



# SETL

simple | immediate | unified

**“Blockchain –the real fintech  
revolution?”**

**26/06/2018**

**Thiebald Cremers**

**Director Legal and Public affairs, SETL France**

# SETL Leadership

SETL was founded in 2015 and benefits from a highly experienced Board and Executive Team with deep expertise across financial services, technology and regulation

## The Board



**Sir David Walker (Chairman)**  
Former Chairman  
Barclays



**Rachel Lomax**  
Former Dpt Gov of Bank of  
England



**Ed Richards**  
Former CEO of Ofcom



**Martin Clements**  
Former Senior FCO Civil  
Servant



**Stuart Irving**  
CEO of Computershare

## Assurance

### Cryptographic Committee:

- Led by Philip Bond
- Reviews, assures and oversees the cryptographic standards on which the SETL systems are built

### Information Security Committee:

- Chaired by national security expert Martin Clements CMG OBE
- Ensures SETL's technology and business maintains the highest levels of security

## The Executive Team



**Peter Randall**  
CEO



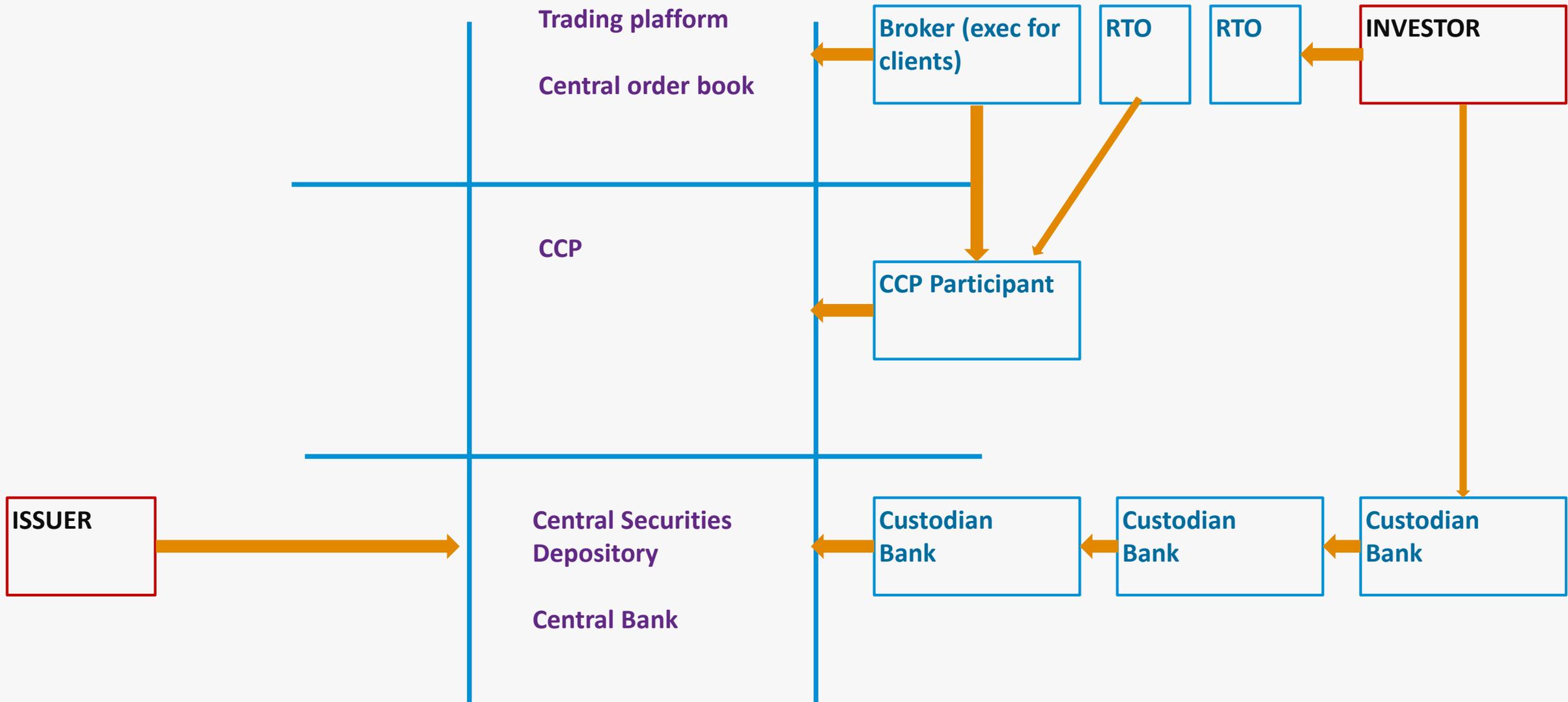
**Anthony Culligan**  
Product CEO

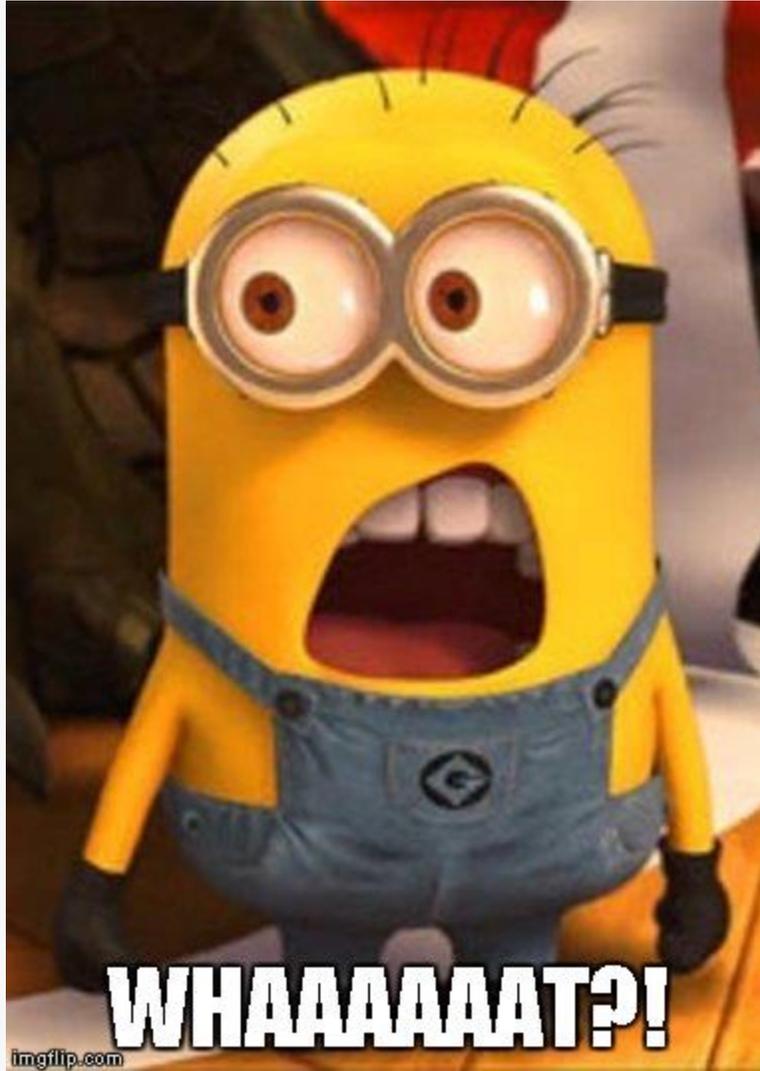


