

A Longstanding Partnership Built on Security

MAINTAINING TRUST IN AN EVOLVING MARKET

Bitstamp, a pioneer in the cryptocurrency exchange market, has built its reputation on a foundation of regulatory compliance, tight governance and robust technology. Bobby Zagotta, CEO of Bitstamp USA, Inc, and Global Chief Commercial Officer for Bitstamp, articulates the company's focus: "Our challenge is to also innovate in ways that make [cryptocurrency] more accessible, more understandable, easier to participate in." This commitment to innovation and accessibility is evident in Bitstamp's core spot exchange offering which bridges the worlds of traditional finance and crypto by leveraging Nasdaq trading technology. The result is a platform that boasts high uptime and low latency while still prioritizing safety and security.

As Bitstamp witnessed the cryptocurrency market and its participants continue to evolve over time, they faced the challenge of maintaining trust, ensuring regulatory compliance and providing robust security for clients' assets. "After some of the colossal flameout that we've seen and some of the bad actors that have been weeded out, people really care about the integrity of who they're working with," Zagotta said. Because of Bitstamp's desire to provide safety, transparency, and opportunity for their customers, they partnered with BitGo Trust as their custodian in 2016.

THE BITGO-BITSTAMP PARTNERSHIP

BitGo and Bitstamp's partnership is multi-faceted and incorporates a number of BitGo's offerings to provide Bitstamp's customers with the best experience possible.



Secure custody

Bitstamp leverages BitGo's multi-signature and custodial cold storage solutions, in addition to warm and hot wallets offered by BitGo's other entities, to safeguard client assets. Zagotta explains, "It begins and ends with custody. The safeguarding of assets is the most important part of the equation and this is why Bitstamp made the choice to partner with BitGo."



New token listings

"We as an exchange want to make the highest quality tokens available to our customers and BitGo must be in lockstep with us on that journey because those tokens are going to be custodied by BitGo," said Zagotta, "and so we collaborate closely on market intelligence and use cases that underpin new token projects. This is where it gets quite exciting."



Post-trade settlement

Bitstamp works closely with BitGo's Go Network to enable off-exchange settlement, allowing clients to maintain custody with BitGo Trust while still being able to access liquidity directly on Bitstamp. "BitGo has developed a highly capital efficient off-exchange settlement network... which enables institutional clients to trade based on some credit checks and credit limits," Zagotta mentioned.

ABOUT BITSTAMP

Bitstamp, founded in 2011, is the world's longest-running cryptocurrency exchange. The company's founders accurately foresaw a future where Bitcoin and other digital currencies would extend beyond technological pioneers. This vision formed the foundation for their mission: to enable safe and reliable access to cryptocurrency markets for both institutions and retail investors. With offices worldwide plus 50 licenses and registrations in key global jurisdictions, Bitstamp has established itself as one of the market's most trusted exchanges, fostering innovation across the industry.

RESULTS

- ✓ Reduced counterparty risk
- ✓ Improved value proposition
- ✓ Increased capital efficiency

LOCATION



Luxembourg

BITSTAMP'S PERSPECTIVE

Zagotta recommends BitGo “in virtually every conversation we’re having with clients.” He explains, “BitGo, who is regulated, has an incredibly long track record and has the kind of DNA that is similar to ours, which is they just do things correctly and they do things right.”

This partnership has impacted Bitstamp’s business through:



Improved value proposition

“Partnering with BitGo has enhanced our value proposition. We're able to highlight the fact that we can deliver reduced counterparty risk because we've partnered for custody with a third party that is regulated and licensed...and our institutional customers appreciate that,” says Zagotta.



Increased capital efficiency

Go Network’s “highly capital efficient off-exchange settlement network” enables Bitstamp clients to realize more capital efficiencies than other settlement and trading models.



Alignment on regulatory compliance

“Bitstamp has been the voice advocating for embracing regulation and leveraging regulation to create additional safety for our customers” Zagotta notes, “we can speak with confidence about BitGo to our customers... [because] BitGo shares some of that value system.”

CONCLUSION

The partnership between Bitstamp and BitGo demonstrates a longstanding, trustworthy relationship built on secure, reliable crypto custody solutions. By leveraging the expertise and infrastructure, Bitstamp has reduced counterparty risk and enabled capital efficiency all while creating and maintaining trust with clients as the platform innovates and grows.

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Robert Zagotta
CEO

Bitstamp

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