zodia Custody's platform and Apex Group's depository and administration services will allow clients to access digital assets through a single, integrated provider, aiming at reducing operational complexity, accelerating time to market, and enabling institutions to extend digital asset services.

David Rhydderch, global head of Financial Solutions at Apex Group, comments: "Our clients want access to digital assets in a way that is secure, transparent and aligned with regulatory expectations.

"Zodia Custody brings an institutional standard of custody that complements our model and supports the service we aim to build.

"This planned collaboration positions us to support clients as the digital asset market moves further into a regulated environment."

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Swiss banks launch CHF stablecoin sandbox

UBS, PostFinance, Sygnum, Raiffeisen, Zürcher Kantonalbank, BCV, and Swiss Stablecoin are collaborating to test select use cases for a Swiss franc in a secure digital live environment.

The initiative aims to address the lack of a regulated CHF stablecoin with broad application in Switzerland. The participants intend to support the development of a Swiss ecosystem for digital money, build new capabilities for handling digital payment methods, and gain practical insights.

The companies working on the sandbox are jointly developing an initial list of potential use cases, with the technical infrastructure set to be provided by Swiss Stablecoin.

The initiative will be conducted in 2026, open to interested banks, companies, and institutions wanting to contribute to the development of a CHF stablecoin.



N3XT and Zodia Markets partner

N3XT, a blockchain-powered narrow bank, has partnered with Zodia Markets, an institutional digital asset platform, to offer real-time US dollar settlement to Zodia Markets' clients.

The initiative will allow hedge funds, trading firms, and asset managers, among others, to transfer dollar-denominated stablecoins, such as USDC and USDT, and settle into US dollars through N3XT.

The combination of N3XT's regulated banking infrastructure with Zodia Markets' institutional-grade trading platform intends to bridge the gap between digital asset transactions and fiat settlement, according to the firms.

Speaking on the partnership, Jeffrey Wallis, president and CEO of N3XT, says: "Modern financial infrastructure

can no longer depend on traditional banking hours.

"Our partnership with Zodia Markets brings continuous, regulated US dollar settlement into an environment where participants operate around the clock."

Interim CEO of Zodia Markets, Nick Philpott, adds: "By working with N3XT, we enable continuous US dollar payment capabilities within our ecosystem, improving liquidity management and operational efficiency while maintaining a secure and regulated framework."

For Zodia Markets clients operating across TradFi and digital asset markets, the offering is now available, with N3XT services initially accessed via a secure portal, alongside API connectivity planned for later in 2026.

BROADRIDGE LIVE WITH ONCHAIN GOVERNANCE

Broadridge Financial Solutions has announced the extension of its governance platform to support digital assets. This new capability enables public companies, funds, broker-dealers, wealth managers, and retail and institutional investors to manage proxy voting, corporate actions, and disclosures across both traditional and tokenised securities within their existing platforms and workflows.

Galaxy, a provider of digital assets and AI infrastructure, will utilise Broadridge's platform for its upcoming annual meeting and shareholder vote in May, marking a

step in the adoption of digital assets within public markets.

The platform introduces corporate actions for tokenised assets, starting with proxy voting, which will be recorded on Broadridge's Avalanche based L1 chain and then distributed across multiple blockchains.

Integrating Broadridge's ProxyVote platform into digital wallets, investors can receive materials, confirm their holdings and submit votes, all with a transparent and verifiable record.

To simplify the annual meeting process for public companies issuing tokenised shares alongside traditional shares, Broadridge's solution consolidates voting across registered, beneficial, and tokenised holdings into a single view for issuers.

The platform is designed to support all forms of tokenisation, including both issued-sponsored tokenised securities and third-party-sponsored tokenised securities, ensuring compatibility with evolving market models.





Ctrl Alt secures FCA authorisation

Tokenisation infrastructure provider and operator in digital capital markets, Ctrl Alt, has received direct authorisation from the UK's Financial Conduct Authority (FCA).

The approval enables Ctrl Alt to provide regulated investment services, reinforcing its position in the UK market and supporting the continued expansion of its tokenisation capabilities.

The authorisation places Ctrl Alt, a subsidiary of Alt, on the FCA's register under the UK framework for investment firms.

Operating under its own regulatory permissions allows the firm to expand its digital capital markets services, supporting the end-to-end lifecycle of tokenised assets.

Previously operating as an Appointed Representative, Ctrl Alt has now secured its own direct FCA authorisation, enabling the firm to operate independently under its own regulatory permissions and oversight.

The FCA approval comes amid Ctrl Alt's participation in initiatives led by the Bank of England, including the Digital Securities Sandbox and the Synchronisation Lab.



Transcend connects to Canton Network

Transcend Street Solutions, a collateral and liquidity optimisation technology, has connected to Canton Network to enable real-time mobility of tokenised assets. According to Transcend, it is the only collateral platform that can connect its clients to an entire ecosystem of more than 45 central counterparties (CCPs), five triparty agents, and now distributed ledger technology (DLT) networks like Canton.

The service supports clients' ability to move collateral and cash instantly and optimally, across counterparties and markets, using a combination of traditional and tokenised assets.

Transcend is also building connectors from Canton nodes to clients' existing internal systems, with two-way APIs to translate DeFi to and from TradFi. In addition, Transcend is building a node-as-a-service on Canton and the translation software for clients' internal systems to communicate with the DeFi Nodes — starting with Canton and extending to other DLT platforms.

Transcend says that this development extends its role as a central orchestration layer for collateral and liquidity, enabling clients to incorporate tokenised assets into existing workflows without disrupting current operating models.



Relm licensed by Dubai's VARA

XBASE Virtual Assets Broker & Dealer Services, a licensed UAE-based virtual asset service provider operating as Relm, has received its full Virtual Asset Service Provider (VASP) licence from Dubai's Virtual Assets Regulatory Authority (VARA).

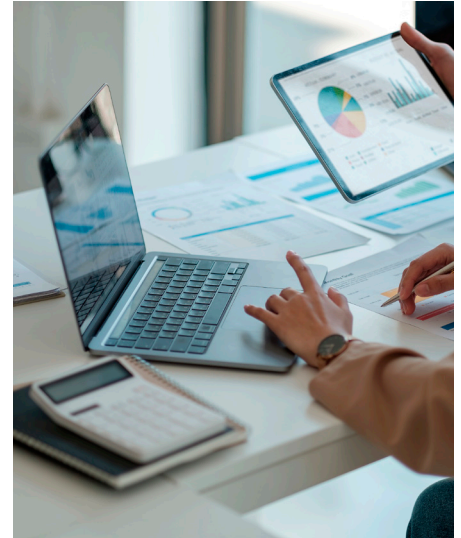
The licensing follows the firm's prior In-Principle Approval, and means it met the regulatory, governance, risk, and operational requirements under VARA's framework. Relm will now be able to onboard clients and begin its regulated operations in Dubai.

The company's offering will focus on OTC crypto trading, broker-dealer

services, and enterprise-grade digital asset execution for clients seeking compliant exposure to digital assets and crypto-native liquidity.

Commenting on the licensing, Zeeshan Uppal, CEO at Relm UAE, says: "Receiving our full VARA VASP license is a major milestone for Relm and a clear validation of our compliance-first approach.

"This licence allows Relm to support enterprises, corporations, funds, and family offices with secure, transparent, and institution-grade access to digital asset markets, without regulatory uncertainty."



Komainu onboards with FundBank

Komainu, an institutional gateway for digital assets, has onboarded with FundBank, a global institutional banking provider to the asset management industry.

The FundBank banking platform will allow Komainu clients to benefit from fiat on and off-ramping capabilities, enabling more efficient funding, settlement, and treasury operations.

The offering is designed to support institutional workflows while maintaining Komainu's standards of security, governance and regulatory compliance.

The on and off-ramping services will be available immediately to eligible institutional clients, subject to regulatory requirements.

