



August 18, 2025

*Submitted Electronically*

[secretary@cftc.gov](mailto:secretary@cftc.gov)

Mr. Christopher J. Kirkpatrick  
Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

Re: Kraken Comment on Request for Input on Listing Spot Digital Asset Contracts

Dear Mr. Kirkpatrick:

Payward, Inc. (“Kraken,” “us,” or “we”) appreciates the opportunity to comment on the initiative of the Commodity Futures Trading Commission (the “Commission” or “CFTC”) for the trading of spot crypto asset contracts listed on a designated contract market (“DCM”).<sup>1</sup> We commend Acting Chairman Pham and the CFTC staff for launching this important initiative which complements the recommendations in the PWG Report<sup>2</sup> and Project Crypto at the Securities and Exchange Commission (“SEC”).

Founded in San Francisco in 2011, Kraken is one of the world’s oldest and largest digital asset trading platforms. Since then, we have steadily grown into a diversified, global digital asset business serving over 9 million customers around the world. We continually strive to offer the most secure and transparent execution platform, deepest liquidity, and the best user experience in our markets. Kraken is consistently named one of the most secure places to buy and sell digital assets due to our robust security for client assets.

Kraken provides products and services to retail and institutional customers that support key components across the digital asset market value chain. These include spot market and futures

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<sup>1</sup> *Acting Chairman Pham Launches Listed Spot Crypto Trading Initiative*, Release Number 9105-25 (Aug. 4, 2025), available at: <https://www.cftc.gov/PressRoom/PressReleases/9105-25>.

<sup>2</sup> *The President’s Working Group on Digital Asset Markets July 2025 Report on “Strengthening American Leadership in Digital Financial Technology,”* (the “PWG Report”), available at <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-the-presidents-working-group-on-digital-asset-markets-releases-recommendations-to-strengthen-american-leadership-in-digital-financial-technology/>.

trading,<sup>3</sup> index services and global benchmarks, staking in eligible jurisdictions, and Kraken Financial, a Special Purpose Depository Institution supervised by the Wyoming Division of Banking.

In its August 4, 2025 press release, the Commission invited all interested stakeholders to submit feedback and suggestions on listing spot crypto asset contracts on a DCM, including the relevance of Commodity Exchange Act (“CEA”) § 2(c)(2)(D), Part 40 of the Commission’s regulations, and whether there are any implications under the securities laws or regulations with respect to a SEC framework for trading non-security assets that are part of an investment contract.

As one of the largest spot digital asset exchanges in the U.S. and globally, Kraken has worked extensively with the U.S. Congress, federal and state regulators and their peers in major and emerging markets in support of a comprehensive framework for trading spot digital assets. We commend the Commission for exploring its existing authority to provide workable and viable near-term clarity to U.S. spot digital asset markets.

We are especially appreciative of Acting Chairman Pham’s longstanding willingness to explore building on top of the Commission’s existing oversight regime.<sup>4</sup> Her approach aligns with SEC Chairman Atkins’ recent remarks, which directed “[SEC] staff to develop a framework that will allow non-security crypto assets and crypto asset securities to be traded side-by-side on SEC-regulated platforms.”<sup>5</sup> These remarks were in support of facilitating, amongst other things, the market reality of “super-apps” that will (and in many instances, already do) offer a broad range of financial products under a single enterprise structure, oftentimes in a framework that incorporates multiple regulatory licenses.

As a general proposition, Kraken believes that agency-driven initiatives can provide solutions in targeted circumstances. While Kraken enthusiastically supports the Commission’s Crypto Sprint initiative, like many other commenters it also supports the efforts of Congress to provide long term clarity to U.S. digital asset markets through comprehensive market structure legislation. We do not view either of these processes as mutually exclusive or one as a condition precedent to the other, and we encourage the Commission to continue its longstanding coordination with Congress on these issues.

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<sup>3</sup> NinjaTrader Clearing LLC d/b/a NinjaTrader, a wholly owned subsidiary of Kraken, is a registered Futures Commission Merchant (“FCM”) with the CFTC and a member of the National Futures Association (“NFA”).

<sup>4</sup> *Single Market? A Simple Market is the Key to US Markets’ Success*, Acting Chairman Caroline D. Pham, International Banker (March 3, 2025), available at <https://internationalbanker.com/finance/single-market-a-simple-market-is-the-key-to-us-markets-success/>.

<sup>5</sup> *American Leadership in the Digital Finance Revolution*, Remarks by Paul S. Atkins (July 31, 2025), available at <https://www.sec.gov/newsroom/speeches-statements/atkins-digital-finance-revolution-073125>.

As the Commission considers the applicability of its existing authority and potential rulemakings and guidance to industry, Kraken encourages the staff to work with industry stakeholders to study the unique technical aspects of operating a spot digital asset exchange. For example, while DCM compliance and operations place a heavy emphasis on market surveillance and trading conduct, spot digital asset exchanges are constituted around anti-money laundering compliance principles and crypto-specific cybersecurity systems that have been designed to address the unique aspects of the digital asset markets relative to traditional markets. In addition, the staff should ensure that custody of spot digital assets in connection with their trading on a DCM is informed by top industry standards given the specialized nature in which digital assets are protected and maintained for customers (including integration with customer controlled self-custody wallets).

We encourage the Commission to use the same market engagement tools that it has used historically to ensure any rulemaking initiatives are properly informed, including the use of industry roundtables, direct outreach to market participants, pilot programs, and concept releases. After many years of hard work in Congress, a comprehensive legislative solution to crypto market structure is achievable in the coming months. This is ultimately necessary to safeguard the U.S. digital asset markets and allow the U.S. to keep pace with other major developed and emerging markets that have already advanced clear rules of the road. We also support the parallel need for careful and balanced near-term regulatory action to complement and inform the regulatory rulemaking that will follow-legislative action.

Kraken looks forward to lending its expertise to the Commission's Crypto Sprint initiative and being an active voice as the Commission explores future regulatory action.

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Sincerely,

/s/ Jonathan Jachym

Jonathan Jachym  
Global Head of Public Policy and Government Relations, Kraken

Cc: CFTC Acting Chairman Caroline D. Pham

CFTC Commission Kristin N. Johnson