

CLEARTOKEN

**2024: A Year of Remarkable Progress
for ClearToken and Digital Assets**

December 2024

CEO Update



**Benjamin
Santos-Stephens**

ben@cleartoken.io



[www.linkedin.com/
in/benstephens/](https://www.linkedin.com/in/benstephens/)

sales@cleartoken.io

As we close out the year, I want to take a moment to reflect on the extraordinary progress we have made and look ahead to the milestones we are excited to achieve in 2025. This year has been pivotal for ClearToken, and none of it would have been possible without the incredible support of our employees, commercial partners, clients, and investors. Thank you for believing in our vision and helping us make it a reality.

A major highlight this year has been our December admission to the UK Government's FMI Digital Securities Sandbox (DSS); a significant milestone and a fantastic way to round off a year of hard work and progress. Our partner working groups have also made remarkable strides, making practical advancements to make our initiatives a reality that will shape the future of the finance industry.

Building a network business is a challenge requiring the help and assistance of many groups, often working together with their competitors to create a solution which benefits the whole market. Financial market infrastructure (FMI) projects are rare, however,

the opportunity to transform an industry is worthwhile as the achievements of our small, hardworking and experienced team have demonstrated this year.

Our vision for cleared digital assets is coming to fruition delivered just as the market demands it - following the rapidly evolving political acceptance of digital assets. We are the only digital asset clearing house offering a horizontal model, which is undoubtedly the most effective for market participants.

Based in the UK, we operate in the most advantageous jurisdiction for both our business and our clients, and our progress continues to keep us several years ahead of anyone else in the space.

Looking ahead to 2025, we are as committed as ever to building for today while anticipating the needs of tomorrow. There is so much to look forward to, and we can't wait to share ClearToken's journey with all of you.

Ben

Feel free to contact [me](#) or our [Sales Team](#) with any questions about ClearToken's progress or plans.

Milestones To Come in 2025

Settlement System

- We look forward to **launching our settlement system** upon regulatory approvals. This will include netted settlements of venues, single-dealer platforms for liquidity providers and their working group partners.
- Additionally, we are working alongside venues and liquidity providers to provide **low-cost, efficient on-ramp and off-ramps of stablecoins** via our settlement systems.

Clearing House /CCP

- We will have exciting news to share regarding **partner venues** who will provide trade feeds to ClearToken, **custodians** who will partner with ClearToken, and **new services** that will be enabled by these partners with a CCP. *Stay tuned and stay involved!*
- While ClearToken works its way through the regulatory approval process, we are **preparing for go-live** with venues, trading participants, clearing firms and other service providers for **spot and derivatives clearing as well as new repo services** to improve capital efficiency.
- As this is transformational for the market, we will be extending the working group structure to ensure maximum participation.

Digital Securities Sandbox

- ClearToken enables the future of finance, not just for crypto, but for securities and real-world assets in tokenised form, including a **transition to 24/7 settlement and fractionalisation**. We expect to enable new markets and services by reducing cost and structural impediments. We will be engaged with you to ensure we enable your future business.

ClearToken's 2024: Advancing with Purpose to Create Meaningful Impact



Q1 2024

- Releases a comprehensive [white paper](#) – "[Creating Financial Market Infrastructure for Digital Assets Securing Cryptocurrency and Digital Asset Trading](#)" - outlining the framework for establishing a Financial Market Infrastructure (FMI) tailored for digital assets. This document serves as a foundational guide for industry stakeholders.
- Begins the [development of the Delivery versus Payment \(DvP\) Settlement Service](#), designed to facilitate the settlement of both exchange-traded and over-the-counter (OTC) transactions. This service aims to enhance efficiency and security in digital asset trading.



Q2 2024

- Secures a prestigious spot in the digital asset stream of [A&O Shearman's Fuse incubator](#). This highly competitive programme selected only 10 firms from 80 nominations. This opportunity provides ClearToken with access to valuable resources, mentorship, and networking within the legal and financial sectors.



