

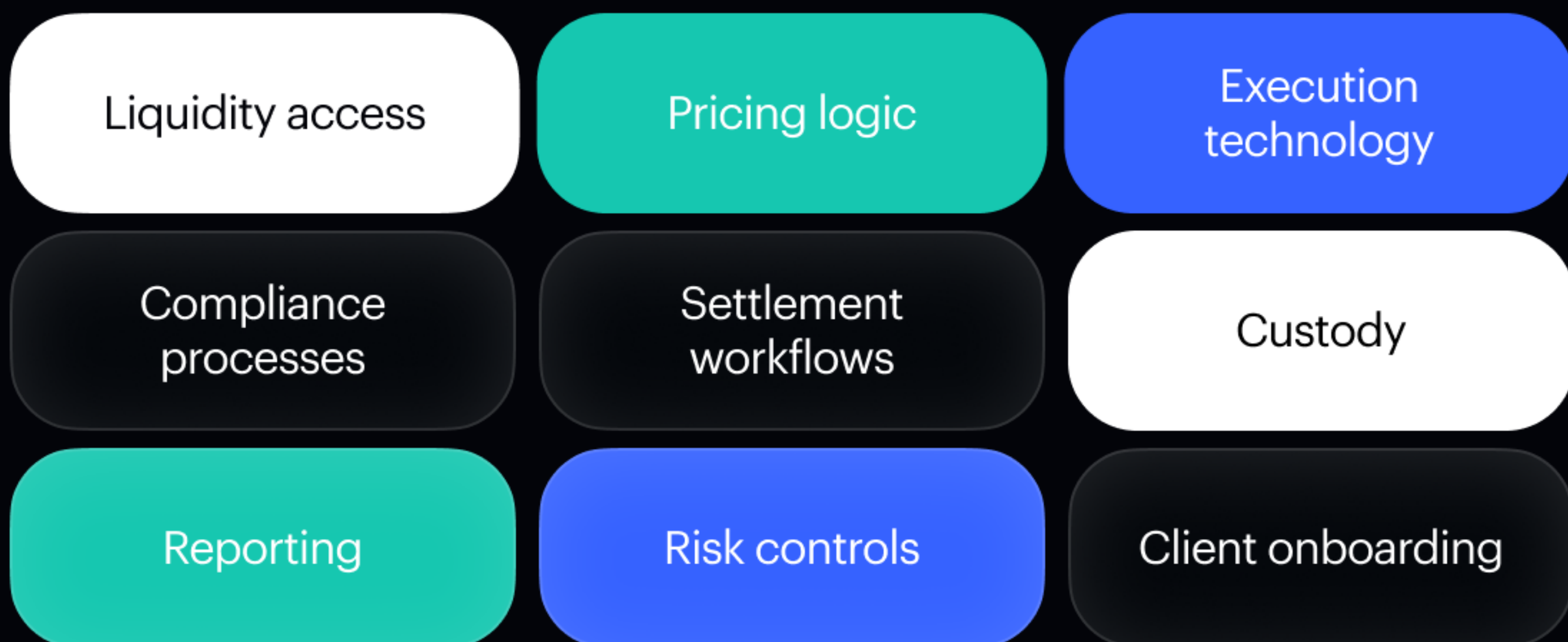
How to launch a crypto OTC desk: 2026 guide

Launching a crypto OTC desk in 2026 is no longer just a question of connecting to a liquidity provider and offering clients a quote. The market has changed. B2B clients now expect tighter spreads, reliable execution, broader asset coverage, transparent settlement workflows, and the ability to trade digital assets without taking unnecessary operational risk.

Demand for OTC execution is expanding beyond traditional crypto-native trading firms. Brokers, market makers, payment providers, fintech companies, banks, stablecoin businesses, family offices, and institutional desks are all looking for ways to serve clients who need efficient access to crypto liquidity.

For many of them, the opportunity is clear: launching an OTC desk can open a new revenue line, strengthen client relationships, and support growing demand for fiat-crypto and stablecoin transactions.

But building an OTC desk is not the same as launching a simple trading interface. A competitive desk needs:



EACH OF THESE ELEMENTS AFFECTS THE QUALITY OF SERVICE CLIENTS RECEIVE
— AND, ULTIMATELY, WHETHER THE DESK CAN SCALE.

