



NEWS RELEASE

Bullish partners with the Gibraltar Government and GFSC to pioneer world's first crypto clearing regulation

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GIBRALTAR, May 13, 2025 - **Bullish**, one of the fastest-growing regulated virtual asset exchanges, today announced its partnership with the **Gibraltar Government** and the **Gibraltar Financial Services Commission (GFSC)** to develop the world's first regulation for the clearing and settlement of derivative contracts settled in virtual assets. This innovation will enable virtual asset derivative contracts to be cleared and settled in virtual assets by a recognized clearing house for the first time. This groundbreaking initiative moves beyond the limitations of traditional fiat-based clearing and settlement infrastructure and marks a significant milestone in the evolution of virtual asset regulation.

Over the past six months, Bullish and the GFSC have collaborated and agreed to create a regulatory framework that seamlessly adapts traditional finance clearing regulations with the unique requirements and capabilities of the virtual asset market.

For example, under the proposed clearing framework, select virtual assets may be eligible as collateral and settlement currency. The selection criteria will follow the principles underpinning existing traditional clearing regulations. Additionally, the framework will expand the range of institutions authorized to hold collateral, enhancing market integrity and participation while mitigating key risks.

Setting the standard for a crypto clearing solution

Major virtual asset exchanges have been performing the clearing function without appropriate regulatory oversight, leading to failures impacting customers. The proposed regime introduces a regulated clearing house entity,



separate and independent from the exchange and its participants, with improved transparency and capitalization to strengthen market infrastructure protection.

In a separate announcement, His Majesty's Government of Gibraltar expressed its enthusiasm for the framework, which fosters trust, resilience, and integrity in virtual asset markets. Bullish warmly welcomes their announcement and is excited to work alongside the government and GFSC to bring this groundbreaking regulatory framework to fruition.

"There is currently no regulation that specifically addresses the clearing needs of the crypto industry. We aim to change that by introducing a framework that manages risk for virtual asset trading and is aligned with traditional market infrastructure standards," said Tom Farley, Bullish Group CEO. "While Central Counterparties have become more robust in other asset classes, this initiative will bring that same robust risk management and regulatory oversight to the crypto clearing space that EMIR & Dodd-Frank brought to traditional derivatives markets. We welcome the announcement from the government of Gibraltar and look forward to introducing our joint proposal to the market."

The Hon Nigel Feetham KC MP, Minister for Financial Services adds, "Gibraltar is renowned for pioneering clear regulation and embracing forward-looking technology, being the first jurisdiction globally to introduce legislation for firms using Distributed Ledger Technology. We are excited to deepen our relationship with Bullish and to introduce this unprecedented virtual asset clearing solution to the market."

Bullish exchange poised to become first regulated virtual asset clearing house globally

In anticipation of the new framework, Bullish plans to introduce its Clearing Services offering alongside Options trading later this year. This initial launch will integrate a variety of clearing benefits into the market as Bullish moves toward establishing a standalone clearing house under the new regulatory framework. With licenses from the GFSC, the **German Federal Financial Supervisory Authority (BaFin)**, and the **Hong Kong Securities and Futures Commission (SFC)**, Bullish is well-positioned to set the standard for virtual asset clearing solutions.

"Our long-term goal is to establish a robust regulatory framework that not only meets the current needs of the virtual asset ecosystem but also anticipates future developments. This initiative underscores our commitment to operating a regulated, compliant exchange that supports institutional participation with an end-to-end clearing solution," said Randi Abernethy, Head of Clearing and Group Risk at Bullish. "Several market participants have already voiced strong support for our business model because they recognize the value of regulated central clearing. We look forward to Bullish becoming the first operational regulated digital assets clearing house in the world."

In advance of this, Bullish will form a clearing member working group to bring industry leaders together to share their expertise, establish the initial clearing network, and enhance the robustness of Bullish's clearing ecosystem.

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About Bullish exchange

With a focus on developing products and services for the institutional digital assets sector, Bullish has rewired the traditional exchange to benefit asset holders, enable traders and increase market transparency. Supported by the Group's well-capitalized treasury, Bullish's digital asset spot and derivatives trading services utilize high-performance central limit order matching and proprietary market making technology to deliver deep liquidity and tight spreads within a compliant framework.

Launched in November 2021, the exchange is available in 50+ select jurisdictions in Asia Pacific, Europe, Africa, and Latin America. Bullish prioritizes compliance and **safeguarding customer assets** through robust security measures and regulatory oversight. The business is licensed by the **Hong Kong Securities and Futures Commission, German Federal Financial Supervisory Authority**, and the **Gibraltar Financial Services Commission**. For more information on the Bullish exchange, please visit **bullish.com** and follow **LinkedIn** and **X**.

Forward-Looking Statements

This press release may include "forward-looking statements" relating to future events or the Bullish Group's future financial or operating performance, business strategy, and potential market opportunity. Such forward-looking statements are based upon estimates and assumptions that, while considered reasonable by the Bullish Group, are inherently uncertain and are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. You should not place undue

reliance on any such forward-looking statements, which speak only as of the date they are made, and the Bullish Group undertakes no duty to update these forward-looking statements.