**Nicholas Pennington**  
CTO



**Pierre Davoust**  
CEO France





# 3 Key Themes:

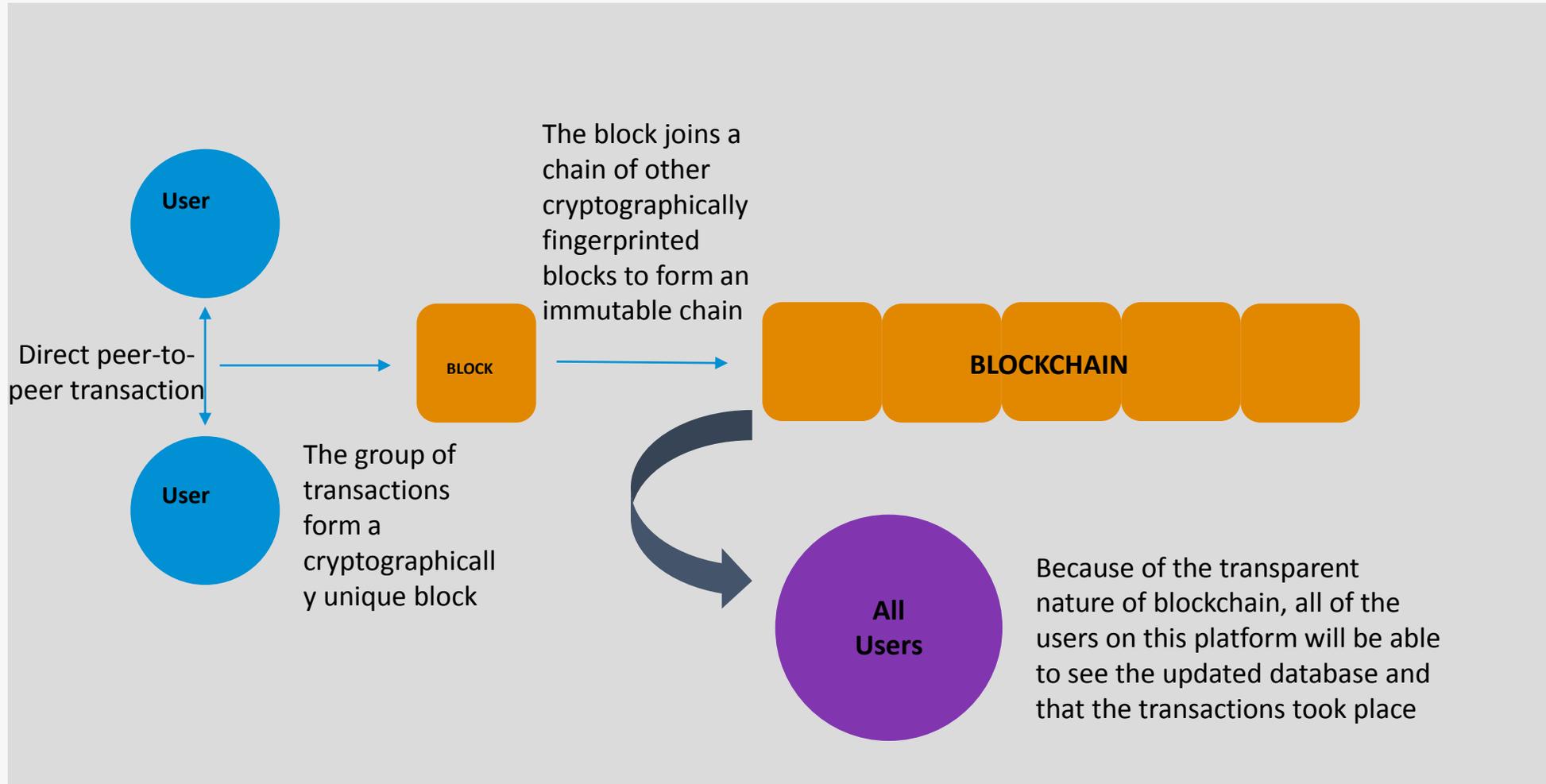


- **Multiple intermediaries**
  - **Infrastructures:** trading platforms, CCPs, CSDs, Trade Repositories
  - **Market players:** RTOs, Brokers, Clearers, Custodians, Banks
- **Increased Competition**
  - Institutions are looking to cut costs
  - Market concentration,
  - Operating costs
- **Increased Legislation**
  - CSDR, SFT, SFTR, FCD, CRR, EMIR give a frame to infrastructures
  - GDPR and MIFID II demand greater openness and traceability