This guide explains how to launch an OTC desk, what infrastructure is required, and how businesses can choose between building the stack internally or using white-label OTC desk infrastructure. It also covers the main operational decisions, common mistakes, and the role of institutional technology providers such as Finery Markets in helping companies bring OTC trading services to market faster.

What is a crypto OTC desk?

A crypto OTC desk is a trading service that enables clients to buy and sell digital assets directly with a counterparty, instead of placing orders on a public exchange order book. OTC stands for 'over-the-counter,' meaning trades are arranged bilaterally or by sourcing liquidity from various trading venues, often with pricing provided by liquidity providers, market makers, or internal trading teams. Unlike public exchange trading, crypto OTC trading is built around private price discovery, negotiated execution, and post-trade coordination.

In crypto markets, OTC desks are commonly used for larger or more complex transactions where execution quality matters. A client may want to trade Bitcoin, Ethereum, stablecoins, or fiat-linked pairs without moving the market, exposing the full order size to an exchange, or managing execution across multiple venues themselves. The OTC desk acts as the access point: it provides prices, executes the trade, and coordinates the post-trade process.

Crypto OTC desk vs on-exchange execution

The main difference between an OTC desk and an exchange is how the trade is executed. On a centralized exchange, a client usually interacts with an open order book where prices and available liquidity are visible to the market. The final execution price depends on the order size, market depth, and available liquidity at the time of execution.

With an OTC desk, the client typically requests a quote for a specific asset, size, and trading pair, or views a stream of quotes from liquidity providers tailored to their specific needs. The desk then provides a price based on its liquidity access, internal risk model, and market conditions. Once the quote is accepted, the trade is executed according to the agreed terms.

This model is especially relevant for institutional and corporate clients because it can reduce market impact, simplify execution, and provide a clearer trading workflow. Instead of splitting orders across exchanges or managing multiple accounts, clients can rely on a single OTC desk to source liquidity, provide pricing, and support settlement.

Why launch an OTC desk in 2026?

109%

YOY INSTITUTIONAL SPOT OTC
VOLUME GROWTH

9%

YOY GROWTH — TOP 20
CENTRALIZED EXCHANGES

40%

OF INSTITUTIONS NAME OTC
THEIR FIRST CHOICE

78%

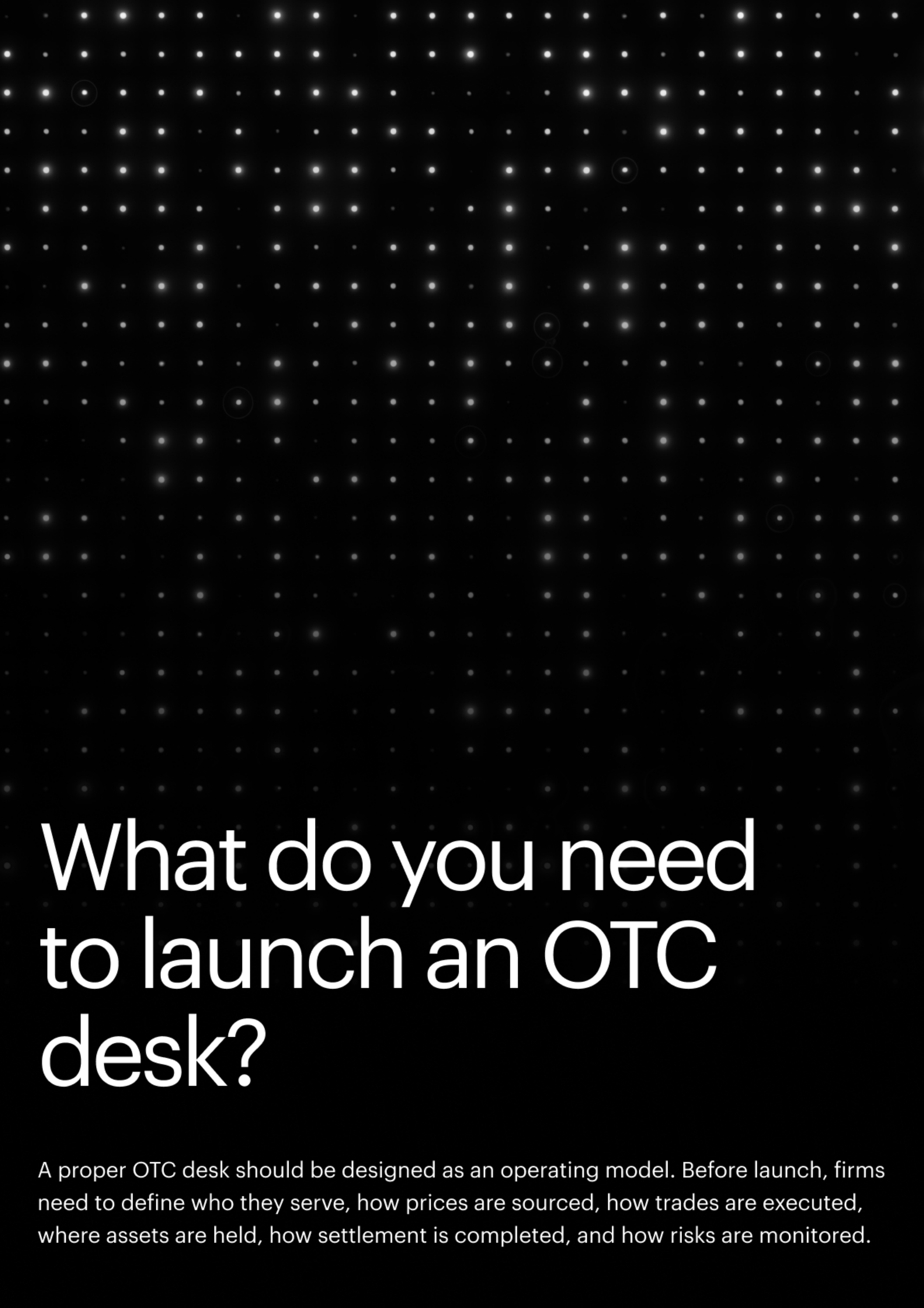
STABLECOIN SHARE
OF OTC VOLUME (2025)

