



PRE-SEED • \$1M AT \$10M POST-MONEY CAP

Trustless atomic settlement for crypto OTC.

Every trade completes in full, or fully refunds — by construction. No counterparty, no escrow agent, no bridge.

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THE PROBLEM

Settlement is the unsolved layer of institutional crypto OTC.

What the trust model has cost, since 2022

\$8.0B

FTX • 2022
U.S. court records

\$3.4B

Genesis • 2023
Chapter 11 filings

\$1.5B

Bybit • 2025
one night, hot wallet

\$2.0B

Bridges • cumulative
Ronin, Wormhole, Nomad

Counterparty risk

Bilateral trades settle through escrow agents, brokers or custodians. Each one holds client funds and is a point of failure, delay and fraud.

Human bottleneck

The middleman charges a spread, settles on manual timelines, and cannot scale to the volume MENA desks now clear.

No rail for size

Moving between chains means wrapped tokens and a bridge. Miners and desks moving blocks have no way to settle without trusting someone.

\$12.9B lost since 2022 to one trust model. Not four different problems — four flavours of the same single point of failure.

The flow is already on-chain.
Only settlement still runs on trust.

Volume growth, 2025

+109% crypto OTC · +9% top-20 exchanges

Size is migrating to the venue type with the weakest settlement rail.

Share of OTC flow in stablecoins

26% two years ago → 78% today

The asset is already native to the chain. The only part still requiring a human is settlement itself.

\$10—50B

Daily crypto OTC volume — 15—20% of all crypto trading

\$56B+

On-chain value into the UAE alone, 2024—25, up 33%

MENA

The beachhead. Miners and exchange desks, already Telegram-native

Why this is open now.

01

The volume moved

OTC grew 109% in 2025 while the top-20 exchanges grew 9%. Size is migrating to the venue type with the weakest settlement rail.

02

The asset moved on-chain

78% of OTC flow is stablecoins, up from 26%. A settlement contract can now touch the actual asset, not a claim on it.

03

The cost became explicit

\$12.9B lost across FTX, Genesis and Bybit turned counterparty risk from an abstraction into a line item every desk has priced.

And nobody owns it

Every venue in this market competes on liquidity and price discovery. Settlement risk is still absorbed by an operator, on every desk, on every trade. The incumbents are counterparties, not settlement rails — the step itself is one no one has automated.

The contract is the escrow.

HashLock settles trades through dual hash time-locked contracts. Both sides lock, both receive, or the trade unwinds by timelock. No intermediary ever holds custody.

01

Binary by construction

Complete atomically, or fully refund. There is no half-completed state and no discretionary intervention on the settlement path.

02

Native on six chains

Bitcoin, Ethereum, Base, Robinhood Chain, Tron and Solana. Each leg is a real contract on its own chain — no bridge, no wrapped asset, no validator set.

03

Non-custodial

Funds sit in on-chain HTLCs, never with HashLock. That is also the single biggest regulatory cost saving.

Settlement counterparty risk = 0. The escrow's address is derived from the agreed terms, so an escrow funded on any other terms is a different address and cannot be mistaken for the trade.

Four steps. No point where anyone holds both sides.

Negotiation happens in Telegram, where the desk already deals. Everything below is the settlement itself, on-chain.

DESK B • INITIATOR, SELLING BTC

DESK A • COUNTERPARTY, SELLING ETH

DESK B • INITIATOR

DESK A • COUNTERPARTY

01

Locks BTC behind a secret

Generates a 32-byte secret, publishes only `sha256(secret)`, and funds the **long** leg first — BTC in a P2WSH script, 24-hour timelock.

02

Locks ETH against the same hash

After 3 Bitcoin confirmations the first leg counts as funded. Desk A locks ETH in an HTLCFactory clone — the **short** leg, 4-hour timelock.

03

Claims ETH, revealing the secret

Desk B claims the leg it receives on by calling `claim(secret)` — which is exactly what puts the secret on chain.

04

Claims BTC with the revealed secret

Desk A reads the secret off Ethereum and spends the Bitcoin leg itself — on Bitcoin a spend needs the owner's signature, so no keeper can do it.

The asymmetry is the guarantee. The counterparty's lock always expires before the initiator's, by at least **2 hours**, so the initiator can always claim before their own contract expires. If step 3 never happens, both timelocks expire and both sides are refunded.

The V1 stack is shipped. External audit already passed.

