



CRYPTO BRIEF



April 3, 2025

Lowenstein Crypto advises leading digital asset and cryptocurrency projects, exchanges, and trading firms. Our practice covers regulatory advice, transactions and structuring advice, investigations, and adversarial matters including commercial disputes, bankruptcy, and related litigation. As these markets continue their rapid growth and market participants continue to evolve and mature their businesses, we are providing this weekly digest as a resource that highlights and summarizes a selection of key recent legal regulatory developments.

President Donald Trump Grants Pardon to BitMex and Its Founders

On March 27, President Donald Trump granted pardons to crypto derivatives exchange HDR Global Trading Limited (BitMex) and to Arthur Hayes, Benjamin Delo, and Samuel Reed, its founders, and Gregory Dwyer, a key employee. In 2020, New York federal prosecutors brought actions against BitMex and the aforementioned individuals alleging willful violations of the Bank Secrecy Act and for failing to maintain an adequate anti-money laundering program. From 2015 until August 2020, users of the BitMex exchange were only required to provide an email address when creating an account. Each party ultimately pled guilty to the criminal charges and agreed to pay a fine, subject to a probation period. Notably, BitMex pled guilty and was criminally fined \$100 million on January 25, 2025. By granting a pardon to the corporate entity BitMex, Trump likely established precedent that a corporation can be granted executive clemency. *See BitMex's X post [here](#).*

CFTC Withdraws Staff Advisories Relating to Virtual Currencies and Digital Assets

On March 28, the Commodity Futures Trading Commission (CFTC) announced the withdrawals of Staff Advisory No. 23-07, titled "Review of Risks Associated with Expansion of DCO Clearing of Digital Assets," and Staff Advisory No. 18-14, titled "Advisory with Respect to Virtual Currency Derivative Product Listings." As noted in the withdrawal letters, both the CFTC itself and market participants have grown and matured over time, thus rendering staff advisories no longer necessary. As a result of these withdrawals, virtual currency and digital asset-related derivative products will be reviewed in the same manner as other derivative products. The CFTC reminds market participants that the withdrawals of these advisories should not be read as impacting a market participant's obligations under CFTC rules and regulations and that all activities should be consistent regardless of the specific commodity underlying the relevant derivative instrument. *See the CFTC's press releases [here](#) and [here](#).*

House Committee on Financial Services Meets To Mark Up Bills

On April 2, the House Committee on Financial Services met to mark up several bills, including the STABLE Act of 2025 (STABLE Act) and the Anti-CBDC Surveillance State Act (Anti-CBDC Act). The STABLE Act was introduced by Rep. Brian Steil (R-WI) on March 26 and is a modified version of a similar bill that passed the Financial Services Committee with bipartisan support in 2023. The Anti-CBDC Act was introduced by Rep. Tom Emmer (R-MN) and aims to prohibit banks of the Federal Reserve from issuing central bank digital currencies. The Anti-CBDC Act passed the House with a final vote of 216-192. Both the STABLE Act and the Anti-CBDC Act passed Committee vote and will

advance to the House of Representatives for consideration. *See the committee's memorandum and a recording of the session [here](#).*

Eric Trump Partners With Hut 8 To Launch American Bitcoin

On March 31, Hut 8, an energy infrastructure and Bitcoin mining company partnered with Eric Trump and Donald Trump Jr. to found American Bitcoin. American Bitcoin will exclusively focus on industrial-scale Bitcoin mining and strategic Bitcoin reserve development. Eric Trump will serve as the chief strategy officer, and Matt Prusak will serve as CEO. The launch of American Bitcoin reflects the Trump family's growing involvement in the digital asset space. *See the link to Hut 8's press release [here](#).*

CME Announces Plan To Launch Spot-Quoted Futures

On April 2, CME Group, the world's leading derivatives marketplace, announced its plan to launch Spot-Quoted futures. Contracts available at launch will be for Bitcoin, Ether, and major U.S. equity indices, including the S&P 500, Nasdaq-100, Russell 2000, and Dow Jones Industrial Average for terms of up to five years. The contracts will be quoted and traded at the same spot price but will include a financing adjustment at the end of the trading day to account for the change in basis (i.e., futures settlement – cash settlement). Spot-Quoted futures are set to launch on June 30. *See CME's press release announcing its product launch [here](#).*

SEC and Gemini Jointly Request a 60-Day Stay for Potential Resolution

On April 1, the SEC and Gemini Trust Company LLC (Gemini) jointly submitted a 60-day stay to allow the parties to negotiate a potential resolution. The Securities and Exchange Commission (SEC) originally brought suit against Gemini and the now-bankrupt crypto asset lender Genesis in January 2023 for alleged violations of securities laws in connection with the Gemini Earn product, which provided as much as 8 percent interest on tokens lent. The request continues to reflect the SEC's current regulatory posture in ceasing enforcement activity until a clear regulatory framework is established. *See the request [here](#).*

Circle Files a Registration Statement With the SEC for a Proposed IPO

On April 1, Circle Internet Group Inc. (Circle), a global financial technology company and the issuer of one of the most popular stablecoins, USDC, announced that it has filed a Form S-1 registration statement with the SEC for an initial public offering. Circle applied to list Class A common stock on the New York Stock Exchange under the ticker "CRCL." *See Circle's Form S-1 [here](#).*

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