



Responsible Blockchain Report

**RBR**

**Jan 21 – Jan 27**

# **Weekly Briefing**

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FinTech4Good aims to provide business leaders with the most up to date blockchain business insights through our Weekly Briefing. We will feature some of the most exciting projects and influencers in the space.

——Xiaochen Zhang  
President of FinTech4Good

## Responsible Blockchain Reports

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# STO WATCH

## STO Platform



**According to the report of Coindesk, Polymath will extend the lock up period of its Poly tokens to Jan 1<sup>st</sup>,2024. These 75 million tokens are worth 9 million dollars.**

### ❖ Summary

- Based on the e-mail sent by Chris Housser, cofounder of Polymath, the reason why they extend lock up period is to demonstrate their financial situation is healthy and 75 million POLY tokens are useless right now. Also, they can diversify the risk of price fluctuation through current portfolio between BTC and ETH.
- 75 million POLY tokens account for 7.5% of total supply and 25% of circulation. 74% of them come from the company, while 26% come from founders. According to the previous smart contract, they will be released through 2022.
- Polymath is a popular security token platform in the world. It succeeded to raise 58.7 million dollars in Jan, 2018. POLY tokens can be used to launch security token on platform. So far, there are 75 successful security token offerings.

### ❖ Analysis

The decision of Polymath on extension is a positive stimulation to the market. The business in 2018 made it become confident of developing better and encouraging more good projects to come.

# STO WATCH

## STO Regulator

**According to ETHNews, Monetary Authority Of Singapore Stops Security Token Offering on Jan, 24.**

### ❖ Summary

- The Monetary Authority of Singapore(MAS), the country's central bank, has warned an unnamed token issuer via press release not to proceed with its planned security token offering(STO) after it was discovered that the issuer has violated part of the country's Securities and Futures Act(SFA).
- The unnamed token issuer had initially set its sights on an SFA exemption, which would allow it to "make an offer of securities to accredited investors without registering a prospectus with MAS." However, the issuer had published a post on its LinkedIn account that was accessible to the public and called attention to the STO.
- Lee Boon Ngiap, MAS' assistant managing director, stated, "MAS will not hesitate to act if issuers contravene the disclosure requirements under the SFA.

### ❖ Analysis

It is a signal that regulator will take stricter regulations on STO to protect investors in Singapore.

# STO WATCH



## STO Platform

E-commerce giant Overstock.com's cryptocurrency subsidiary tZERO announced that secondary trading of tZERO tokens is now live, according to a press release published Jan. 24.

### ❖ Summary

- Per the release, accredited investors can trade the security tokens through a digital securities brokerage account at Dinosaur Financial Group, which will act as a broker-dealer. Dinosaur partnered with tZERO subsidiary PRO Securities, which provides an alternative trading system for secondary trading of tZERO security tokens.
- Earlier this month, tZERO filed a patent for a “crypto integration platform” for trading digital assets. The patent filing describes a system that would be able to receive orders to trade “digital transactional items” from broker-dealers and then translate the orders into crypto orders on a digital exchange. Such items include securities, tokens, digital shares, cash equivalents and digital assets.

### ❖ Analysis

tZERO is a successful example of STO under Regulation D, encouraging more players join the game.





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