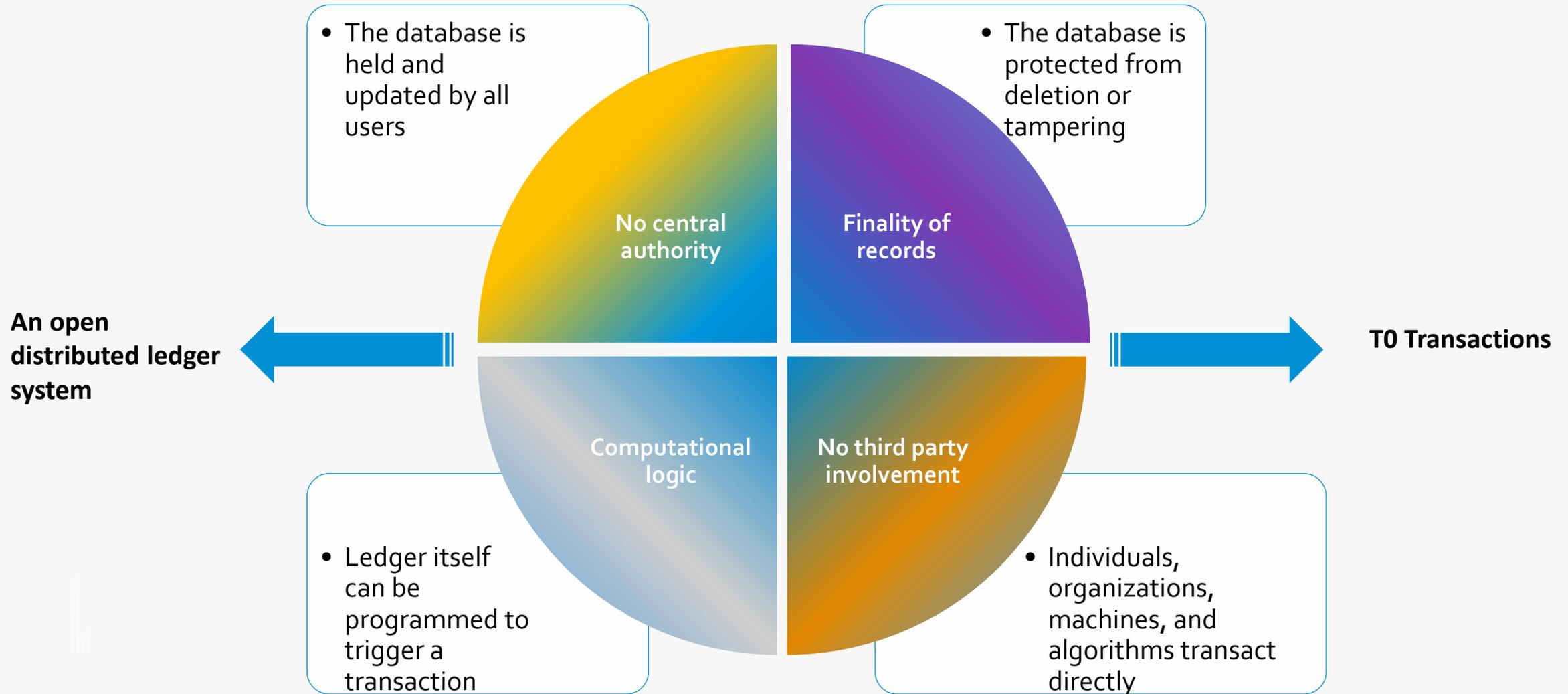


# Blockchain

# A Basic Blockchain Flow:



# Its Qualities and Related Functions:



# SETL's Core Technology

The engine is built specifically for financial services aligning with the scale, capacity and performance requirements of financial institutions and markets.

## Market Leading Technology

- Built specifically for financial services with a focus on integrity, resilience, security and scalability.
- Provides a key technology enabler for real-time settlements (through reduced inter-system complexities) and future market interaction through the exchange of cryptographic proofs instead of structured financial messaging.

## Technology Features

Performance	Scale and Capacity	Identity	Interoperability and Real-World Assets	Security	Environmental
20,000 transactions per second	100m concurrent accounts and complex state	Fully permissioned and comprehensive KYC / KYP capabilities integrated into product	Fully interoperable with market standards (e.g. ISO) Records real-world assets	Leverages market-leading best practice guided by Cryptographic Committee	Highly efficient and reduces power consumption compared to legacy solutions

# The engine

The engine is built specifically for financial services.