Darren Jordan, chief commercial officer, Komainu, notes: "Institutional clients need frictionless movement between fiat and digital assets. FundBank's banking capabilities allow us to further enhance our platform with robust on and off-ramping capabilities, while maintaining the security, compliance and operational standards our clients expect." ■



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THE INSTITUTIONALISATION OF TOKENISED FUNDS

Why infrastructure, not innovation, will win

David Lloyd, CEO of CV5 Capital, considers how institutional capital will not be unlocked by technological novelty alone, but by the development of robust, regulator-aligned infrastructure that meets the governance, custody, and compliance standards investors require

The digital asset industry has spent the better part of a decade focused on innovation. New protocols, new token models and new approaches to decentralised finance have each been positioned as the development that would finally bring institutional capital into the space at scale. That capital has not arrived as anticipated. The reason is not a lack of opportunity or interest. It is the persistent absence of the institutional-grade infrastructure that professional allocators require before they will deploy.

As digital assets mature, this reality must be confronted directly. The managers and platforms that succeed in the coming decade will not be those who innovate fastest; they will be those who build most durably. Nowhere is this tension more clearly illustrated than in the evolution of tokenised funds and nowhere has the infrastructure argument been more decisively validated than in the Cayman Islands, whose comprehensive statutory framework for tokenised fund structures came into force on 24 March 2026.

Tokenisation is a layer, not a solution

Tokenisation has long been framed as an endpoint: the digitisation of assets enabling fractional ownership, continuous liquidity, and frictionless transferability. The proposition is intellectually compelling, but operationally incomplete. What tokenisation addresses is the representation of ownership. What it does not address, in isolation, is governance, custody, regulatory compliance, or investor protection. These are not secondary considerations; they are the preconditions under which institutional capital is deployed. A token may represent an asset. It does not guarantee the enforceability of rights across jurisdictions, assure proper valuation or ensure that the underlying structure aligns with the regulatory frameworks within which institutional allocators operate.

Without those elements, tokenisation remains a technical feature layered over an otherwise fragile structure.

What institutions actually require

Institutional investors do not deploy capital on the basis of innovation alone. Pension funds, sovereign wealth funds, endowments, and large family offices allocate on the basis of certainty, control, and governance. The institutional checklist is consistent regardless of asset class: clarity on legal ownership and the rights it confers; independent valuation and reporting; segregation and protection of assets; compliance and anti-money laundering (AML) frameworks; and credible regulatory oversight from a recognised authority.

These requirements do not diminish because the instrument is digital. The novelty of the asset class often raises the bar further. Tokenised funds must therefore be integrated into the institutional framework rather than positioned as a replacement for it. Technology should enhance efficiency and transparency; it cannot substitute for the underlying architecture that institutions depend on to meet their own fiduciary obligations.

The Cayman legislative breakthrough

Jurisdictional choice plays a determinative role in enabling tokenised funds to meet institutional standards, and no development in 2026 illustrates this more clearly than the statutory framework for tokenised fund structures introduced by the Cayman Islands Government. Three coordinated pieces of legislation came into force simultaneously on 24 March 2026: the Mutual Funds (Amendment) Act, 2026; the Private Funds (Amendment) Act, 2026; and the Virtual Asset (Service Providers) (Amendment) Act, 2026. To understand the significance of this framework, it is necessary to understand the problem it resolved.

“Jurisdictional choice plays a determinative role in enabling tokenised funds to meet institutional standards, and no development in 2026 illustrates this more clearly than the statutory framework for tokenised fund structures”

The regulatory ambiguity problem

The Cayman Islands has operated a virtual asset regulatory regime since the introduction of the Virtual Asset (Service Providers) Act (the VASP Act), which established a registration and licensing framework for entities engaged in virtual asset business. The VASP Act defines “virtual asset issuance” broadly. As tokenisation of fund interests gained traction, a material question arose: did the issuance of digital tokens representing interests in a regulated Cayman fund constitute a virtual asset issuance under the VASP Act?

If the answer was yes, the implications were significant. Fund managers would face dual regulatory obligations: registration and oversight under both the VASP Act and either the Mutual Funds Act or the Private Funds Act.

That dual burden would introduce higher compliance costs, greater operational complexity and, critically, uncertainty about which regulatory framework governed the fund.

For institutional investors evaluating a tokenised fund, this ambiguity was a material obstacle.

In practice, it deterred high-quality tokenised fund launches in Cayman and suppressed a market the jurisdiction was well-placed to lead.

The May 2025 amendment

The legislative response came in stages. In May 2025, an initial amendment to the VASP Act revised the definition of “issuance of virtual assets” to exclude two specific categories: equity interests as defined under the Mutual Funds Act, and investment interests as defined under the Private Funds Act.

This was the first concrete signal that the Cayman Islands Government and Cayman Islands Monetary Authority (CIMA) had concluded that tokenised fund interests belong within the funds regulatory framework, not the virtual asset regime. It addressed the immediate legal uncertainty, but the broader operational framework for tokenised funds still required development.

The full framework

Following the May 2025 amendment, the government published a consultation paper alongside further Amendment Bills, seeking industry input through September 2025. The bills addressed how the Mutual Funds Act and Private Funds Act should be updated to expressly accommodate tokenised structures and govern their operation. The framework that entered into force on 24 March 2026 operates on several interconnected levels.

The Mutual Funds (Amendment) Act, 2026 and Private Funds (Amendment) Act, 2026 introduce express statutory provisions for tokenised funds, defined as mutual funds with equity interests represented by digital equity tokens and private funds with investment interests represented by digital investment tokens respectively. Tokenisation is expressly treated as a technological overlay rather than a new category of regulated fund. Tokenised funds remain subject to exactly the same regulatory regime as their traditional counterparts. The legal register of interests continues to constitute the authoritative record of ownership; the token is the representation, not the record.

The Virtual Asset (Service Providers) (Amendment) Act, 2026 provides the corresponding clarification on the VASP side: the issuance, transfer or redemption of tokenised fund interests by regulated funds does not constitute a virtual asset issuance under the VASP Act, and no VASP approval or registration is required solely by virtue of a fund issuing tokenised interests.

One boundary is clearly maintained. Tokenised funds that provide virtual asset services to third parties, such as exchange, custody or transfer services offered externally, remain fully subject to the VASP Act. The carve-out applies to the issuance of fund interests in token form; it does not create a broad exemption for funds operating as virtual asset service businesses.

Key operational provisions

The framework introduces several targeted obligations that reflect the specific characteristics of digitally represented interests. Offering documents must include disclosures addressing token-specific risks, including cybersecurity, transferability and operational technology risks, along with the measures in place to address them. Token transfers are subject to a significant restriction: interests may only be transferred with the consent of the fund's operator, whether its board of directors, general partner or trustee.

This preserves the operator's control over the investor base and supports ongoing regulatory compliance.

CIMA's supervisory powers have been expressly extended to cover inspections of the underlying technology and token transactions. A new registration pathway allows funds to register with CIMA as tokenised funds alongside their existing licensing. Perhaps the most operationally significant provision is retrospective effect.

Structures that issued tokenised fund interests before the legislation commenced, and therefore operated in the regulatory grey area that had existed, are brought within the new framework without being treated as non-compliant. This is an unusual legislative provision and a deliberate policy choice to provide certainty to those who had structured their arrangements in good faith.

The overall effect is to place tokenised fund structures definitively within a regulatory perimeter that institutional investors already understand. CIMA regulates the fund. The token is the mechanism of representation. The legal, governance and investor protection standards are those of the established fund regulatory framework, backed by a regulator with a decades-long track record of international recognition.

The platform model

As the operational complexity of digital asset funds increases, the platform manager model is gaining traction.

Rather than each fund constructing its own governance, compliance, and administrative infrastructure independently, the platform model provides a shared institutional foundation across multiple strategies and managers. Infrastructure costs that would be prohibitive for an emerging manager in isolation become manageable when distributed across a platform.

Governance standards that would take months to build from scratch are available from day one.

For tokenised funds specifically, the new Cayman framework introduces concrete operational requirements: token-specific risk disclosures, transfer consent mechanisms, technology audit readiness and CIMA notification obligations. A manager launching a tokenised fund onto a platform that already has these systems in place is materially better positioned than one building them independently while simultaneously running a fund and raising capital.

Conclusion

The digital asset industry is entering a phase in which what is technologically possible must be matched by what is institutionally sustainable. Tokenisation offers genuine efficiency and transparency benefits within the right structural context. The Cayman Islands has now confirmed, in statute, that those benefits can be accessed within a regulatory perimeter that institutional capital already accepts.

The infrastructure is in place. What remains is for managers and platforms to build the operational capability that matches it.