MILESTONE	STATUS
Core platform, RFQ, HTLC, messaging; hardening, CI/CD, secrets	Shipped
Dual-HTLC atomic settlement, preimage relay	Shipped
Bitcoin native settlement, ETH↔BTC; one HTLCFactory across Ethereum, Base and Robinhood Chain	Shipped
Tron and Solana settlement — native TRC-20 and SPL HTLC	Shipped
Agent interfaces — Agent API, MCP tools	Shipped
Fee-enabled contracts, rebates	Shipped
The next contract generation — audited before deploy	Next
Chains, live on mainnet Bitcoin — P2WSH HTLC, one script per leg Ethereum, Base, Robinhood Chain — one HTLCFactory Tron — SharedHTLC pool contract Solana — HTLC program, a PDA per escrow	
Security posture 2 internal audit rounds complete 5-layer hardening across the contracts Runtime invariant monitor in production Tier 3 human-only — custody logic	
External audit QuillAudits — external audit complete, October 2026 \$20K security spend — \$10K audit, \$10K bug bounty — already incurred.	

All six chains are live on mainnet and the protocol fee is on. The first four months ran on founder capital, so the round starts behind a working, fee-bearing rail rather than in front of one.

One trade type. Three ways in. Both legs, or neither.

Spot OTC settlement

Sealed RFQ plus HTLC atomic settlement. The core trade: zero settlement counterparty risk on the leg.

Exactly two legs

One **sha256** hashlock on both. The initiator funds the long leg, the counterparty the short one, and the gap between them is at least 2 hours.

Non-custodial by construction

Fund, claim and refund return **unsigned** transactions the desk signs itself. The escrow has two exits only — claim to the fixed recipient, or refund to the funder.

WHERE THE DESK WORKS	WHAT IT IS
Web app	Sealed RFQ, the negotiation thread, and the funding and claim transactions the desk signs itself.
/v1 REST API	Live keys, webhooks, and a maker feed over WebSocket at wss://<host>/v1/ws .
MCP server	Hosted at hashlock.markets/mcp over OAuth 2.1, or run locally over stdio.

How a desk comes on: Demo → Sandbox pilot → Limited production → Full onboard. Negotiation still happens in the Telegram bot, where the desk already deals; the settlement itself runs through one of the three interfaces above.

Native Bitcoin settlement, without a bridge or a wrapper.

BTC miners are the primary wedge, and they need the Bitcoin leg to be real. Every competing rail either stays inside EVM or wraps BTC through a custodian — which is the exact trust model this product exists to remove.

Bridges — lock and mint

A custodian or validator set holds the original asset. The source of most large crypto hacks.

Wrapped BTC — a claim, not the coin

The settlement asset is a derivative of Bitcoin, carrying the issuer's balance-sheet risk.

HashLock — Bitcoin itself

A P2WSH HTLC script on Bitcoin, live on mainnet. The BTC leg settles on Bitcoin, to the counterparty, or refunds.

Timelocks are asymmetric by design: the counterparty leg is always shorter than the initiator leg by at least **2 hours**, so the initiator can always claim before their own contract expires.

BUSINESS MODEL

One mechanic. One revenue line.
No balance sheet.

TIER	WHO	BASIS POINTS
Entry	Early pilots, smaller desks	8—10
Desk scale	Active desks and mining pools settling weekly	3—5
Institutional	High-volume counterparties	< 3

Basis points on notional. The plan is modelled flat at 8 bps throughout — the volumes that trigger the lower tiers sit beyond this plan.

Zero

Capital tied up. No custody, no balance-sheet risk, no inventory.

\$17K → \$54K

Cost of revenue, year one to year two — while volume rises sevenfold.

20%

Referral rebate. The people being displaced become the channel.

95 → 97%

Gross margin, year one to year two.

BTC miners first. Then the desks they trade with.

Miners sell block rewards whether or not the market is good, so the settlement need recurs every week.

SEGMENT	WHY THEY SETTLE WITH US
Bitcoin miners	Continuous conversion of newly-mined BTC, with counterparty risk on every trade
Exchange OTC desks	HashLock becomes the rail under every client trade they clear
Crypto-native hedge funds	Large bilateral fills without "send first and hope"
Market makers	Wintermute, GSR, B2C2-class desks settling legs across venues
Family offices	High-value, infrequent transfers where a failure is unacceptable

A forward-looking segment map. Named firms are representative, not current customers.

After the Gulf: West Africa and North Africa are the named expansion targets once Gulf traction proves — both carry heavy stablecoin remittance flow. A fiat on and off-ramp is a candidate for the next round; it is not in scope for this plan and would require the money-transmitter analysis deferred in the regulatory memo. Expansion is sequenced to Phase 3+ and is not funded by this round.

COMPETITION

Everyone competes on liquidity.
Nobody removes settlement risk.

