CALASTONE TOKENISED DISTRIBUTION

Unlocking the future of fund distribution

Imagine a seamless, cost-efficient way for asset managers to distribute their funds to a new wave of digital-native investors. Calastone's Tokenised Distribution solution empowers asset managers to tokenise their funds and connect with emerging digital distribution venues effortlessly. By leveraging blockchain technology, this innovative solution enhances efficiency, reduces costs, and opens the door to new investor opportunities.

Calastone Tokenised Distribution

Tokenised Distribution allows asset managers to transform any share class of any of their funds into a digital token. These tokens can be made available on any public or permissioned blockchain network, integrating effortlessly with digital distribution venues and bridging the gap between traditional and emerging DLT ecosystems.

Crucially, this approach utilises existing asset manager and service provider connectivity into our network, with orders initiated via blockchain routed seamlessly and automatically translated to meet the receiver's format requirements.

This means that the benefits of tokenisation can be achieved with no changes to existing technology and operational processes, and connectivity to counterparties sending orders via blockchain can be added as simply as to those using any other protocol.

The solution enables seamless trading and fund management across blockchain networks while maintaining the reliability and efficiency of traditional systems and allowing asset managers to continue to leverage their existing service provider relationships as required. It represents a step change in fund distribution, opening access to a broader pool of investors and driving down overall distribution costs.

Accessing new digital distribution opportunities

Blockchain-based digital distribution venues offer a transformative alternative to traditional distribution, that unlocks entirely new markets.

These emerging digital venues attract a wave of investors who are already immersed in blockchain ecosystems. These digital-native audiences, from corporate treasurers to crypto-savvy retail investors, represent an untapped opportunity for asset managers to expand their reach.

Opportunities in digital distribution include:

- Corporate treasurers in fintech firms and distributed ledger technology (DLT) providers, managing large balance sheets, are increasingly exploring liquidity fund investment options via native blockchain rails.
- Stablecoin treasurers are looking for efficient ways to manage liquidity and collateral.
- Retail investors already familiar with cryptocurrency trading are expected to seek exposure to tokenised traditional assets through these modern platforms.

Unlocking Tokenised Distribution

Calastone Tokenised Distribution is designed for asset managers who want to grow their market presence and engage with a new pool of investors. Whether you are looking to expand into digital-native markets, streamline operations, or differentiate your distribution strategy, Tokenised Distribution makes it possible.

This solution is particularly suited for asset managers targeting:

- **Institutional players,** including corporate and stablecoin treasurers.
- **Digital-native markets,** where blockchain ecosystems are reshaping investment norms.
- **Emerging retail investors,** who are transitioning from cryptocurrency trading to traditional investments via tokenised funds.

By embracing this solution, you can position your business at the forefront of innovation, ready to meet the demands of a fast-evolving industry.

The Calastone difference

Calastone Tokenised Distribution offers a unique combination of innovation and reliability, enabling you to embrace the future of fund distribution with confidence.

- **Seamless integration:** Extend your traditional fund processes into the digital realm without disruption.
- **Enhanced efficiency:** Smart contracts automate fund transactions, reducing manual intervention, enhancing security, and lowering distribution costs
- **Broader market reach:** Unlock new distribution opportunities and engage with emerging investor cohorts, from fintech firms to blockchain-savvy individuals.
- **Trusted security:** Robust blockchain integration ensures reliability at every step.

Let Calastone guide you in transforming your distribution strategy. Connect with us today to unlock the potential of tokenised digital investments.

