

BC Technology Group, Archax and InvestaX[®] Jointly Establish International Security Token Offering Alliance, Form Working Group

Global Release - 24 February 2022 – BC Technology Group (stock code: 863 HK), parent company of OSL Digital Securities, the first and only platform licensed by Hong Kong’s SFC to trade security tokens; Archax, the first and only FCA-regulated digital securities exchange, broker and custodian; and InvestaX[®], the Singapore-headquartered, MAS-licensed investment and trading platform for digital securities and security tokens, today announced that they have jointly established the International Security Token Offering Alliance (ISTOA), and formed a global working group on blockchain-based digital securities (also known as security tokens or STOs).

ISTOA is an international consortium dedicated to creating and promoting technical, compliance, and corporate governance interoperability for blockchain-based digital securities. Its vision is to create a large global, highly liquid market of cross-listed STO venues, with a heterogeneous mix of dealer brokers, exchanges, and custodians providing easy access to digital securities and servicing different client segments and jurisdictions.

The members of IOSTA have also established a global STO Working Group, which meets regularly to discuss collaboration initiatives on digital securities in connection with issuance, listing, trading and settlement.

The Working Group was created in response to increasing regulatory clarity around digital securities, including licensing regimes in a number of tier-1 financial markets, such as Hong Kong, Singapore and the United Kingdom, and global industry standards around digital assets as set forward by the Financial Action Task Force (FATF).

“We created the ISTOA and the STO Working Group to encourage global conversation, cooperation and standard setting among regulated digital asset providers in key financial markets,” said BC Technology Group CEO Hugh Madden. “International cooperation is critical to the success of the sector. We’re excited for the future as we welcome more members to the organization to explore synergies around technical and governance standards and practices related to token offerings.”

“The use of Distributed Ledger Technology (DLT), like blockchain, along with tokenization to create digitally-native instruments is the future for financial markets globally. For these digital securities to become firmly established and reach their full potential, global standards and interoperability are required. The launch of ISTOA is a significant milestone for this, and we look forward to working closely with other members to accelerate the growth of the digital asset and digital securities ecosystem around the globe,” said Graham Rodford, CEO of Archax.

InvestaX[®] CEO Julian Kwan said: “Promoting cross-border regulatory compliance is critical to the healthy development of the nascent digital securities asset class. The efforts undertaken by the STO Working Group will lead to a healthy and robust global market, with deep liquidity and easy access to STO instruments.”

The STO Working Group has regular meetings, and is open to new members. Industry participants that wish to join can inquire at:

Email: contact@istoa.org