OTC execution is becoming a more central part of institutional crypto market structure. According to Finery Markets' 2026 institutional OTC trading outlook, institutional spot OTC volumes expanded by 109% year over year, compared with just 9% YoY growth across the top 20 centralized exchanges by the end of 2025. The same report found that 40% of surveyed institutions now name OTC as their first-choice execution venue, routing more than half of their trades off-screen.

This shift reflects a broader change in how professional clients access digital asset liquidity. In earlier crypto market cycles, OTC desks were mostly associated with large Bitcoin trades, hedge funds, miners, and crypto-native institutions. In 2026, the use case is broader. OTC infrastructure is now relevant for brokers adding digital assets to their product offering, payment providers handling fiat-stablecoin flows, fintechs serving cross-border clients, and banks or EMLs exploring regulated access to crypto liquidity.

Stablecoins are also changing the role of OTC desks. Their share of institutional OTC transaction volume rose from 23% in 2023 to 78% in 2025, turning them from a bridge asset into one of the dominant settlement instruments in institutional crypto markets. For businesses serving payment, treasury, brokerage, or cross-border transaction flows, this creates demand not only for crypto-to-crypto execution, but also for reliable conversion between fiat currencies, stablecoins, and major digital assets.

For many firms, the opportunity is not simply to “offer crypto trading.” It is to become the execution layer their clients already need. A well-structured OTC desk can help companies expand wallet share, increase transaction revenue, improve retention, and support more complex institutional workflows without sending clients to third-party exchanges.



What do you need to launch an OTC desk?

A proper OTC desk should be designed as an operating model. Before launch, firms need to define who they serve, how prices are sourced, how trades are executed, where assets are held, how settlement is completed, and how risks are monitored.

Before	Now
• CHAT-BASED TRADING • MANUAL SPREADSHEETS • SCATTERED EXCHANGE ACCOUNTS • MANUAL SETTLEMENT	• LIQUIDITY ACCESS • PRICE DISCOVERY • TRADING TECHNOLOGY • SETTLEMENT PROCESSES • COMPLIANCE CONTROLS • REPORTING • RISK MANAGEMENT.
Viable only for a limited pool of trusted counterparties.	Scalable to a broad client base with absolute operational control as volumes grow.

01. Liquidity access

Liquidity is the foundation of an OTC desk. Without reliable liquidity, the desk cannot provide competitive quotes, support larger trade sizes, or maintain consistent execution quality across market conditions.

The key question is not only how many liquidity sources are connected, but whether they can provide competitive pricing, minimize slippage, sufficient depth, fast response times, and stable service during volatile periods.