“The digital asset industry is entering a phase in which what is technologically possible must be matched by what is institutionally sustainable”

Those who invest in this layer, prioritising governance, transparency and regulatory alignment over novelty and speed, will define the terms on which institutional capital enters this space on a lasting basis.

Innovation may capture attention.

Infrastructure will capture capital. ■

DIVERGING PATHS

Corporate innovation vs sovereign experimentation

The tokenised bond market remains small, but the motives and methods of corporate and sovereign issuers are markedly different. Karl Loomes examines the two paths and what they mean for institutional investors



For several years the promise of digitised debt has been heralded as the next step in capital markets evolution. Yet, unlike the broad sweep of early electronic trading, the shift to tokenised bonds is moving in distinct directions, shaped by who is doing the issuing.

From industrial companies and development banks to sovereign treasuries and supranationals, the motivations behind these early deals diverge and the implications for investors vary accordingly.

At present, corporate entities have led in numbers, but sovereign and supranational issuers have almost matched them in scale. A recent dataset compiled by the Bank for International Settlements recorded 39 tokenised bonds by mid-2025, comprising 24 corporate deals worth US\$3.8 billion and 15 sovereign, supranational, or agency issues worth US\$1.9 billion.

The volume is negligible compared with the wider bond market but significant enough to hint at a direction of travel. To understand where it might go, it helps to examine why different issuers have chosen the technology in the first place.

Motivation matters: Cost savings versus policy experiments

For most private issuers the appeal of tokenisation is operational. When Siemens issued a €300 million one-year digital bond on the SWIAT platform in 2024 it was not trying to reinvent debt securities so much as to reduce the friction of settling them.

Working with the Bundesbank's Trigger Solution, the bond settled within minutes in central-bank money, eliminating the two-day counterparty risk that caused friction in an earlier €60 million pilot on a public blockchain. Siemens' treasurer hailed the process as a proof of concept for cheaper, faster issuance.

Banks and other financial institutions have followed a similar logic. KfW, the German development bank, first issued a €20 million digital bond via Deutsche Börse's D7 platform. Italy's Cassa Depositi e Prestiti went a step further, using the Bank of Italy's TIPS-Hash-Link system to settle a €25 million tokenised bond on the day of issue.

These deals highlight a desire to compress settlement cycles, cut operational costs and showcase technological prowess. Private placements to professional investors also allow corporate treasurers to experiment without disrupting their wider funding programmes.

Sovereign issuers, by contrast, have used digital bonds as experiments in market infrastructure and monetary policy. Hong Kong's government has built a three-year programme of tokenised green bonds to test everything from DLT-based investor registers to programmable money.

Its inaugural HK\$800 million issue in February 2023 settled with a digital cash token on a private blockchain. A HK\$6 billion multi-currency bond in 2024 expanded the scope to Hong Kong dollars, renminbi, US dollars, and euros, and allowed subscription through Euroclear and Clearstream. By November 2025 the government scaled the programme to HK\$10 billion and introduced settlement using tokenised e-HKD and e-CNY. Rather than cost savings alone, these deals were designed to probe how digital assets and wholesale central-bank money might reshape capital markets.

Outside Hong Kong the experiments continue. The Republic of Slovenia issued a €30 million digital bond in July 2024 under the ECB's wholesale-CBDC trials, using the Banque de France's DL3S tokenised cash platform. These projects are part of a broader agenda to future-proof public debt markets and integrate them with central-bank digital currency systems. The size of the deals is modest, but the policy questions are profound.

Settlement options: Tokenised cash versus triggers

A key distinction between the two strands of tokenised issuance lies in the assets used for settlement. Sovereign projects are the proving ground for tokenised central-bank money. Hong Kong's latest bond connected the issuance platform to e-HKD and e-CNY networks, while Slovenia's bond used DL3S tokenised cash. In both cases the goal is to achieve atomic delivery-versus-payment (DvP) in central-bank money, removing the credit risk inherent in commercial bank tokens and stablecoins. Such arrangements also provide central banks with a live environment to test wholesale CBDC infrastructures.

Corporate issuers, by contrast, have often relied on bridges between DLT platforms and existing payment systems. Siemens' bond settlement used the Bundesbank's Trigger Solution, which links the SWIAT ledger to the TARGET real-time gross settlement system. Italy's CDP bond used the Bank of Italy's TIPS-Hash-Link to replicate a similar process.

Who can buy? Investor bases and distribution

The profile of investors also diverges. Corporate tokenised bonds are, for now, largely private placements. Siemens placed its bond with a small group of German asset managers. Societe Generale's bond was sold to a single trading firm with a minimum subscription of US\$5 million. KfW's benchmark-sized digital issues, while larger, are still targeted at professional investors. Such exclusivity reflects both regulatory caution and the need to control onboarding and wallet management.

Sovereign issues have tended to mirror traditional government-bond distributions. Hong Kong's 2024 bond allowed investors to subscribe via their existing accounts at Euroclear and Clearstream. Slovenia's bond,

issued under the ECB's trial, also attracted a mix of domestic and international investors. These structures suggest that digital sovereign bonds may gain wider adoption sooner than corporate equivalents, provided settlement infrastructure scales.

Legal frameworks and the road ahead

Finally, the regulatory backdrop reveals different challenges. Sovereign issuers often require explicit legislative changes to recognise onchain records as the definitive register of ownership.

Hong Kong's programme, for example, established in law that the DLT ledger constitutes the final record.

Corporate issuers operate within nascent regulatory sandboxes. Germany's Electronic Securities Act, the EU's DLT Pilot Regime and the UK's Digital Securities Sandbox have enabled firms like Siemens and KfW to issue dematerialised bonds without altering their underlying funding programmes. Such regimes provide flexibility but also limit access to professional investors and impose bespoke reporting requirements. As frameworks mature and wholesale-CBDC trials expand, these distinctions may narrow.

The nascent tokenised bond market is thus taking shape along two paths. Corporates are harnessing distributed ledgers to shave days off settlement cycles and reduce costs for small groups of investors. Sovereigns and supranationals are using tokenisation to test the plumbing of future financial systems and integrate their debt with new forms of central-bank money. Both paths matter for institutional investors. Understanding the different motivations, settlement assets and regulatory frameworks will help firms navigate a market that is no longer just a proof of concept but a series of live experiments whose outcomes will shape the next generation of debt markets. ■

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Solving the problem nobody wants to talk about

Hansa Tote sits down with Ami Ben-David, founder and CEO of Ownera, to talk about current trends, what sets the firm apart, and the tokenisation journey

From the perspective of a digital infrastructure provider, how would you describe the current state of the securities lending market? What trends are you seeing here?

The securities lending market is going through a structural shift: from debating whether to tokenise, to figuring out how to make tokenisation work across an entire organisation.

The practical challenge is connectivity. When a bank wants to mobilise tokenised collateral today, it might hold cash on one blockchain, securities on another, and run a margin engine that talks to neither.

Its counterparty uses a different custodian, different chains, and different systems entirely. Multiply that across dozens of use cases and hundreds of counterparties, and you have an integration problem that makes tokenisation economically unviable.

We are seeing three patterns crystallise.

First, the multi-everything problem. Different institutions have chosen different blockchains for legitimate reasons. That fragmentation is not going to resolve itself. The question is how to operate across all of it without building custom integrations for every combination.

Second, real production deployments are accelerating. The EU, UK, and now the US global digital finance (GDF) collateral mobility industry sandbox grew from zero to more than 80 institutions in a matter of weeks — not because tokenisation is new, but because participants finally have a way to connect without years of bilateral integration work. Several are now moving directly to production.

Third, the economics have become difficult to ignore. One major bank calculated US\$100 million in annual savings just from intraday repo alone — paying interest by the minute instead of by the day. When you can borrow US\$100 million for three hours and pay only for three hours, the capital efficiency case is transformative.

The broader shift is from tokenisation as a technology project to tokenisation as operational infrastructure. That means solving not just blockchain connectivity, but legacy integration, partner connectivity, and application coordination simultaneously.

Can you take us through Ownera's journey since it began developing the FinP2P router in 2021? Where are you now and where are you heading?

We started with a straightforward observation: every bank was building blockchain integrations in silos. The trading desk connected to one chain, the collateral team to another, treasury to a third — each integration taking 18 months. Multiply that across every counterparty, and it does not scale.