FEATURE	HASHLOCK	EVERYONE ELSE
Cross-chain atomic	Native dual-HTLC	EVM-only, or a bridge
Native Bitcoin	P2WSH script on Bitcoin	Wrapped, or none
Telegram-native	Yes	No
Settlement fee	8 bps, tiered	Spread or relayer fee

Cross-chain protocols

CoW • 1inch Fusion — non-custodial, EVM only
Across • deBridge — a validator set in the path
Portal to Bitcoin — BTC-only desk, \$25M raised

The actual incumbents

Circle Trade, Cumberland, Galaxy and Wintermute — all bilateral-trust. Settlement risk is absorbed by the operator. With HashLock it is zero by construction.

Non-custodial is not a feature. It is the compliance strategy.

HashLock never holds customer funds, and timelock refunds are unilateral. That single architectural choice is what keeps the regulatory surface narrow.

Funded in this plan

Non-custodial architecture — the HTLC is the escrow, so there is no client money to safeguard.

D&O insurance from January 2027 — \$20K in year one, \$30K in year two.

KYC/KYT tooling from January 2028 — \$36K in year two.

Built, and switched off

Mainnet runs non-custodial and no-KYC.

Deferred to the next round

Live KYC onboarding gates, an optional Cayman foundation and the money-transmitter analysis. The regulatory memo, D&O cover and KYC/KYT tooling are funded inside this round, not by stretching \$1M thin.

Stated plainly: this is a strategy memo, not legal advice, and the no-KYC launch is to be confirmed with a crypto-specialist attorney before go-live. The tiered architecture exists precisely because that answer could come back differently.

THE PLAN

Revenue multiplies seven times.
Spend falls.

US DOLLARS	YEAR 1	YEAR 2
Settled volume	\$478.6M	\$3.31B
Paying desks	46	62
Net revenue	\$306K	\$2.12M
Total spend	\$655K	\$607K
EBITDA	−\$349K	+\$1.51M
Cash at year end	\$724K	\$2.23M

Month 12

EBITDA turns positive

Live

Mainnet settlement, protocol fee on

8 bps

Flat blended take rate

2

Headcount, year one → year two

\$681K

Cumulative spend, 24 months

THE ASK

\$1M pre-seed at a \$10M post-money cap.
Two thirds of it buys customers.

USE OF FUNDS	AMOUNT	SHARE
Sales & marketing	\$670K	53%
Research & development	\$306K	24%
General & administrative	\$215K	17%
Cost of revenue	\$71K	6%
Cumulative spend, 24 months	\$1,262K	of \$3.49M in

\$386K of that is payroll — two co-founders for 24 months, plus one protocol engineer from January 2028. The \$1M round and \$72K of founder capital are joined by \$2.42M of revenue across the same window, which is why spend exceeds the raise and cash still ends at \$2.23M.

What it buys

The first cohort of paying desks on a rail that is already settling.

What it proves

64 institutional clients and \$265M monthly settled volume by month 18 — a take rate measured, not modelled.

What it does not

Dubai BD, a Cayman foundation, the money-transmitter analysis and more engineers — all deferred to the next priced round.

What you will see, and when.

Three checkpoints between this round and the next one. Month 18 is the seed-ready gate.

Month 6

First repeat flow

Protocol already live on mainnet; the gate here is the first desks settling repeat volume.

Month 12

Repeat usage

The same desks settling weekly, not one-off pilots. Fee tiers start to bite.

Month 18

Seed-ready — a priced round

A measured take rate on real institutional flow, and EBITDA already positive.

MEASURE	M6	M12	M18
Monthly settled volume	\$19M	\$122M	\$265M
Active settling clients	12	46	64
Settlement success rate	99.5%+	99.9%+	99.9%+
Chains settling	6	6	6

Run-rate figures from the financial model. Fee revenue begins January 2027; month 18 falls in February 2028. The plan is the low case — moderate (40—60 clients) and upside (80—120) are not in the model, and nobody is being asked to pay for them.

Two co-founders. Markets and protocol.

Co-Founder & CEO

Barış Sözen

Treasury Trading Head at Akbank, 1997—2007 and 2008—2011, running \$500M+ in daily volume, with a posting as Director at UBS AG Istanbul on fixed income and derivatives in 2007—2008. Independent algorithmic trading since 2016; low-latency MEV and statistical arbitrage since 2022. Executive MBA, Sabancı, second in class.

Owns the round, the commercial motion, desk relationships and the model.

Co-Founder & CTO

Aleksei Diakonov

Blockchain and protocol engineer; technical co-founder in DeFi and EVM smart-contract systems. Author of the settlement stack: the dual-HTLC contracts on Ethereum, Tron and Solana, the P2WSH script layer that makes Bitcoin settle natively, and the finality-aware timelock design.

Owns the protocol, the six-chain implementation, the security model and the audit lane.

Commission-based sales representatives engage once revenue starts, compensated from the 20% referral rebate rather than salary. The cut list is the strategy, not an aspiration.



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