Firms can source liquidity through:



02. Price discovery and trading workflows

Most OTC desks rely on a request-for-quote model, where the client asks for a price on a specific asset, size, and trading pair. The desk then sources or generates a quote and executes the trade once the client accepts it.

This process needs clear rules. The desk must define how long quotes remain valid, whether prices are firm or indicative, how rejected or expired quotes are handled, and how execution is recorded. These details are important because they shape client trust and protect the desk from unnecessary operational disputes.

03. Trading infrastructure

The trading layer determines how the desk manages quotes, orders, execution, permissions, and post-trade reporting afterwards. As the desk adds clients, assets, and liquidity sources, it needs to process more requests without creating bottlenecks for traders, operations, or compliance teams.

Small-scale OTC desk

- MANUAL TOOLS FOR CHAT-BASED TRADING
- MANUAL ONBOARDING
- PRICING
- TRADE HISTORY AND REPORTING

B2B and large-scale B2C OTC desk

- USER ROLES
- DEDICATED PLATFORM WITH A GUI
- API CONNECTIVITY
- ONBOARDING TOOLS
- INTERNAL DEALER TOOLS (E.G. SPREAD MANAGEMENT)
- TRADE HISTORY
- AUDIT TRAILS

04. Settlement and custody workflows

Execution is only one part of OTC trading. Once the trade is agreed, the desk needs to move assets and funds according to the agreed settlement process. This may involve crypto wallets, bank transfers, custodians, settlement partners, or internal treasury accounts.

The desk needs to know when clients must deliver funds, when assets are released, how failed settlement is handled, and who approves each step. Poorly defined settlement processes can create delays, credit exposure, and client dissatisfaction.

05. Risk management

An OTC desk takes on several types of risk, including market risk, counterparty risk, settlement risk, operational risk, and technology risk. These risks increase as trade sizes grow or as the desk serves more complex clients. The goal is not to remove risk completely, but to make sure the desk knows where risk sits and how it is controlled.



Trade & counterparty limits with dynamic settlement:

OTC clients trade within a set, pre-configured limit. Once that limit is filled, immediate settlement is required. For the desk, this mechanism serves a dual purpose: it effectively closes out potential non-settlement risk, while simultaneously keeping the client motivated to settle quickly so they can continue trading.



Proactive exposure monitoring

This tool allows you to anticipate a limit being filled, preventing operational bottlenecks where a client needs to execute an urgent trade but cannot because their limit is already exhausted.



Approval workflows & pre-funding rules

Structured guardrails ensure that high-value trades or changes to credit lines require multi-level authorization, while strict pre-funding rules protect the desk against specific counterparty default risks.



Automated post-trade reconciliation

Continuous matching across platforms surfaces hidden discrepancies in the data between several systems. This protects the desk from scenarios where an API message between systems was lost or a software update broke the data workflow. Having this mechanism in place allows you to spot errors quickly and prevent a compounding accumulation of trade errors.

06. Compliance & client onboarding

Before serving clients, an OTC desk needs a clear compliance framework. In practice, the compliance framework dictates far more than just client onboarding—it shapes the entire operational model of the OTC desk. This includes KYC and KYB checks, AML screening, sanctions controls, transaction monitoring, jurisdictional restrictions, and internal record-keeping.

Compliance should not be treated as a separate step after launch. It affects who the desk can serve, which assets and pairs it can offer, how transactions are monitored, and what information must be collected before execution. For institutional clients, strong onboarding and compliance processes are part of the product experience.

Prior to the first execution, the desk must thoroughly evaluate the counterparty's risk profile. This involves verifying:



CORPORATE IDENTITY AND
JURISDICTION OF INCORPORATION



REGULATORY LICENSING AND ULTIMATE
BENEFICIAL OWNERS (UBOS)



TARGET CLIENT BASE AND SOURCE OF FUNDS (SOF)



INTENDED FIAT/CRYPTO ASSET PAIRS
AND JURISDICTIONS INVOLVED



TRANSACTION MONITORING
PROTOCOLS FOR INBOUND AND
OUTBOUND FLOWS

07. Direct impact on execution and settlement

These factors directly determine liquidity provider mapping, counterparty trading limits, supported instruments, wallet whitelisting, and settlement workflows. For instance, exposure to third-party wallets, high-risk sectors, or non-standard jurisdictions triggers Enhanced Due Diligence (EDD). This requires advanced AML/KYT screening, comprehensive source-of-wealth documentation, and formal internal risk approvals.