## Volumes

- 20,000 transactions / second

## Performance

- 5 seconds to build a block of transactions
- < 1 second to validate and settle

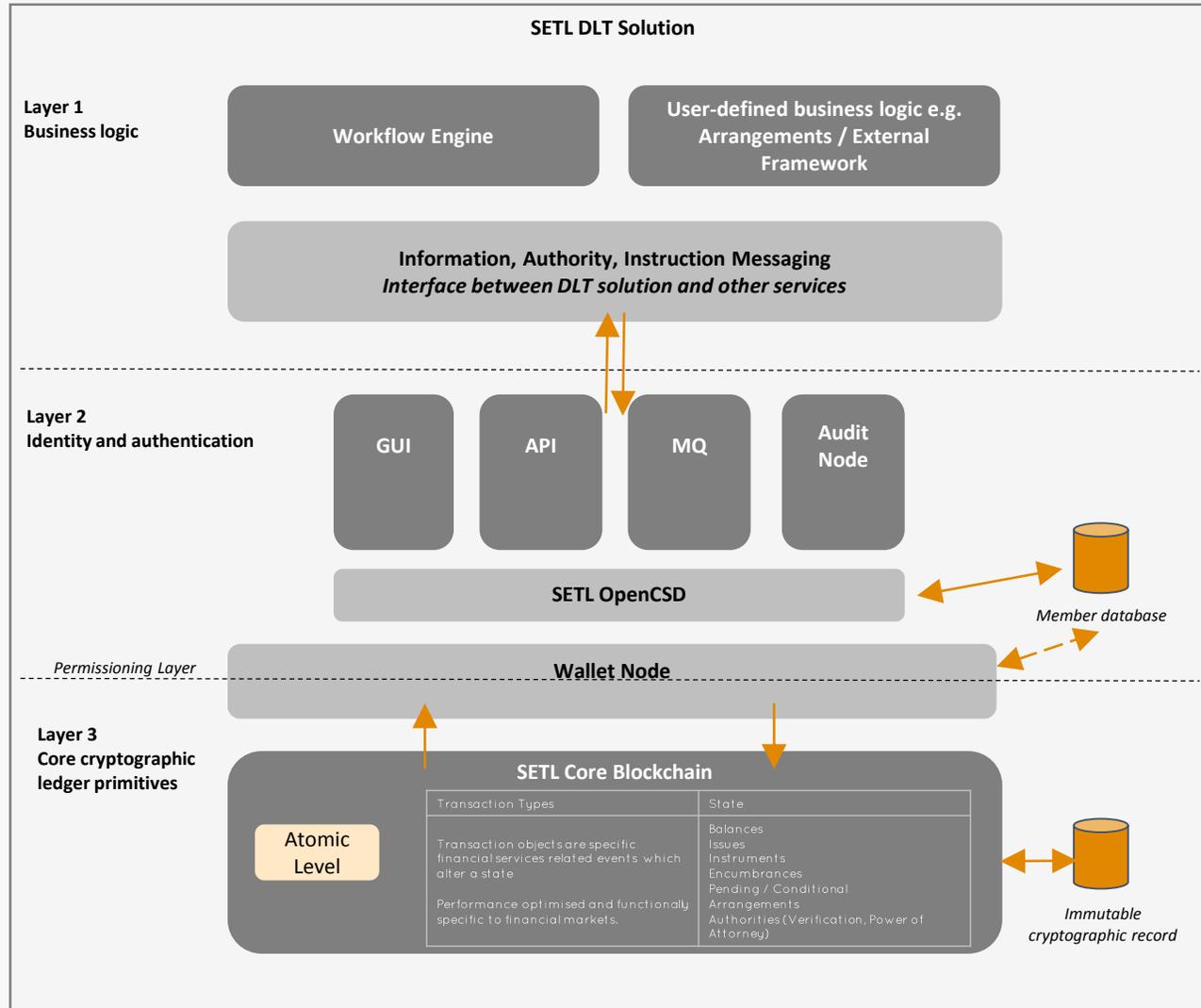
## Capacity

- 100M+ accounts simultaneously
- Processing complex state and transactions



# SETL – Solution Layers

The SETL solution is built around three core functional layers



- The solution that SETL proposes comprises three functional layers:

## Business Logic

enables business logic and workflows (smart contracts) to be implemented, with intelligence developed to support financial services workflows

## Identity and Authentication

authenticates and manages interaction with the core blockchain, which hosts reference data (e.g. instrument lists)

**Core Cryptographic Ledger Primitives** consists of the core blockchain solution

# Key Projects in-flight: IZNES and ID2S

SETL's leading European projects include IZNES, a fund distribution platform, and ID2S, an issuer CSD for Commercial Paper.

## IZNES

- IZNES integrates into the market, replacing the role of the Transfer Agent, and provides services to Asset Owners, Investors, Asset Issuers and Asset Managers
- It is backed by 20 European fund managers that together aggregate 5 trillion USD of assets under management (AUM).
- First transactions were completed in Q1 2018 and the formal launch was in May 2018. IZNES aims to onboard €75bn AUM in 2018.