The insight was that institutions do not need help deploying a single blockchain use case.

They need infrastructure that lets them deploy all of them without rebuilding everything each time. So we built routers that sit inside each institution and handle three types of connectivity simultaneously.

Network connectivity covers legacy systems and primary blockchains natively, with access to additional chains through custodians and cross-chain protocols. Partner connectivity means you connect once to the router network and can connect with any other connected institution — minimal bilateral integrations.

Application connectivity means each new use case — repo, collateral, trading — reuses the same definitions of users, assets, and counterparties.

Validation came quickly. J.P. Morgan and HQLA^x went live in summer 2025 with intraday repo: production trades settling by the minute. The GDF collateral industry sandbox in Europe then demonstrated that dozens of institutions could connect in months. The subsequent US expansion has drawn virtually every major institution, with many looking to move straight into production.

Today we are processing billions in transaction volume across production deployments. But the more important development is that institutions are not stopping at one use case. They are layering multiple applications on the same infrastructure — intraday repo, collateral mobility, central securities depository (CSD) connectivity — and that compounding effect is what makes the economics work.

The next phase is about making tokenisation as easy to deploy as any other enterprise

application. Connect your router, choose applications from the Ownera SuperApps platform or build your own, define your counterparties, and go live.

What differentiates Ownera and its approach from other fintechs in the industry?

We solve the problem nobody particularly wants to talk about: how do you operate tokenised markets at scale without your technology organisation spending the next decade on custom integrations?

Most blockchain solutions focus on one dimension — one application on a blockchain with specific partners. That is fine for a point solution. But institutions need to run dozens of business use cases across hundreds of counterparties.

The real scaling challenge is $n \times n \times n$ complexity: multiple chains + legacy, multiplied by multiple partners, multiplied by multiple business applications.

A concrete example: in the GDF project, we connected banks using different chains (Canton, Ethereum, Polygon, Hedera), different custody models (traditional custodians, digital platforms, omnibus accounts), different margin engines, and different money market fund issuers.

A single collateral substitution might touch four blockchains and six systems.

We addressed that through three architectural choices:

1. Institution-controlled execution. Your router runs in your infrastructure. You control the compute, data, and decision-making. There is no external oracle network executing trades on your behalf. For regulated institutions, this matters enormously — your risk, legal, and compliance teams all understand exactly where accountability sits.

2. Intent-based abstraction. Instead of coding instructions to move specific tokens on a specific chain via a specific smart contract, you define business intent: ‘post eligible collateral to counterparty X.’ The router determines which chains, assets, and custody model to use. This means supporting new chains and assets without rewriting application logic.

3. Native integration with primary blockchains. For example, if Canton is your strategic platform for institutional markets, we connect natively — your digital asset markup language (DAML) applications run directly on your Canton node. The router extends Canton’s reach to legacy systems and other chains without forcing everything through an intermediary layer. The result is that institutions can go from “we want to do tokenised repo” to live production in months, and when they want to add collateral mobility, trading, or CSD connectivity, those layer onto the same infrastructure.

In August 2025, Ownera launched a cross-ledger repo solution with J.P. Morgan and HQLA^x. Almost six months on, what notable developments have there been with this solution? What are you hearing from clients?

The intraday repo deployment demonstrated something important: tokenisation does not just make existing processes faster — it enables entirely new products. Traditional repo is effectively overnight-or-nothing. If you need US\$100 million for 3 hours, you borrow it for 24 and pay for 24. Minute-level settlement changes that equation fundamentally. For large institutions managing billions in intraday liquidity, the savings are substantial.

In practice, we are seeing three developments in production. Institutions are calibrating funding to actual need — borrowing at 10:15,

returning at 13:47 — turning repo into a precision operational tool, rather than a blunt overnight instrument. Capital efficiency is improving as liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) liquidity buffers can shrink when on-demand precision liquidity is available, freeing trapped capital. And the infrastructure built for repo — instant settlement, multi-chain coordination, custody integration — is proving directly reusable for collateral mobility, trading, and payments.

Client conversations have shifted from ‘does this work?’ to operational planning: how to connect margin engines, how to extend coverage to Asian entities, how to add derivatives collateral on the same platform.

The expansion throughout 2026 is proceeding across three dimensions: more trading platforms, more forms of digital cash — from stablecoins to deposit tokens to central bank digital currencies (CBDCs) — and broader geographic coverage.

In recent developments, Ownera collaborated with LayerZero to enable cross-chain solutions for institutional tokenisation. Can you explore the significance of this move and of the firm’s SuperApps platform — what is a SuperApp?

The LayerZero collaboration addresses a practical architectural question: institutions need access to liquidity across more than 160 blockchains, but they should not have to integrate with 160 different cross-chain protocols.

LayerZero provides omnichain interoperability — they have secured over US\$200 billion in value and connect virtually every major blockchain. We integrated their protocol through two SuperApps that give institutions access to that entire ecosystem through a single integration point.

But that was just the beginning — LayerZero has now launched Zero, a high throughput

blockchain capable of 2m+ transactions per second per zone, which finally opens high throughput markets for blockchain implementation. This is a major milestone for the industry, and a seamless integration into Ownera routers.

About the SuperApp model:

Traditionally, every vendor application an institution deploys requires separate onboarding, separate asset definitions, separate user management. You want repo from one vendor, collateral management from another, trading from a third — that is three separate integration projects.

A SuperApp inherits shared definitions from the platform level: users and permissions, assets and custody arrangements, counterparties and relationships, and blockchain connectivity — all defined once and available to every application. When ZeroBeta recently launched three SuperApps (portfolio management, secured financing, and staking), institutions did not need three integrations. They got three composable applications that work together and share the same institutional network automatically.

This matters because no institution can build every application it needs internally. Specialised tools for compliance, risk analytics, exotic derivatives, private markets, or cross-border payments can plug into the router and immediately work with an institution's existing setup.

The LayerZero SuperApps specifically resolve the 'which cross-chain protocol?' question. Instead of committing to one protocol and being limited to its supported chains, institutions access LayerZero's full ecosystem through a controlled interface. If a counterparty needs an asset on an unfamiliar chain that LayerZero supports, it just works.

This is how tokenisation scales beyond pilots: shared infrastructure that multiple applications

build on, rather than each requiring its own bespoke integration.

Looking forward, what will be top of mind for you over the next 12 months?

Execution. Three specific priorities:

First, transitioning sandbox participants to production. The GDF collateral mobility working group has validated the technology with more than 80 institutions. Many are ready to go live as soon as the legal and regulatory work, which is being done in parallel, is completed in the coming months.

Our job is to make that transition as straightforward as deploying any enterprise application — clear business models for all participants, proven operational support, and simple legal structures between market players.

Second, ecosystem expansion. The SuperApps platform currently offers applications for repo, collateral, trading, payments, and CSD connectivity. We are working with partners to add compliance tools, risk analytics, reporting platforms, and specialised applications for private markets. The goal is that when an institution needs tokenised capability, there are multiple production-ready SuperApps available.

Third, demonstrating compounding value. The economic case for tokenisation strengthens as use cases layer on each other. An institution running intraday repo can add collateral mobility on the same infrastructure at minimal additional cost, then trading, then CSD connectivity. Each application increases the platform's value.

What makes this moment distinctive is convergence. Institutions are past the 'wait and see' phase. Regulatory frameworks are clarifying — the Commodity Futures Trading Commission's (CFTC's) December 2025 approval of tokenised collateral was a

watershed moment. Production infrastructure exists and is processing real volume. And the Depository Trust & Clearing Corporation's (DTCC's) deployment timeline is creating industry-wide urgency.

The technology is proven. The economics are compelling. The regulatory environment is supportive.

“Client conversations have shifted from ‘does this work?’ to operational planning: how to connect margin engines, how to extend coverage to Asian entities, how to add derivatives collateral on the same platform”

The next 12 months are about converting institutional intent into live production — and making tokenised markets as reliable and accessible as their traditional counterparts, with all the advantages digital infrastructure provides. 2026 is the year of critical-mass buildup and deployment of scalable tokenised market capabilities across the financial industry.