Compliance is not a post-onboarding formality. It is the foundational infrastructure that governs client eligibility, trade execution, credit line allocation, and the post-trade data architecture required for seamless audit and accounting.

Control vs speed: white label crypto OTC Desk

Once the business case is clear, the next decision is how to launch the OTC desk itself. In practice, firms usually face two options: build the trading infrastructure internally or use white-label OTC desk infrastructure from a specialized provider. Both models can work, but they lead to very different timelines, cost structures, and operational responsibilities.

Building internally gives a firm more control over product design, client workflows, integrations, and long-term roadmap. This can be attractive for companies with large technology teams, established liquidity relationships, and enough time to develop, test, and maintain their own execution stack. However, it also means taking responsibility for every layer of the OTC desk: trading interface, pricing engine, liquidity connectivity, user permissions, reporting, uptime, security, compliance integrations, and ongoing product support.

For many businesses, the bigger challenge is not launching a basic interface, but building the infrastructure required to operate reliably at institutional scale. OTC trading depends on execution quality, speed, price consistency, settlement discipline, and operational control. If these elements are not in place, the desk may struggle to serve larger clients even if demand exists.

White-label OTC desk infrastructure offers a different path. Instead of building the full technology stack from scratch, a company can launch a I branded trading environment on top of existing institutional infrastructure. This allows the firm to keep ownership of its client relationships and commercial strategy while relying on a proven technology for execution, liquidity access, reporting, and operational workflows.

Building from scratch may be the right choice for firms that want complete ownership of the technology layer and have the internal resources to support it. This route can offer flexibility, but it usually requires significant investment before the desk can generate meaningful revenue.

Key requirements include:



**DEVELOPING THE TRADING INTERFACE
AND INTERNAL DEALER TOOLS**



**CONNECTING TO LIQUIDITY PROVIDERS
AND MARKET MAKERS THROUGH API**



**SETTING UP REPORTING,
RECONCILIATION, AND AUDIT TRAILS**



**INTEGRATING COMPLIANCE, CUSTODY,
AND SETTLEMENT WORKFLOWS**



**MAINTAINING INFRASTRUCTURE,
SECURITY, AND UPTIME**



**BUILDING PRICING, RFQ, AND
EXECUTION LOGIC**

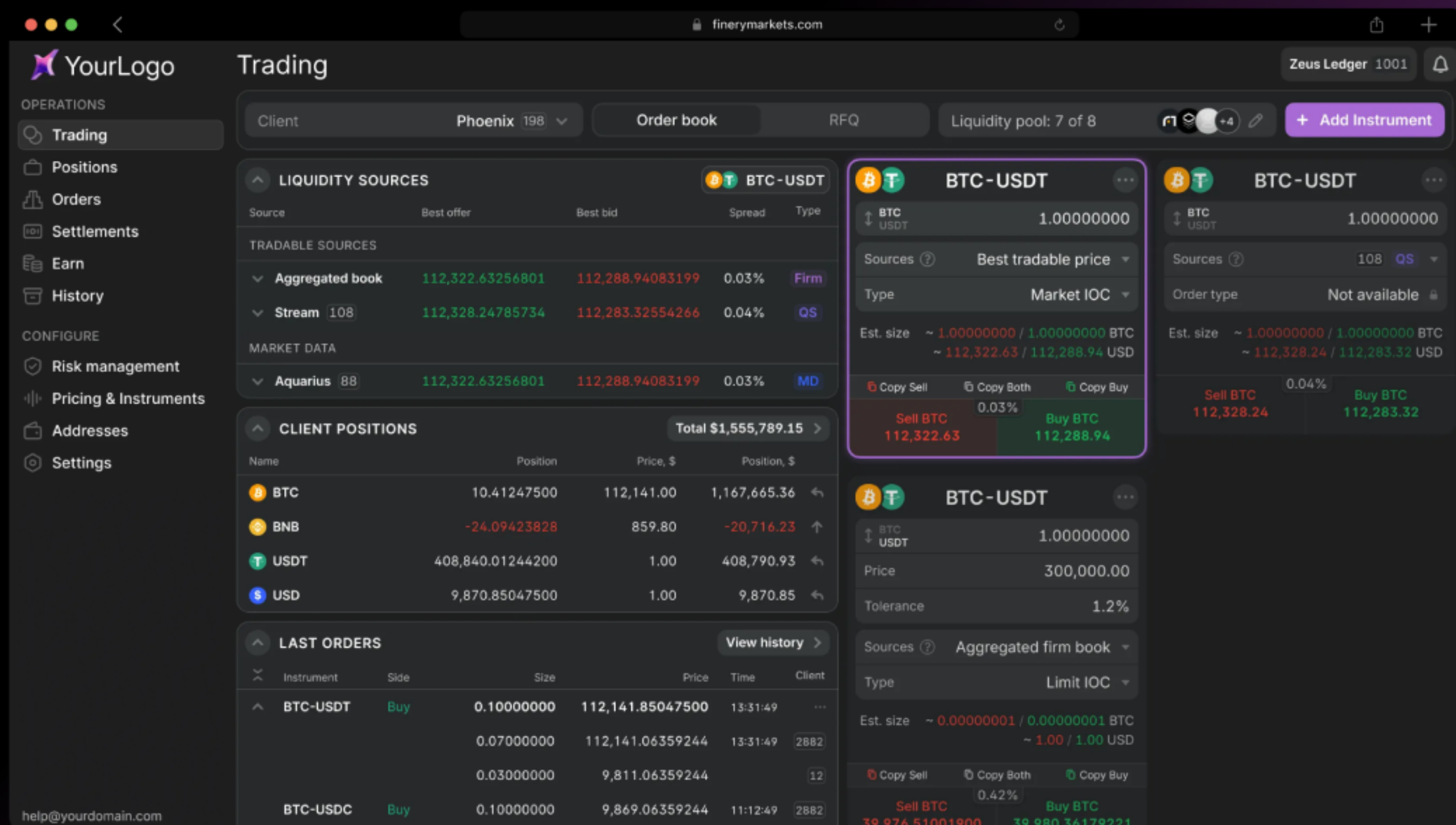


**STAFFING TECHNOLOGY, PRODUCT,
TRADING, OPERATIONS, AND SUPPORT TEAMS**

The main risk is time to market. While the firm is building, competitors may already be serving the same client demand. Internal development can also become more complex as the desk adds more assets, pairs, clients, and liquidity relationships.

Launching with a white-label OTC desk

A white-label OTC platform allows a firm to launch a crypto trading service under its own brand without developing the core infrastructure internally. The provider supplies the execution technology, UI platform architecture, and often access to an existing liquidity network, while the client-facing company manages its own market positioning, customer relationships, and commercial model.



This model is especially relevant for brokers, payment providers, fintech companies, banks, EMLs, and crypto businesses that already have a client base but do not want to spend years and millions building an institutional trading stack.

A white-label model can also reduce operational complexity. The firm still needs clear compliance, settlement, and internal risk processes, but it does not need to build every technical component itself. This can make the launch process faster, more predictable, and easier to scale.

The key trade-off: speed vs control

The choice between building and using white-label infrastructure is not simply a question of cost. It is a strategic decision about where and how the firm wants to create value. For most companies entering the OTC market, the goal is not to avoid complexity entirely. It is to place complexity in the right layer. Client relationships, positioning, pricing strategy, and market expansion can remain with the business, while the execution infrastructure is supported by a specialized technology provider.

Building from scratch

- Control over product & roadmap
- Extended development and testing timelines
- Full operational responsibility across all layers
- Ongoing maintenance and infrastructure burden

White label solution

- Accelerated launch and time-to-market
- Reduced technical load and engineering overhead
- Vendor alignment focus (matching provider tech to internal standards)
- License and software platform costs

Step-by-step: how to launch an OTC desk

Launching an OTC desk requires a structured sequence of choices. It is a common misconception to treat an OTC desk as a mere "trading setup." In reality, a successful desk functions as a comprehensive operational infrastructure. Long before the first trade is executed, a firm must fully architect its compliance frameworks, risk controls, settlement workflows, accounting integrations, and client operations.

While the exact timeline depends on your business model, target clientele, and regulatory jurisdiction, the end-to-end operational blueprint consists of 14 foundational steps.

The 14-Step Launch Framework

Here is the operational sequence required to go from concept to market-ready desk, categorized by where Finery Markets (FM) serves as your technology partner versus areas requiring independent corporate execution.

PHASE 1:

Strategic & regulatory foundation



1. DEFINE TARGET CLIENTS AND BUSINESS MODEL

Operational Scope: Institutional vs. retail tail, geographic focus, and proprietary vs. agency model.



