

MEMORANDUM

To: Crypto Task Force Meeting Log
From: Crypto Task Force Staff
Re: Meeting with Representatives of Flow Traders U.S. LLC

On January 20, 2026, Crypto Task Force Staff met with representatives from Flow Traders U.S. LLC.

The topic discussed was approaches to addressing issues related to regulation of crypto assets. Flow Traders U.S. LLC representatives provided the attached document, which was discussed during the meeting.

Proposed Meeting with SEC Crypto Task Force

Background:

Flow Traders Ltd (“**Flow Traders**”) respectfully requests a meeting with the U.S. Securities and Exchange Commission’s (the “**SEC**” or the “**Commission**”) Crypto Task Force (“**Staff**”) to discuss digital assets, market structure, and related activities. As a global liquidity provider, Flow Traders provides principal liquidity across asset classes, including exchange-traded products, cash equities, fixed income, foreign exchange, commodities, and digital assets.¹ As a proprietary trading firm, Flow Traders trades exclusively for its own account deploying its own capital and does not manage assets or perform investment services. Recognizing the importance of liquid and transparent markets for accurate price discovery, Flow Traders engages with exchanges, trading venues, issuers, authorized participants, and institutional counterparties to support effective price discovery and resilient secondary markets. As a listed company (Euronext: FLOW), Flow Traders operates with rigorous risk management, market integrity, and strict regulatory compliance.

Flow Traders appreciates the opportunity to engage in dialogue with the SEC and have constructive dialogue on practical policy issues to ensure that trading firms can deploy principal liquidity within a framework that appropriately balances investor protection with responsible blockchain innovation in the United States.

Meeting Purpose:

Flow Traders would like to discuss key considerations for proprietary trading in digital assets, including broker-dealer activity on blockchain infrastructure, trading tokenized securities, and the use of permissionless blockchains for books, records, and settlement. We also seek guidance on Decentralized Finance (“DeFi”), including proprietary liquidity provision, market-structure classification, custody, and extraterritorial application of U.S. securities laws.

Proposed Agenda:

1. *Broker-dealer activity on blockchain infrastructure*
 - Regulatory treatment of digital asset activities involving both securities and non-securities.
 - Trading tokenized securities for the dealer’s own account and the associated regulatory considerations.
 - Application of financial responsibility rules, including net capital considerations under Rule 15c3-1.
 - Expectations for custody, clearance, and settlement of digital asset transactions.
 - Use of permissionless blockchains as a source of truth for books and records, transaction validation, and reporting.

¹ Within the U.S., Flow Traders owns and operates two SEC/FINRA registered broker-dealer, and an NFA registered introducing broker.

2. *DeFi Developments and Considerations*

- Regulatory implications of providing proprietary liquidity in tokenized assets through decentralized liquidity pools.
- Market-structure classification of DeFi protocol interactions, including potential “exchange,” “broker,” or “dealer” characterizations.
- Extraterritorial application of U.S. securities laws to DeFi activities executed on global decentralized infrastructure.

Proposed Meeting Attendees:

- a. Aaron Dimitri, General Counsel - Digital Assets, Flow Traders
- b. Front office personnel *TBD*, Flow Traders