

MEMORANDUM

To: Crypto Task Force Meeting Log
From: Crypto Task Force Staff
Re: Meeting with Representatives of Wintermute Trading Ltd. and Morrison Cohen LLP

On March 28, 2025, Crypto Task Force Staff met with representatives from Wintermute Trading Ltd. and Morrison Cohen LLP.

The topic discussed was approaches to addressing issues related to regulation of crypto assets. Wintermute Trading Ltd. and Morrison Cohen LLP representatives provided the attached document, which was discussed during the meeting.

March 12, 2025

Commissioner Hester Peirce
Chair, Crypto Task Force
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Commissioner Peirce and the Crypto Task Force:

I write on behalf of Wintermute Trading Ltd. (“Wintermute”) to request a meeting with the Crypto Task Force to discuss trading and liquidity provision in cryptocurrency markets in the United States.

Wintermute is a leading global algorithmic trading firm in digital assets. Wintermute creates liquid and efficient markets on centralized and decentralized trading platforms, as well as off-exchange. Wintermute provides liquidity on over 50 exchanges and trading platforms, both centralized and decentralized. Wintermute is perhaps one of the more systemically important players in the world in crypto trading and markets, with a historical cumulative trading volume of over US\$6 trillion.

Wintermute, registered in England, and its Singapore affiliate Wintermute Asia Pte Ltd., which trades certain derivatives referencing cryptoassets, adhere to all applicable laws, rules, and regulations. Wintermute does not engage in the management of any cryptoassets or fiat currency on behalf of investors, nor do they hold fiat currency or cryptoassets on behalf of investors or customers.

Wintermute noted the SEC’s initiation of a lawsuit against American trading firm Cumberland DRW on October 10, 2024, as well as the March 4, 2025 announcement of an agreement for the SEC to dismiss that case. As a liquidity provider in non-securities cryptocurrencies, Wintermute was naturally concerned about this lawsuit, and hopeful at the signal that its dismissal sends.

To date, Wintermute has avoided opening an office in the United States, primarily out of fear of the previous administration’s arbitrary and capricious enforcement regime, but also because the rules and regulations for liquidity provision in the United States were incredibly unclear, leaving good actors outside the U.S. reticent to enter the U.S. markets, where there was no clear path to follow. While Commissioner Peirce has written a request for information titled “There Must Be Some Way Out of Here,” many non-U.S. market participants have had a sort of opposite feeling: there must be some way in to trading in the United States markets in a legal and compliant way. We are pleased that the way may finally be here.

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Wintermute would like to participate in United States markets knowing that there is a clear regulatory path in which Wintermute can work cooperatively with regulators to protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation.

To that end, Wintermute respectfully requests a meeting with the Crypto Task Force to discuss the following agenda:

1. Market structure issues

- a. Structural issues for liquidity providers in cryptocurrency markets, including what type of regulatory taxonomy would provide a predictable, legally precise, and economically rational approach to determining the security status of crypto assets and transactions in such assets without undermining settled approaches for evaluating the security status of non-crypto assets and transactions (Commissioner Peirce's RFI No. 1)
- b. Liquidity provision for tokenized securities, and the particular trading and market structure challenges of doing so (Commissioner Peirce's RFI No. 16)
- c. Execution in offchain order books or on blockchain networks and best execution obligations (including onchain complexities such as transaction ordering and block construction) (Commissioner Peirce's RFI No. 17)
- d. Programmatic/technological ways that crypto market participants, intermediaries, and regulators can monitor crypto markets using open-source data (Commissioner Peirce's RFI No. 18)

2. Jurisdictional issues

- a. Why Section 3(a)(5) of the Exchange Act [15 U.S.C. § 78c(a)(5)], which defines "dealer" generally as "any person engaged in the business of buying and selling securities ... for such person's own account through a broker or otherwise," does not apply to liquidity providers in crypto
- b. Why market manipulation may or may not be within the SEC's purview

3. Best practices for liquidity provision in crypto markets (what top-tier, responsible actors are doing today, on a voluntary basis)

- a. Anti-fraud and anti-manipulation practices
- b. Market integrity
- c. Disclosures and retail user protection

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4. How the Commission can advance these best practices within the scope of its statutory remit

While we understand the Task Force's schedule is tight, Wintermute founders Evgeny Gaevoy and Marina Gurevich will be available in person in Washington D.C. on **March 25, 27, or 28**, and would be honored to meet with members of the task force on one of those days. We appreciate your consideration and attention.

Respectfully submitted,

Jason Gottlieb
Jason Gottlieb

cc: Evgeny Gaevoy and Marina Gurevich