2. DEFINE LEGAL SETUP AND REGULATORY REQUIREMENTS

Operational Scope: Securing necessary licenses (e.g., MiCA compliance in the EU, VASP registration, or local equivalents).



3. SET UP COMPLIANCE AND CLIENT ELIGIBILITY CRITERIA

Operational Scope: Establishing internal KYC, AML, and onboarding frameworks to assess client risk profiles.

PHASE 2:

Infrastructure & liquidity architecture



4. SECURE LIQUIDITY ACCESS

- Operational Scope: Connecting to deep, reliable fiat and digital asset liquidity sources to minimize slippage on block trades.
- Finery Markets core module: Instantly access 20+ aggregated Tier-1 liquidity providers and CEXs through a single integration.



5. SET UP BANKING, CUSTODY, AND WALLET INFRASTRUCTURE

- Operational Scope: Establishing banking rails for fiat settlement and non-custodial or custodial wallet ecosystems.
- Finery Markets: You maintain your banking and custody relationships, but Finery Markets orchestrates workflows by whitelisting these endpoints for post-trade settlements.



6. CHOOSE THE TECHNOLOGY LAYER

- Operational Scope: Selecting the core engine to power your order routing, execution, and UI/API access.
- Finery Markets delivers the complete institutional ECN and white-label trading SaaS (API/GUI) out of the box.

PHASE 3:

Risk, pricing & operations



7. DEFINE PRICING, FEES, AND MARKUP MODELS

- Operational Scope: Designing how spreads are customized and markups are applied across different tiers of clients.
- Finery Markets: Flexible fee management, markup, and stream configuration tools are built directly into the platform.



8. SET RISK MANAGEMENT RULES AND TRADING LIMITS

- Operational Scope: Establishing credit line allocations, maximum exposure thresholds, and counterparty risk boundaries.
- Finery Markets: Real-time post-trade risk management, automated position tracking, and credit line configurations are handled natively.



9. SET UP SETTLEMENT WORKFLOWS

- Operational Scope: Defining how assets move post-trade—ensuring fast, low-friction, bilateral clearing without locking up excess capital.
- Finery Markets provides a 24/7 automated settlement orchestration engine, as well as trade and settlement ledger.

PHASE 4

Controls, launch & scaling



10. PREPARE OPERATIONAL PLAYBOOKS AND ESCALATION PROCEDURES

- Operational Scope: Draft processes for system downtime, human errors, or counterparty disputes.



11. SET UP REPORTING, RECONCILIATION, AND ACCOUNTING

- Operational Scope: Ensuring every execution leaves a clean, auditable path for regulatory reporting and balance sheet reconciliation.
- Finery Markets delivers audit-ready post-trade reporting data feeds via API to feed directly into your back-office systems.



12. TEST EXECUTION AND SETTLEMENT

- Operational Scope: Stress-testing the entire workflow from end to end using staging environments.
- Finery Markets provides full sandbox capabilities to thoroughly test order routing, pricing streams, and settlement logic.



13. SOFT-LAUNCH WITH A CONTROLLED CLIENT GROUP

- Operational Scope: Onboarding a limited tier of trusted counterparties to validate real-world flows and operational readiness.
- Finery Markets: Seamlessly add and manage initial client accounts through the administrator interface.



14. SCALE OPERATIONS

- Operational Scope: Opening the desk to the broader market, expanding currency corridors, and optimizing capital turnover.
- Finery Markets:: Infinite infrastructure scalability with no tech bottlenecks

Our approach at Finery Markets

For firms that build everything internally, each of these steps can become a separate technology and operations project. A white-label model changes the sequence. Instead of starting with years of infrastructure development, companies can build their OTC desk in 24 hours around an existing institutional trading stack and focus more directly on client segmentation, liquidity configuration, branding, onboarding, and revenue model.

This is where solutions such as FM White Label can support the launch process. The platform is designed for businesses that want to offer a branded B2B crypto trading environment while relying on existing infrastructure for execution, liquidity access, risk controls, reporting, and settlement workflows.

Step 1. Define your OTC desk model

Before choosing technology or liquidity providers, the firm needs to define what kind of OTC desk it wants to operate. A broker launching crypto execution for existing clients will have different requirements from a payment provider supporting stablecoin conversion or a fintech building an embedded trading service.

Key questions include:

- Who are the target clients?
- Which assets and trading pairs will be offered?
- Will the desk focus on crypto-to-crypto, fiat-to-crypto, stablecoins, or all of them?
- Will pricing be manual, automated, or hybrid?
- Will the desk operate as principal, agent, or through a matched-principal model?

