



Responsible Blockchain Report **RBR**

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

Responsible Blockchain Reports are a series of reports prepared by the FinTech4Good Group. We define market trends, identify blockchain stars, interview industrial leaders and provide in depth insights on emerging topics in the blockchain industry.

Our Weekly Briefing, Monthly Report and Special Issues are prepared by FinTech4Good Fellows in collaboration with some of the world most influential scholars.

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STO WATCH

STO Model — Institutional Framework



❖ Facts:

Coinbase has received approval from New York regulators to form a qualified custodial firm for cryptocurrencies.

The news comes as a number of other cryptocurrency startups gain regulatory approval to offer custody services, including BitGo, Northern Trust and Prime Trust, among others.

❖ Significance:

The pattern shows that new custodial and trading services have been offered by large, regulated entities, all in preparation for an expected influx of new securities that use smart contracts and blockchain technology to manage transformation and exchanges of more traditional assets. All are aimed squarely at the expected arrival of institutional investors into the crypto world.

❖ Opinion:

Comparing to ICO, STO is subjected to more compliance and regulation. Additionally, under Regulation D, 506(c), accredited investors are required in the investment of security tokens, which actually raises the threshold for participants. Therefore, we predict more and more regulated institutional entities will enter into this market.

STO WATCH

STO Launch in EU



DECISO, a Lithuania-based start-up that is building a security token ecosystem, launched its own security token public offering in compliance with EU member state laws on November 7, 2018.

❖ Facts:

- 38,575,472 DESI will be issued at the nominal price of 1 EUR per token, representing 12.5% of DESICO revenue in total.
- The DESI security token will be classified as a Revenue Participation Note (RPN), with quarterly payouts to investors.
- This compliant offering is facilitated by the EU-based brokerage (FMI DV Invest) and the crowdfunding platform (UAB Finansų Bitė verslui) and has received the European e-money license .
- It is open to global investors, with the exception that only accredited investors in the U.S. are able to participate.

❖ Significance:

Despite a number of legally compliant STOs in the market, DESICO is one of very few issuers that made the STO accessible to retail investors. The minimum investment for retail investors is only \$230.

❖ Opinion:

The launch of DECISO's own security token offering reaffirms the viability of fully-compliant issuance and trading activities under the EU jurisdictions. It will accelerate the STO ecosystem development in Lithuania and the rest of EU.

STO WATCH

STO Investment in Singapore



Security Token Offerings (STO) Platform iSTOX Receives “Key Investments” from SGX, Temasek on November, 8, 2018

❖ Facts:

- ICHX is working towards obtaining a license from the Monetary Authority of Singapore (MAS) to become a recognized operator. According to the firm, iSTOX will go live once the required approvals come through.
- The firm clarified that iSTOX is not a cryptocurrency exchange as all STOs will be bought and sold using fiat currency.

❖ Significance:

iSTOX can be the first recognized market operator to offer issuance and trading of STOs. ICHX Tech's board includes heavy weight members: capital markets veterans Chew Sutat, executive vice president of SGX, and Chua Kim Leng, former Special Advisor (Financial Supervision) at the Monetary Authority of Singapore.

❖ Opinion:

SGX investment in STO platform shows crypto-friendly government and clarity of laws in Singapore. It also represents positive attitude of Singapore government to STO market.

Upcoming Events



2019 World Digital Asset & Blockchain Congress

Time & Location

Nov 16, 7:00 PM – Nov 17, 11:00 PM

Dubai, United Arab Emirates

Digital Asset and Blockchain Congress in Dubai. We will create a social networking experience for connecting global investors and entrepreneurs together in Dubai. Meanwhile, we'll discuss the future of global blockchain technology, as well as the innovative application of blockchain technology in different Industries.



BlockPlusSummit in NYC

Time & Location

Nov 19, 8:40 AM – Nov 20, 12:40 PM

Hangzhou International Expo Centre, Hangzhou, China

The theme of the summit is “Technology Driven Economy”. The guests from government, business and academic fields are invited to discuss and promote “blockchain+” finance, manufacturing, medical, education, trade and government services, to build Hangzhou as a blockchain capital center.



About Us

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FinTech4Good (FT4G) is a global network which connects start-ups, investors, industry leaders and public sectors to introduce impactful fintech and blockchain solutions to frontier markets through incubation, acceleration and investment.