TOKENISATION

REWIRING SETTLEMENT

As the London Stock Exchange Group advances plans for a Digital Securities Depository, Zarah Choudhary explores whether digital-native settlement represents incremental enhancement or the beginning of structural redesign across Europe's post-trade ecosystem





TOKENISATION

When the London Stock Exchange Group (LSEG) set out plans for a Digital Securities Depository (DSD), it did not frame the initiative as a wholesale replacement of existing infrastructure.

Instead, it positioned it as interoperable — an additional settlement rail designed to sit alongside traditional central securities depositories (CSDs) and custodians.

Yet beneath the language of coexistence lies a more fundamental question: is digital-native settlement an incremental enhancement, or the beginning of structural redesign in post-trade architecture?

For decades, the European post-trade ecosystem has been shaped by harmonisation efforts designed to reduce operational friction — from the dismantling of Giovannini Barrier 3 to the market standards for corporate actions processing. Those standards formalised the sequence of key dates, structured information flows, and required electronic formatting using ISO messaging standards to ensure consistency across intermediaries.

The DSD concept raises a more radical possibility: not simply harmonised processes, but synchronised ones.

Coexistence or convergence?

Marco Kessler, head of product and business development for digital assets at SIX, argues that blockchain-based workflows are unlikely to displace traditional institutions outright.

“Traditional custodians and CSDs still provide the legal certainty and governance markets depend on, but blockchain-based workflows can reduce reconciliation, speed up confirmation, and automate servicing. The likely outcome is a hybrid model where trusted institutions remain at the centre while new digital rails make post-trade processes faster and more transparent.”

This hybrid framing is echoed across the market.

Ryan Taylor, head of funds at Suntera Global, suggests digital settlement platforms are likely to operate alongside existing infrastructure initially, with wholesale replacement dependent on mass industry adoption and substantial technology upgrades.

The implication is a controlled migration rather than systemic shock.

However, coexistence does not eliminate pressure. Richard Baker, founder and CEO of Tokenovate, sees digital settlement capability as part of a broader redesign of post-trade architecture. Rather than sitting outside clearing and custody frameworks, onchain settlement will require those frameworks to become more synchronised and programmable.

The operational logic of overnight reconciliation and sequential hand-offs — still embedded in much of Europe's post-trade infrastructure — is difficult to reconcile with near-instant settlement.

This tension mirrors historic harmonisation efforts. Corporate action processing standards, for example, required structured electronic communication throughout the chain of intermediaries to reduce fragmentation.

Digital settlement extends that principle from harmonised messaging to real-time data synchronisation.

Embedding common data standards such as the Common Domain Model (CDM), as Baker suggests, becomes central. Without canonical data alignment, near-instant settlement risks importing legacy fragmentation into digital rails.

Settlement finality and legal recognition

If operational readiness is one challenge, legal certainty is another.

Atomic delivery-versus-payment (DvP) settlement promises simultaneous movement of cash and securities, reducing counterparty exposure, and compressing settlement cycles. But legal ownership and finality definitions remain foundational to market confidence.

Vincendon highlights a core ambiguity: on a distributed ledger, particularly those using probabilistic consensus mechanisms, what constitutes the legally irrevocable moment of transfer?

In traditional European frameworks, settlement finality is precisely codified. In tokenised markets, harmonised definitions across jurisdictions remain under debate.

Baker reinforces the point, noting that efficiencies only scale if digital ownership rights and settlement finality sit within a clear regulatory perimeter. Without explicit legal recognition of digital titles and enforceability of smart contract logic, operational gains risk being undermined by litigation exposure or inconsistent cross-border treatment.

“Traditional custodians and CSDs still provide the legal certainty and governance markets depend on”

Marco Kessler, SIX

The integration challenge

If tokenised securities are to scale, the operational hurdle is not issuance but integration.

Kessler stresses that asset managers will require tokenised assets to sit within familiar custody, reporting, and risk frameworks rather than in a separate silo. Client asset segregation, interoperability with collateral systems, and alignment with portfolio management tools will be critical.

James Pike, chief revenue officer and head of strategy at Taskize, warns that tokenisation risks reshuffling complexity rather than removing it.

“The aim for banks should not be tokenisation for its own sake. Instead, they need the operating model, data, communications, and workflow infrastructure that allows them to absorb tokenised collateral seamlessly if and when eligibility expands.”

Unless collateral processes modernise in parallel, Pike cautions, the industry risks “doing 21st-Century finance with 20th-Century plumbing”.

Valentin Vincendon, chief product officer at BCB Group, describes the LSEG proposal as an integration layer rather than a rip-and-replace exercise. In his view, the DSD is designed to allow asset managers to continue routing orders through existing custodians, while the underlying settlement engine transitions toward multi-chain infrastructure.

Cross-border divergence has historically generated friction in European capital markets. The European Commission's analysis of cross-border obstacles highlights how legal and administrative misalignment accounts for the majority of barriers to cross-border cooperation.

If digital securities develop without aligned legal frameworks, the market risks replacing reconciliation friction with jurisdictional fragmentation.

Liquidity, funding, and capital efficiency

The compression of settlement cycles from T+2 toward near-instant execution has implications beyond operational speed.

Faster settlement can free capital and improve liquidity efficiency, but it shifts risk into intraday funding management. Real-time liquidity control replaces multi-day margin windows.

Kessler notes that risk does not disappear; it relocates toward operational resilience and governance of digital infrastructure.

Melvis Langyintuo, executive director at The Canton Foundation, argues that capital markets are unlikely to converge on a single ledger. Instead, interoperable regulated networks are more probable. For professional markets, the ability to provide synchronised, privacy-enabled settlement while maintaining institutional governance standards will determine scalability.

The emphasis, again, is on integration rather than disruption.

Servicing in a programmable environment

The more structural impact may emerge not at trade matching but within asset servicing.

Corporate action processing today relies on predefined sequences — announcement, ex date, record date, payment date — with intermediaries cascading information down the chain.

Tokenised securities introduce programmable lifecycle events embedded within the asset itself. Smart contracts can automate distributions, redemptions, and reorganisations, potentially reducing manual intervention and market claims.

Vincendon argues that tokenisation represents a shift from static electronic ledgers to programmable ones. Over time, custodians may transition from record-keepers to secure key managers and node operators, while servicing models become more event-driven.

Baker describes the likely trajectory as a move away from siloed, sequential servicing toward integrated ecosystems with real-time lifecycle visibility.

The shift is subtle but structural: from harmonisation of processes to embedding logic directly within infrastructure.

Incremental upgrade or systemic redesign?

On the surface, the LSEG Digital Securities Depository is framed as evolutionary — a complementary settlement venue designed to coexist with established institutions.

In practice, its implications extend into governance, liquidity management, legal harmonisation, and servicing architecture.

Digital-native settlement venues may initially operate in parallel with traditional CSD models. Yet the demands of atomic settlement, programmable lifecycle management, and synchronised data frameworks apply pressure across the post-trade chain.

The history of European market integration shows that harmonisation is rarely instantaneous. It evolves through incremental alignment of standards, legal frameworks, and infrastructure.

The question facing the industry is not whether digital settlement will replace legacy systems overnight.

“Unless collateral processes modernise in parallel, the industry risks doing 21st-Century finance with 20th Century plumbing”

James Pike, Taskize

It is whether the underlying architecture of post-trade — built on sequential processing and layered reconciliation — can adapt to a model defined by synchronisation and programmability.

If it can, coexistence will prevail.

If it cannot, structural redesign may follow. ■

WASHINGTON'S CRYPTO PIVOT FROM ENFORCEMENT TO MARKET STRUCTURE

Tahlia Kraefft examines the joint framework between the US Securities and Exchange Commission and Commodity Futures Trading Commission's role in Washington's crypto supervisory shift and wider effort to integrate digital assets into the traditional financial regulatory system



Oversight overhaul

In early 2026, Washington underwent a significant regulatory shift from an enforcement-led posture toward establishing a broad market structure for cryptocurrencies. This pivot was accelerated by coordinated action by the US Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) entering into a historic partnership and their release of a 17 March landmark joint interpretative guidance.

The SEC and CFTC signed a Memorandum of Understanding (MoU) on 11 March, formalising the institutional structure for inter-agency coordination, and setting out how the US financial regulators will organise enforcement where their responsibilities intersect. This MoU demonstrates an intentional deepened cooperation between the two bodies intended to harmonise regulatory frameworks and provide comprehensive financial markets supervision. Additionally, the move intends to end long-running tensions over jurisdictional boundaries, as the emergence of the digital asset market and technological developments have led to blurred boundaries between securities and derivatives.

