

January 20<sup>th</sup> - January 26<sup>th</sup>

## PERSPECTIVES by Eric F. Risley

Circle announces its first acquisition in two and a half years, acquiring Hashnote, the issuer of the tokenized money market fund, USYC.

This acquisitions sits on the bleeding edge of many very interesting topics, in fact far too many to tackle in this note directly. However, topics that come to mind include:

- Does this suggest that paying yield (financial return) to holders must be in the form of a traditional security like a **40 Act** money market fund?
- Inversely, does this suggest stablecoins, in their current form, will be restricted from offering holders a portion of the yield (financial return) earned from investment in short-term treasuries?
- Do these statement above imply that a two tier stablecoin market emerges. One being for “money in movement” (no yield) and one being for “money at rest” (earns yield)?
- Does this further blur the distinction between traditional financing and crypto asset-based finance? Do they co-exist separate or just become one?
- Is this the beginning of crypto businesses embracing traditional finance in recognition of necessity?
- Does this spur those with the deepest and longest institutional investor relationships, traditional financial services institutions, to issue their own “money in movement” stablecoin as defense against their \$2T+ payment businesses?

My partner, Todd White, offers a bit of perspective on the acquisition of Hashnote by Circle in our **M&A Alert**.

Let the Games begin.

## RECENT CRYPTO M&A TRANSACTIONS (click here for full AP M&A Tracker)

Target	Acquirer	Transaction Summary	M&A Alert
Hashnote	CIRCLE	<b>Transaction Value:</b> ND <b>Rationale:</b> Accelerates product offerings and competitive position in digital asset capital markets <b>Sector:</b> Investing & Trading Infrastructure <b>Target Description:</b> Issuer of USYC and operator of the largest tokenized treasury and market fund	●
coinseeker.co	Tokenize Xchange	<b>Transaction Value:</b> \$30.0M <b>Rationale:</b> Incorporating Coinseeker’s AI-powered analytics, ratings and insights to enhance product <b>Sector:</b> Investing & Trading Infrastructure <b>Target Description:</b> Platform featuring a list of blockchain companies engaged in fundraising, along with investment trends, funding rounds, and the overall crypto company landscapes	○
Alphalink	Portal	<b>Transaction Value:</b> ND <b>Rationale:</b> Talent Acquisition <b>Sector:</b> DApp: Investing & Trading <b>Target Description:</b> Connects various wallets, chains, and exchanges into a single interface	○
Autograph	FUTURE	<b>Transaction Value:</b> ND <b>Rationale:</b> Product expansion focused on hyper-personalized health coaching <b>Sector:</b> DApp: Consumer, Media <b>Target Description:</b> NFT platform designed to connect athletes, artists and brands fans in web3	○
boardroom	Agora	<b>Transaction Value:</b> ND <b>Rationale:</b> Acquired to further scale governance within the Ethereum ecosystem <b>Sector:</b> Enterprise Solutions <b>Target Description:</b> Blockchain governance data and services platform	○
FLASHY CASH	Life.	<b>Transaction Value:</b> ND <b>Rationale:</b> Talent and IP acquisition and product expansion <b>Sector:</b> Payments Infrastructure <b>Target Description:</b> Decentralized platform offering swaps, buy, sell, mobile top-ups, and gift cards	○
rolf	PRIORITY	<b>Transaction Value:</b> ND <b>Rationale:</b> Product and Capabilities Expansion <b>Sector:</b> Enterprise Solutions <b>Target Description:</b> Provides an API and modern workforce services for cash and crypto	○
unit 214	SQUER	<b>Transaction Value:</b> ND <b>Rationale:</b> Talent Acquisition <b>Sector:</b> Consulting & Services <b>Target Description:</b> Provider of information technology consulting services for AI and blockchain	○

## OVERALL CRYPTO M&A ACTIVITY LEVELS

