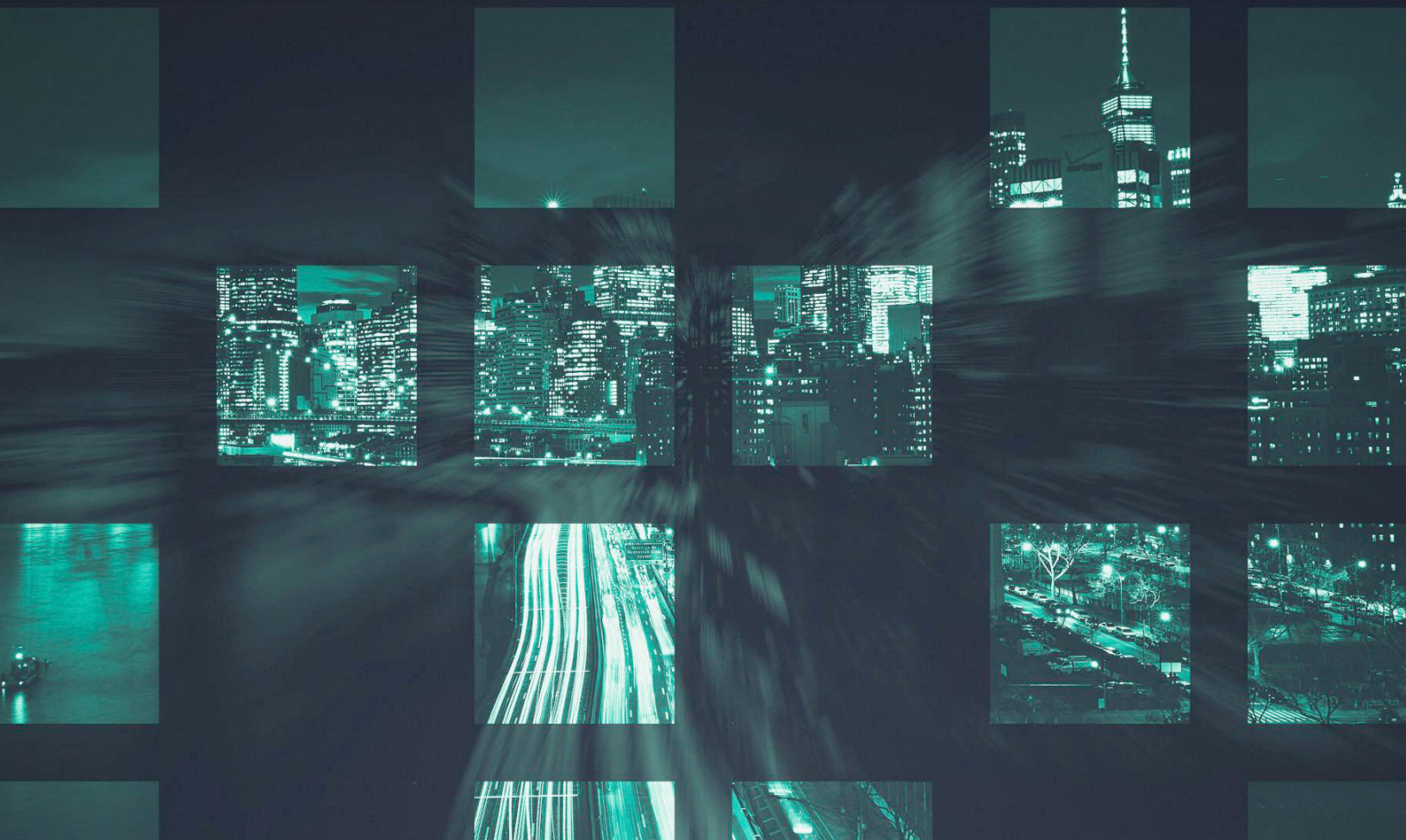


CASE STUDY

Leading Digital Asset Custodian Expands to Offer Trading Services





Introduction

A leading digital asset custodian expanded its services beyond custody to include trading. Faced with the challenge of providing efficient, secure, and regulated market access, the custodian partnered with Talos for technology solutions, enabling them to streamline operations, enhance their customer experience and strengthen their position as a market leader in the digital assets space.

The Company

The Talos client in this case is a fully-licensed digital asset custodian that provides solutions for protocols, foundations, financial institutions, and the Web3 ecosystem. With offices in EMEA and Asia Pacific, the company offers institutional-grade access to custody, DeFi, brokerage, and other services built on regulated infrastructure.



The Challenge

The client is the leading provider of institutional-grade custody and security solutions for digital assets. With the increasing popularity and regulated nature of their custody business, there was a need for the client to be able to achieve:

- Best execution against deep and fragmented liquidity across leading exchanges and liquidity providers;
- Improved access to the market in a secure and regulated manner for their end customers.
- Efficient trade settlement across a wide range of cryptocurrencies and fiat;
- Support for broad trading strategies across spot and margin markets;

The client needed a technology provider who could immediately meet their high standard for service, but also help them build a solution for the future. Lastly, they were looking to achieve all of this while minimizing time to market.



The Solution

After a thorough evaluation process, the custodian selected Talos as their key technology partner. Talos's out-of-the-box connectivity to the marketplace would enable them to face the market quickly, in an efficient and scalable manner.

As part of the solution, Talos would also integrate with the custody platform for real-time visibility of assets to enable customer risk management. This integration would also make treasury management and settlement workflows fully automated while providing the flexibility of manual intervention when needed.

Talos's White Label GUI and API would be set up to power quick and easy market access for the client's customers in a secure manner while ensuring real-time compliance and risk checks.



For illustrative purposes



The Results

With a secure and scalable single point of access to the digital asset market, this custodian was able to refocus their engineering resources towards enhancing their custody solution and building products to improve their customer proposition.

Their trading team has been able to cut costs and to demonstrate best execution through the use of Talos's client-driven algorithmic execution strategies and transaction cost analysis (TCA). In addition, execution analytics on the platform can be used for audit and compliance reporting.

The integrated custody solution from Talos provided the client's customers with a real-time view of their assets and allowed them to trade directly from their custodial wallets. The ledgering and position management functionality within Talos ensured smooth reconciliation and settlement process, saving valuable time for the client's operations team.

Lastly, Talos's institutional grade-infrastructure and resilience enabled the client to offer a seamless 24/7 trading service to their customers, strengthening their position as a leading provider in the digital assets space.

AT A GLANCE

- **Refocus engineering resources**
- **Cut costs**
- **Demonstrate best execution**
- **Generate compliance reporting**
- **Integrated custody solution**
- **Smooth reconciliation and settlement**
- **24/7 service**



"We always strive to provide our customers easy and secure access to the digital assets market. Given the fast-paced nature of the industry, speed in bringing the latest technology to market is the key to staying ahead of the curve. Partnering with Talos helped us to streamline trading, streamline end-to-end customer workflows, and position ourselves as a market leader."

Anonymous

Division Head at Client

We are proud that this custodian chose Talos to support their digital asset business ambitions. Their experience is a testament to how a service provider or sell-side institution can leverage the broad capabilities of the Talos platform – to connect efficiently to the digital asset ecosystem, orchestrate complex workflows, manage executions with advanced tools, and provide trading services to their end customers."

Samar Sen

Head of APAC | Talos

The Future

As institutional participation in the digital assets market continues to gain pace, so will the sophistication demanded by this client's end customers. Through a deeper integration with Talos, the client plans to offer an out-of-the-box, custody-plus-trading solution to institutions, or they can offer their liquidity and custody services in a modular fashion depending on what's needed by the institution.



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