Simon Forster, global co-head of digital assets, TP ICAP, remarks: “We now see the two leading US regulators collaborate and proactively engage with the industry to help provide sensible and suitable rules of the road – the contrast could not be starker. Regulatory clarity is a prerequisite for traditional firms to enter a new market, and we are now seeing this new approach reflected in the engagement and activity across our institutional client base.”

Jody Mettler, chief operating officer, BitGo, adds: “The March 2026 MOU and related guidance clearly defines jurisdiction and shows the industry that these agencies are willing to coordinate. That is a meaningful improvement, even if it still falls short of full legislative certainty.”

Despite a coherent crypto legislation not being yet approved by Congress, the SEC-CFTC interpretation lays down the groundwork for market framework through outlining asset classes, setting out agency jurisdiction, and coordinating market supervision.

The joint guidance represents a wider shift in supervisory approach to enhance regulatory coherence and competitiveness, and decrease reliance on disciplinary enforcement. The agencies are also seeking to align this framework to complement future congressional market design regulation. Together, these changes combined reflect a structural overhaul of the US crypto regulation from enforcement-led ambiguity to a systematic, taxonomy-based framework supported by organised inter-agency coordination.

Enforcement-first era

The SEC has notably sought to distance itself from its prior regulation by enforcement strategy, where US cryptocurrency rules were mostly determined by high-profile lawsuits in contrast to formal guidelines. Under this enforcement-first approach, the SEC opted to have courts and settlements set the boundaries, labeled tokens as unregistered securities, and alleged cases against firms, in absence of a fixed rules-based framework.

Enforcement actions prosecuting firms such as Ripple Labs, Coinbase, and Binance formed the regulatory status quo, influencing market dynamics without a clear, holistic system.

The SEC maintained that existing securities laws already applied through the Howey Test, which defines whether something is an investment contract, instead of releasing crypto-specific rules.

The CFTC also took a similar but more focused outlook, largely addressing fraud,



manipulation, and derivatives infringements. This prior administration's strategy of regulating by enforcement created regulatory uncertainty evident throughout the crypto industry, according to Matthew Lafferman, white collar and litigation partner, Dentons, US. He says this ambiguity also extended to when a crypto asset would constitute a commodity or security.

“Crypto companies were often stuck between aggressive enforcement and the challenges in navigating the sometimes competing regulatory frameworks challenges”

Matthew Lafferman, Dentons US

“Crypto companies were often stuck between aggressive enforcement and the challenges in navigating the sometimes competing regulatory frameworks challenges.

A collaborative approach between the SEC and CFTC reinforces the new regulatory guidance announced by the SEC, with the new regulatory clarity encouraging market participants and new entrants.”

Mettler, comments that with the crypto industry in its growth phase, it could not build confidently with the previous model, which saw firms interpreting crypto policy through lawsuits and settlements.

“The biggest shift is from regulation by enforcement to regulation by definition.”

Mark Williamson, chief commercial officer, ClearToken, notes: “SEC using litigation as a form of regulatory policy by enforcement, rather than providing clear guidance, was painful, when you're trying to work out how to engage with this industry. Bringing actions against exchanges, token issuers, intermediaries arguing that existing securities framework applied to all crypto assets.”

He continues: “The result was regulatory paralysis, and institutions who wanted to participate but could not get comfortable with the legal risk, with reputable players either stayed out or moved offshore. There was litigation which was masquerading as policy. The MOU signals that the US regulators are finally ready to govern, not just to prosecute.”

Simon Forster, global co-head of digital assets, TP ICAP describes SEC's regulation by enforcement approach as “forceful, litigation-heavy approach paired with a lack of guidance and industry engagement.”

A taxonomy that classifies crypto assets

The SEC and CFTC's 17 March landmark joint interpretive guidance release marks a broader move in US crypto policy toward a principals-based regulatory framework, representing the first time a framework has been provided for how crypto and other digital assets are viewed under the federal securities law.

Under the joint interpretation the types of cryptocurrencies classified as securities and how a non-security digital asset could fall under specific criteria to become an investment contract is outlined.

16 large crypto assets are reclassified as 'digital commodities' rather than securities, under federal US law. The remaining four categories crypto tokens are grouped into include digital collectibles, digital tools, stablecoins, and digital securities.

Their primary oversight is changed from SEC to the CFTC, reinforced by the agencies entering into the 11 March MoU.

The SEC has specified that the federal securities legislation only pertains to digital securities.

The regulator dictates that securities laws could apply to a 'non-security' crypto asset if an issuer provides it by encouraging investment in a common enterprise from which a buyer could expect to gain proceeds.

It overhauls the investment-contract structure set out by the US Supreme Court in SEC v W. J. Howey as the primary instrument for determining if digital tokens and associated transactions were obliged under securities-law requirements.

The guidance also confirms protocol mining or staking, and the wrapping non-security crypto assets do not constitute offers or sales of securities.

SEC Chairman Paul S. Atkin, comments the announcement acknowledged “most crypto assets are not themselves securities. And it reflects the reality that investment contracts can come to an end”.

The Commission says it marks a key step in providing improved clarity concerning its treatment of crypto assets, and improves Congressional efforts to organise a sweeping market structure framework into statute.

Ari Redbord, global head of Policy and Government Affairs, TRM Labs says the introduction of a functional token taxonomy and drawing clearer jurisdictional lines between the SEC and CFTC removes overlap and is a meaningful step.

The joint SEC-CFTC guidance, he labels as the most definite step the US has taken towards a coherent digital asset regulatory framework after a period of ambiguity.

“The explicit designation of certain assets as digital commodities under CFTC spot oversight, along with clarity that activities like mining, protocol staking, and certain airdrops are not inherently securities transactions, provides the kind of operational guidance the market has been asking for.

“At the same time, the guidance preserves a critical principle: classification is not dispositive. Even assets categorised as commodities or tools can still fall within securities laws if offered as part of an investment contract. That balance — clarity with retained enforcement authority — is essential from a market integrity and investor protection standpoint.

“From a compliance and national security perspective, this kind of clarity matters. Reduced ambiguity enables more consistent anti-money laundering (AML) and monitoring frameworks, supports responsible innovation, and lowers barriers to institutional participation in the U.S. market. It also brings the US closer in line with the more than 100 jurisdictions that have already implemented formal classification regimes.”

Forster explains the relabelling provides the clarity that is required for traditional financial services firms to begin engaging with spot crypto.

“The industry is transitioning out of a retail driven, primarily offshore space and evolving into an institutional and onshore market. The opportunity is for those firms who can navigate and operate effectively in this more structured and regulatory focused environment whilst adapting to the nuances of digital assets.”

Williamson comments that reclassification opens the door to institutional-grade market structure and is a consequence of moving oversight to CFTC in the spot markets but says the body is more accustomed to derivatives and future market infrastructure.

He argues big risk areas remain, noting that “the boundary between securities and commodities is not fully defined, and tokens with governance rights or staking mechanics will sit in gray areas creating risk”.

Additionally he says the guidance creates a number of compliance headaches and is still administrative, not legislative which he is concerned about. “It can shift if there’s a change in administration.

“There is institutional capital that’s waiting in the sidelines, whether that’s pension funds, custodians or prime brokers, they need regulatory certainty before boards will approve digital asset strategies.”

Commodities lens

The new guidance establishes many major crypto as commodities, treating them similarly to other energy products, agricultural goods, and metals. Under this structure, tokens are recognised as digital resources that facilitate network operations in contrast to financial tools connected to the profit-driven actions of an individual issuer.

It changes the legal and functional status from a centralised investment contract to a decentralised, utility-focused asset. Under the CFTC market-conduct aims, there are substantial differences in compliance enforcement and investor protection from the SEC’s disclosure-heavy focus.

CFTC’s supervision of the commodity derivatives markets involves an anti-fraud rule over spot commodity trading, however the body does not oblige the same level of registration, disclosure, and reporting obligations.

Consequently there are less prescriptive disclosure requirements, reduced ongoing reporting obligations, and an increased reliance on market surveillance for securities law imposed.

Commodities regulation is overall more lenient securities law, enabling wider trading access and quicker innovation, according to Lafferman, who says this will result in greater interest and investment from traditional finance.