How Tokenised Distribution works

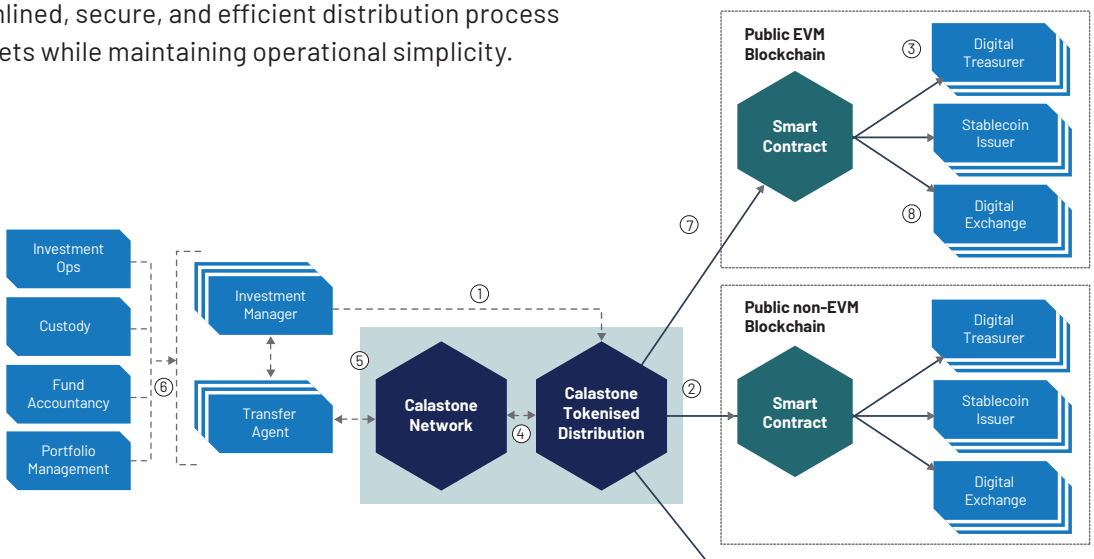
Calastone's Tokenised Distribution solution simplifies the transition to digital distribution by integrating seamlessly with your current systems and processes.

At its core is the Tokenisation Application, which transforms traditional funds into blockchain-based tokens. These tokens, powered by our smart contracts, are enriched with all necessary fund and distribution details, ensuring smooth and secure operations. Once tokenised, funds are ready to be distributed across a growing network of digital venues.

Key features of the solution:

- **Effortless integration:** Tokenised funds connect seamlessly with your chosen digital distribution and administration partners.
- **On-chain order processing:** Calastone's smart contracts bring order processing fully on-chain, with dynamic minting and burning of tokens in response confirmed subscriptions and redemptions.
- **Automated settlement:** The platform enables automated settlement via both fiat and digital means, with future ready functionality supporting stablecoin or CBDC integration.
- **Wallet infrastructure:** Truly decentralised solution allows asset managers and their service agents to utilise their own blockchain wallet addresses or use those supplied by Calastone.
- **Streamlined management:** Intuitive tools empower asset managers and transfer agents to oversee and reconcile tokens efficiently, without disrupting existing workflows.
- **Robust security:** Embedded white-listing capabilities in every Tokenised Fund smart contract ensure secure blockchain distribution, giving you confidence in every transaction.

The result is a streamlined, secure, and efficient distribution process that opens new markets while maintaining operational simplicity.



1. Investment manager selects funds, blockchains, and eligible distributors
2. Smart contracts deployed; distributors are whitelisted
3. Orders submitted via smart contract calls
4. Orders routed via Calastone as "Order Submit" messages
5. IMs/TAs receive orders via existing connections and formats
6. Orders managed via existing, traditional fund processes
7. Order status and pricing relayed back via Calastone to smart contracts
8. Tokens minted on order confirmation; released to distributor wallets on settlement confirmation

Connect today

Engaging with Calastone is simple. Start transforming your fund distribution strategy in just a few steps:

- Speak with our experts to explore how Tokenised Distribution can align with your business objectives.
- Select your preferred digital distribution venues and partners.
- Tokenise your funds, connect to digital platforms, and begin distributing to new investor groups with ease.

With Calastone's intuitive tools and tailored support, you can confidently navigate the digital distribution landscape. Contact us and discover how we can help you unlock the future of fund distribution.

To learn more about Calastone Tokenised Distribution and how it can benefit your organisation, get in touch.

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