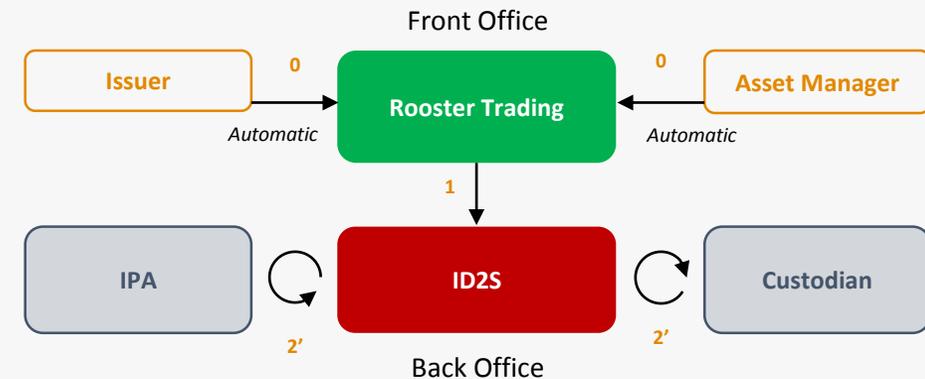


### Key Benefits:

- Direct investor-asset manager relationship
- Cost reduction and operational efficiency
- Enhanced transparency of beneficial fund owners
- Potential new revenue streams through on-platform services

## ID2S

- ID2S is a fully-fledged CSD which will operate across Europe, primarily for Commercial Paper. This platform will reach full regulatory approval by October 2018 and launch in January 2019.
- SETL has signed a 10 year contract with Orange for the development and operation of ID2S.
- Testing with T2S commenced in April 2018 and regulatory submissions have been issued to the Banque de France and AMF.



### Key Benefits:

- Reduced settlement timeframes (from T+2 to T+0)
- Cost reduction for market participants
- Enhanced market transparency

THIEBALD CREMERS  
DIRECTOR LEGAL AND PUBLIC AFFAIRS

[Thiebald.cremers@setl.io](mailto:Thiebald.cremers@setl.io)

+33 7 70 01 06 15

This document is issued by SETL Development Limited, trading as SETL (“SETL”), having its registered office at Charles Russell Speechlys, 5 Fleet Place, London, England, EC4M 7RD, registered with the United Kingdom's Companies House under n° 09704844. The liability of its members is limited. This document is directed exclusively to Eligible Counterparties and Professional Clients. It is not directed at Retail Clients.

This document is for information purposes only and is not, and should not be construed as, an offer or a commitment by SETL or any of its affiliates to enter into a transaction. This document does not constitute investment advice and nor is any information provided intended to offer sufficient information such that it should be relied upon for the purposes of making a decision in relation to whether to enter into any contractual obligation. The information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice. As this information does not take account of your objectives, financial situation or needs, we recommend that you consider the appropriateness of the information having regard to your specific circumstances, and obtain financial, legal and taxation advice before making any investment decision. Market and technical conditions may change without notice and no guarantee is offered by SETL in respect of the information provided herein and cannot therefore be relied upon.

Furthermore, where relevant, information only illustrates hypothetical performance under the related assumptions. Actual results will vary from such hypothetical performance and the variations may be material. As such, no assurance can be given as to the accuracy, appropriateness or completeness of the information or opinions contained herein in any particular context; or as to whether the information and the assumptions upon which it is based reflect present market and technical conditions or future performances.

The information and opinions contained in this document have been compiled or arrived at from sources believed to be reliable, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. To the extent permitted by law, neither SETL, nor other legal entities in the group to which it belongs accept any liability whatsoever for any direct or consequential loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith.

In addition, the information is preliminary and will be superseded in its entirety by any information made available to you after the date hereof (if any), as well as by any subsequent legally binding document. No person has been authorised to give any information or to make any representation other than those to be contained in this document. The designation and terms of the technology described in this document are preliminary and subject to change prior to any membership. Prospective members are referred to the subsequent legally binding document that is preliminarily discussed in this document for final designation and terms of any service described in the information prior to committing to purchase any such service or membership.

This document may not be reproduced, distributed or published, in whole or in part, for any purpose, except with the prior written consent of SETL. By accepting this document you agree to be bound by the foregoing restrictions.

© SETL, Registered office at Charles Russell Speechlys, 5 Fleet Place, London, England, EC4M 7RD