“Commodities regulation is more market focused and has less strict oversight and disclosure requirements than securities regulation. This is a significant opportunity for firms to create and package innovative new crypto products.

“On the other hand, consumers do not have the benefit of the transparency created by disclosure and reporting obligations. The tradeoff for consumers is simple—more upside but higher risk.”

This new classification of major tokens reduces one of the biggest barriers to institutional participation Mettler says, which she describes as a major unlock: “Most institutions understand the commodities market and this classification eliminates the fear of inadvertently triggering securities violations.

“However, the biggest remaining risks don’t always stem from the tokens themselves, but the products built around them — particularly those involving staked assets.

She says this classification allows crypto companies to standardise their products and infrastructure, especially around trading and settlement.

Mettler explains the market is shifting to a structure similar to future and FX markets, “which institutions are accustomed to: clear delineation between custody, execution, clearing, collateral, and oversight. This should make the market more operationally mature and easier for institutions to enter”.

According to Forster, the relabelling gives the necessary clarity for traditional financial firms to start engaging with spot crypto.

He notes “The industry is transitioning out of a retail driven, primarily offshore space and evolving into an institutional, and onshore market. The opportunity is for those firms who can navigate and operate effectively in this more structured and regulatory focused environment whilst adapting to the nuances of digital assets.”

“A change in the SEC or CFTC leadership, could shift that framework again. We’ve seen that. When Donald Trump came in and changed leadership for both SEC and CFTC, that changed the focus”

Mark Williamson, ClearToken

Forster explains: “The recent CFTC guidance points to a commodities-style framework for mature crypto assets that have the appropriate characteristics including level of decentralisation, utility, and fungibility. In practice this resembles the more familiar futures/derivatives markets and means less strict registration and reporting requirements compared to securities.

Jesse Knutson, head of operations, Bitfinex Securities, says tokenisation represents a structure that is familiar to commodities markets, and believes it has resulted in early adoption in this sector, including the uptake of tokenised gold. “In commodities markets, assets are standardised, heavily intermediated and primarily valued for their use as collateral, hedging tools and liquidity instruments rather

than for growth. Tokenisation applies that same logic but makes ownership more mobile, settlement faster, and collateral reusable across venues and time zones.”

Winners and losers?

Lafferman explains both crypto-native firms – familiar with the technology and industry-specific innovation – and traditional finance – with experience in packaging different financial products to a wider set of consumers – stand to benefit from the interpretative guidance. In his view the firms that will most succeed will be those that can combine the best of both worlds, and says it will encourage institutional participation.

“Major banks should, if they have not already, be encouraged to enter the fray. Early crypto players will have the benefit of the broader consumer access brought by the banks but will have to contend with competition from these sophisticated financial institutions.”

Williamson explains the regulatory shift will tilt the playing field in favour of structured compliance players for both crypto native firms and larger financial institutions.

“Traditional financial institutions have compliance, infrastructure, capital and distribution that crypto firms are struggling to match. When regulatory certainty arrives, TradFi can move quickly. I’ve seen this already with ETF approvals, Bitcoin ETFs, and subsequently institutional inflows. We’ve seen a precedent for that already, crypto native firms that have invested in compliance, building proper custody, AML frameworks, and risk management are not suddenly disadvantaged. Many have a deep understanding of the technology and market microstructure that TradFi players are still learning. What the regulatory shift does eliminate is the advantage of regulatory arbitrage, meaning that firms that compete by operating in jurisdictions or structures

specifically designed to avoid oversight, now face a leveling of that field, which is healthy.”

Williamson argues the new guidelines will compress timelines for both large banks and early crypto players and accelerate their entry into the sector.

“Major US Banks have been watching this space very carefully including J.P. Morgan, Goldmans Sachs, all of whom have digital asset programs. What’s held back acceleration has been legal risk that is the fear that the assets they custody or clear might be deemed unregistered security.

Williamson says the clarity brought by the MoU and reclassification of commodities should substantially reduce that risk. He expects accelerated announcements - around digital assets, custody, prime brokerage, and clearing to happen over the next 12 to 18 months.

Forster explains the regulatory shift can and likely will benefit the two types of firms for different reasons: “Crypto firms that have the scale, appropriate regulatory permissions, compliance standards, and governance controls should flourish given their crypto experience and digitally native footprint. For traditional financial services firms, already operating across regulated markets globally and with some level of infrastructure to support trading and settlement of crypto, this shift clears a path towards this niche asset class becoming institutionally investable. More importantly this shift will position both groups to play a leading role in defining and shaping the on-chain markets of tomorrow.”

Traditional financial institutions and crypto-native firms can benefit from this guidance in different ways, Knutson notes: “Traditional institutions gain comfort from clearer regulatory coordination, while crypto-native firms benefit because the rules are becoming more operationally realistic and less adversarial than in the prior enforcement-heavy phase.

He explains that greater clarification around jurisdiction shows decreased hesitation around banks and large intermediaries: “Clearer jurisdiction should lower some of the hesitation among banks and large intermediaries, although many have already been moving in that direction. For early players in the digital assets sector, this raises the competitive bar, but it also validates the market they helped build and creates more partnership, liquidity and distribution opportunities.”

Framework limitations

The joint interpretation acts as a trial run for the Digital Asset Market Clarity Act (Clarity Act), adopting a similar regulatory posture while Congress works to pass the final statute. The framework sets out an immediate regulatory structure narrowing the divide between the existing enforcement based supervision and the future codified legal structure provided by the Clarity Act. Lafferman says the guidance is certainly welcomed with the delays in passing the Clarity Act:

“But enacting the Clarity Act should still remain a high priority, as it carries the benefits of permanence brought by legislation. Firms will be able to at least rely on this framework through the end of this administration. It still remains to be seen how a new administration would view this guidance and there are reasons to believe that a new administration will not view crypto as harshly as the prior one. That said, as Chairman Atkins himself recently recognised, only Congress can ‘future-proof’ regulation in the crypto industry.”

Mettler argues the joint guidance’s release may risk taking urgency out of the Clarity Act legislation: “Once agencies start coordinating and giving the market more room to operate, the pressure on Congress tends to ease. This is still policy, not law, so we end up in this

middle ground where firms can move forward, but without conviction.

The longer we rely on agency guidance, the longer we delay building a durable framework. I’d argue this should increase urgency because now that we know what alignment looks like, Congress has the opportunity to solidify the legislation before further shifts occur.

“It’s a meaningful step forward but again, it’s only guidance, not law. Therefore, the framework could shift with administrations and the industry recognises this. The market would benefit further from durable legislation that gives companies the ability to build for the long term.”

Forster remarks, “The guidance provides immediate practical clarity reducing the near-term gaps the Clarity Act aims to address. However, long-term statutory codification remains important for full market certainty, especially on mature blockchain definitions, safe harbors, and permanent jurisdictional lines.

“Firms can look to this with reasonable confidence in the near term, as it represents coordinated agency positioning, and a clear tone and approach around enforcement and supervision. For wholesale institutional participants, this interim clarity supports business planning, and initial investment, but Congressional action will provide enduring stability and enable the asset class to scale and reach its potential.”

Williamson believes it makes it more urgent to get the Clarity Act into law, reasoning that guidance is reversible unlike law: “There’s a temptation to think because the SEC and CFTC have now issued guidance and an MoU, that the pressure for legislation has raised or has eased, and that’s not the case. The opposite is true.

“The guidance actually clarifies exactly what Congress needs to legislate, making the Clarity Act more achievable and more

necessary. The timing of that we will see, because these things can take time to get through. The guidance is administrative and represents the current administration’s interpretation of existing law.

“A change in administration, a change in the SEC or CFTC leadership, could shift that framework again. We’ve seen that when Donald Trump came in and changed leadership for both SEC and CFTC, that changed the focus and the speed at which this stuff is going through. The Clarity Act addresses a core question: which assets are securities and which are commodities? And that’s important, and how these two interact in a way that would be durable across administrations.

“We hope that the foundations have been laid in the right sort of way. Joint guidance effectively roadmaps what that legislation needs to say. In some ways, the MOU is the best argument in favour of the Clarity Act, demonstrating that the two agencies can work together. As ever you plan for the guidance. That you need to build for the legislation, but don’t confuse the two.”