Q3 2024

- [Settlement Service Working Groups](#) begin forming for spot cryptoassets and fiat. Launch venue (LMAX) and initial participants test both onboarding and technical feasibility of front-to-back workflow. This phase is critical for refining the service and ensuring it meets the needs of the market.
- [CCP and Perpetual Futures Working Groups kick-off](#) with detailed market structure analysis, with feedback incorporated into trade source venue planning and ClearToken regulatory submissions.



October 2024

- Releases a [white paper](#) titled "[Bridging the TradFi-DeFi Gap: The Future of Finance Depends on Traditional Trust and Regulation](#)", exploring the integration of traditional finance (TradFi) and decentralised finance (DeFi) and the future of financial markets.

The US election results in shifting market expectations for global financial policies and market adoption dynamics for digital assets.



November 2024

- Several UK politicians and regulators outline the timeline for implementing UK Digital Asset Regulation, financial market regulatory competitiveness and innovation initiatives, providing a clear roadmap for the industry's regulatory future in the United Kingdom (more below)
- Invited to [FIA Expo as one of 10 Innovators](#) and [awarded joint runners-up](#) in the FIA Expo (Chicago) Innovators pitch competition, highlighting our innovative approach and potential impact on the industry. Shared stage and exhibition hall with 10 finalists chosen from hundreds of applicants.
- [Applies to enter Bank of England and FCA Digital Securities Sandbox \(DSS\)](#) immediately upon its opening for application submissions.

Bitcoin reaches an astonishing milestone of \$100,000, reflecting the growing acceptance and value of digital assets.



December 2024

- ClearToken [gains admission to the Digital Securities Sandbox \(DSS\)](#), positioning us at the forefront of regulatory innovation and market development.
- Progress continues with the [11 Settlement Service Working Groups](#): technical integration with trade sources, initiating onboarding counterparties for initial DvP settlement service pending regulatory approval and go-live. [Non-production testing using live trade feeds](#) confirm technical and operational readiness.
- [CCP and Derivatives Working Groups continue refinement](#) of a fungible perpetual futures contract design among trading venues and market makers.

Key UK Regulatory Updates

While the other jurisdictions are grabbing the headlines regarding cryptoasset regulatory acceptance, the UK is even further ahead and stands to greatly benefit from global regulatory adoption of the asset class. UK common law is ideally suited as the home for global booking hubs and centralised clearing.

The UK is also committed to ensuring that the legal treatment of digital assets will soon be unambiguous. This will be favourable for institutional adoption and support the UK in retaining its prominence as a home for financial market innovation in the “tokenised” age.

Tulip Siddiq, MP, Economic Secretary to the Treasury, announced that HM Treasury’s proposed regulation of cryptoassets and stablecoins would be implemented-in-full and all-at-once starting in early 2025

[Link to the full speech here](#)

The bipartisan **Property (Digital Assets Etc.) Bill** is swiftly moving through the legislative process. It paves the way for complete assurance that in English law digital property is property and therefore can be slotted into the existing financial system’s rules and conventions without specific digital asset laws or changes to swathes of existing legislation.

[Link to the UK Government Factsheet here](#)

On 14 November 2024, **UK Chancellor Rt Hon Rachel Reeves, MP, & Tulip Siddiq, MP**, announced that HM Treasury will deliver the **Financial Services Growth & Competitiveness Strategy** in Spring 2025, stating:

“we must ensure that government policy is creating the conditions for growth, looking across the range of relevant factors – from skills to innovation and our regulatory environment.”

[Relevant UK Government Links here](#)

On 21 November 2024, **Sasha Mills, Executive Director for Financial Market Infrastructures at the Bank of England**, spoke on the potential for tokenisation to transform wholesale finance globally, including the Bank’s plans to support innovation via the Digital Securities FMI Sandbox.

[Link to the full speech here](#)

CLEARTOKEN

ClearToken Services UK Limited:
60 Cannon Street, London, EC4N 6NP

www.cleartoken.io

in