Conclusion

The SEC-CFTC joint guidance and MoU reflects a broader shift in US crypto supervisory approach to enhance regulatory coherence and competitiveness, as it moves from case-by-case policing towards a formalised market structure framework, classifications of assets and rules, and coordinated supervision.

Although grey areas remain — including setting out the boundary between securities and commodities and it has not been codified in legislation — the guidance functions as an immediate regulatory structure that bridges the divide between the prior enforcement based supervision and the comprehensive legal structure that Congress intends to enact through the Clarity Act. ■



Rapatz joins DAAA board

Alexander Rapatz has joined the board of the Digital Assets Association Austria (DAAA), a non-profit association serving as a voice for the Austrian digital asset sector, following over 15 years in the financial services industry. His experience spans venture capital, investment management, and legal structuring.

Rapatz is currently CEO and founding partner of Black Manta Capital Partners, an investment banking and tokenisation as a service firm, a position he has held since the company's inception in 2018.

At Black Manta, he pioneered the Markets in Financial Instruments Directive II-regulated security tokenisation, with a primary focus on bridging the gap between legacy capital markets and blockchain finance.

He also serves as an independent advisor to the European Commission and its Research Executive Agency, with a focus on Horizon Europe and formerly Horizon 2020 — the EU's main research and innovation programmes.

Speaking on his appointment, Rapatz says: "It is an honour to join the board of the DAAA, an organisation that has been the heartbeat of the Austrian blockchain ecosystem since 2018.

"My goal is to leverage my experience in regulated capital markets to further strengthen the bridge between institutional investors and the world of digital assets."

Paul Pöltner, president of the DAAA, adds: "We are very pleased to welcome him to the board and to further strengthen Austria's position in Europe's digital asset landscape."

Matthiessen joins Standard Chartered

Standard Chartered has hired Ole Matthiessen as global head, Transaction Services and Digital Assets. Matthiessen will lead a newly unified team in Corporate & Investment Banking (CIB) comprising transaction banking — trade, payments, and cash management — and financing and securities services — custody, clearing, and settlement — along with CIB's fast-growing digital asset capabilities, says the bank.

According to the CIB, Matthiessen brings extensive expertise across a broad spectrum of financial products, spanning transaction banking and derivatives through to structured lending solutions and capital markets.

He joins after 18 years at Deutsche Bank, where he most recently served as co-head of the Corporate Bank division and a member of the Group Management Committee.

Over the course of his career, he has held a range of regional and global leadership roles across Transaction Banking, Markets, Financing, and Corporate Banking.

Matthiessen will be based in Singapore and join the CIB Management Team, reporting to Roberto Hoornweg, CEO of CIB.

Anchorage Digital selects Jin

Dongwook Jin has joined Anchorage Digital as regional institutional lead, APAC for stablecoin solutions. Based in Singapore, previously he was a director at P413 Consulting for more than a year and a half and a director at Helinox for two years prior to that.

For seven years he served in credit and rates sales for Southeast Asia at Societe Generale. He worked across a range of roles during his three and a half years at UBS Investment Bank including in Fixed Income Sales and Global Trading Platform Derivatives Middle Office.

Chaince Digital chooses Yang

Chaince Digital Holdings, a digital asset infrastructure platform, has appointed Peter Yang to the newly created role of head of digital assets.

Prior to the move, he spent time as head of business development at Scroll Development, along with serving as managing director at Fenbushi Capital.

Yang brings with him over a decade's worth of experience in blockchain venture capital, ecosystem expansion, and institutional finance with him to his new role.

His responsibilities include overseeing the firm's digital asset strategy, predominantly focused on expanding its tokenisation platform and institutional partnerships, as well as leading corporate development initiatives, strategic investments, and acquisitions, among others.

Tether appoints Lyons as CIO

Tether has appointed Zachary Lyons as its chief investment officer (CIO), following Richard Heathcote's departure from the role.

Lyons, who has spent over seven years with the Tether, will transition to the role of CIO from his current position as deputy CIO.

Heathcote will stay connected to the company in a non-executive advisory capacity.

The firm says Lyons has "played an important role in developing Tether's investment approach," and that Heathcote was "one of the driving forces behind the institutionalisation of Tether's reserve management".

Prior to his time at Tether, Lyons was CIO at BankPro, a senior investment analyst at Deltec Bank & Trust, and an investment specialist at BSI (Overseas) Bahamas.



Securitize appoints Redfearn as President

Securitize, a US-regulated digital asset securities firm, has appointed Brett Redfearn, former Director of the US Securities and Exchange Commission's (SEC's) Division of Trading and Markets, as president of the company, in addition to joining its board of directors.

Redfearn was with the SEC between 2017 and 2020, overseeing a number of rulemakings and policies, which involved efforts to modernise the National Market System and enhance market transparency.

He brings three decades of financial experience with him to his new role, including 14 years in senior roles at J.P. Morgan and a period as head of capital markets at Coinbase.

As president, Redfearn will work with the firm's leadership team to expand its platform across issuance, trading,

and fund administration, in addition to helping shape Securitize's long-term strategy as a member of the board.

Prior to the appointment, Redfearn spent four years as Chairman of Securitize's advisory board.

Commenting on the appointment, Carlos Domingo, co-founder and CEO of Securitize, says: "As tokenisation becomes an integral part of core financial infrastructure, his experience will help ensure this transition is built to improve existing market structure, with the protections and integrity investors expect."

Redfearn adds: "I'm extremely excited to work with this innovative team to help transform financial markets and deliver opportunities and efficiencies to investors and issuers, while remaining committed to investor protection and market integrity."

INDUSTRY APPOINTMENTS

Anchorage Digital appoints Jin

Dongwook Jin has joined Anchorage Digital as regional institutional lead, APAC for stablecoin solutions.

Based in Singapore, previously he was a director at P413 Consulting for more than a year and a half and a director at Helinox for two years prior to that.

For seven years he served in credit and rates sales for Southeast Asia at Societe Generale. He worked across a range of roles during his three and a half years at UBS Investment Bank including in Fixed Income Sales and Global Trading Platform Derivatives Middle Office.

Jin began his career as an incoming exchange director, AIESEC, at Sungkyunkwan University, before going on to work as an English interpreter for the vocational training center, Iraq, for the Republic of Korea Army.

Jin comments on LinkedIn: "Having spent much of my career working with institutional clients, it's clear that stablecoins are moving beyond crypto markets and becoming an increasingly important part of global financial infrastructure.

"I'm looking forward to working with institutions across APAC as stablecoin adoption continues to accelerate."

Binance.US appoints Gregory as CEO

Steve Gregory has been appointed CEO of Binance.US, following almost a decade in the digital assets industry, with interim CEO Norman Reed stepping down from the role. The firm cites his extensive experience scaling regulated crypto infrastructure companies as a key factor in his hiring.

Prior to his move, Gregory spent four years as CEO of Currency.com, two years as chief compliance officer and corporate counsel at

CEX.IO, and two years as compliance officer at Gemini.

Commenting on the appointment, Reed says: "As we look to the next phase of growth for Binance.US, Stephen brings an entrepreneurial approach to leadership that I am confident will deliver for our customers in a meaningful way."

Gregory adds that he is "honoured to lead the Binance.US team," and that he thanks Reed for "thoughtfully stewarding the company through a time of regulatory uncertainty".

Malella joins Standard Chartered

Standard Chartered has appointed Naveen Mallela as global head of Payments, effective 4 May 2026. Mallela will be based in Singapore and will report to Mahesh Kini, global head of Cash Management.

In his role, Mallela will lead the bank's integrated payments organisation, bringing together collections, clearing, and payments teams into a single organisation, reflecting the rising client demand for end-to-end solutions.

The global payments team will design and deliver solutions across the entire payments' lifecycle across traditional and emerging tokenised and onchain payment flows, says the firm.

Mallela joins the bank from JPMorgan Chase where he was the global co-head of Kinexys (formerly Onyx), the bank's permissioned blockchain business unit focusing on real-time, 24/7, cross-border payments and digital asset settlement.

With more than 25 years driving global transaction banking, and payments innovation experience, the firm says Mallela brings deep expertise in modernising payment infrastructures and scaling next-generation solutions. ■

THE DIGITAL ASSETS EDGE

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INSTITUTIONS OFFER A SUPERCHARGED FUTURE
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