Principal model (dealer / market maker)

In a principal setup, the desk acts as the direct counterparty to the trade.

HOW IT WORKS:

The desk quotes a price to the client, locks it, executes the trade, and then instantly hedges the exposure with top-tier market makers or liquidity platforms

LEGAL IMPLICATIONS:

This carries higher regulatory scrutiny. You are taking on counterparty and market risk, which usually triggers strict capital adequacy requirements and mandates a full dealer/market-maker license.

Matched-principal / riskless principal model

A hybrid approach highly popular among mid-sized and white-label OTC operations.

HOW IT WORKS:

The desk only executes the purchase from the liquidity provider after the client has legally committed to buying from the desk at an agreed price (plus markup).

LEGAL IMPLICATIONS:

Because your market risk is effectively zero, some jurisdictions offer lighter capital requirements for this model compared to traditional market-making, though you are still the legal counterparty to the trade.

Agency / brokerage model

The desk acts strictly as an intermediary or broker, matching a buyer with an external seller or liquidity network.

HOW IT WORKS:

The desk acts strictly as an intermediary or broker, matching a buyer with an external seller or liquidity network.

LEGAL IMPLICATIONS:

Capital requirements are generally lower because you never hold the underlying asset risk on your corporate balance sheet. However, you must still maintain strict KYC/AML frameworks for all matching parties.

Step 2. Define legal setup and regulatory requirements

The key question is who will use your platform. Are you servicing TradFi hedge funds, retail clients, or high-net-worth individuals (HNWIs)? Institutional clients require strict Tier-1 licensing to pass their own compliance checks, whereas a retail-focused offshore exchange might prioritize speed to market. A license is useless if you cannot open a corporate bank account. Tier-1 jurisdictions generally provide better access to crypto-friendly correspondent banking networks (e.g., Swiss banks, EMI networks in Europe). Tier-2 and offshore Tier-3 jurisdictions often face certain friction with fiat on/off ramps.

Regulators are cracking down on "shell" licenses. Evaluate what local presence is mandated. Do you need a local resident director? A physical office? An in-house local Chief Compliance Officer (CCO)? This dramatically impacts your ongoing OPEX. Analyze corporate tax rates, capital gains taxes on digital assets, and VAT/GST on crypto transactions. Some jurisdictions offer 0% corporate tax but high licensing fees, while others offer tax incentives specifically for fintech and Web3 startups.

Below is the breakdown of global crypto hubs, categorized by their balance of trust, setup difficulty, and institutional appeal.

Tier-1 Hubs (maximum trust & scale)



Switzerland (FINMA)

FRAMEWORK

Highly established framework. Crypto businesses usually register with a Self-Regulatory Organization (SRO) for AML compliance or seek a full FINMA banking/securities license.

ADVANTAGE

Unmatched prestige and integration with private banking (Crypto Valley in Zug). Ideal for institutional custody and high-end OTC desks.



Singapore (MAS)

FRAMEWORK

Regulated under the Payment Services Act as a Major Payment Institution (MPI) for Digital Payment Token (DPT) services.

ADVANTAGE

The premier gateway to APAC TradFi capital. High barrier to entry ensures that obtaining an MAS license serves as a massive badge of trust.



United Arab Emirates (VARA / ADGM / DIFC)

FRAMEWORK

Dubai offers the Virtual Assets Regulatory Authority (VARA), the world's first independent crypto regulator. Abu Dhabi (ADGM) offers the FSRA framework, highly favored by institutional players.

ADVANTAGE

A rapidly growing hub with zero corporate tax in free zones, massive capital pools, and highly progressive, custom-built crypto legislation.



European Union (MiCA Framework)

FRAMEWORK

The Markets in Crypto-Assets (MiCA) regulation harmonizes rules across all 27 member states. Obtaining a VASP license in a strict state (like Germany's BaFin or France's AMF) grants passporting rights across the EU.

ADVANTAGE

Access to a massive, unified market of 450 million consumers with absolute legal clarity.



Canada

FRAMEWORK

FINTRAC (AML/KYC): Any crypto OTC desk or exchange must register as a Money Services Business (MSB) dealing in virtual currency. This dictates your transaction monitoring (KYT), reporting, and KYC procedures.

CSA & CIRO (Securities & Conduct): The Canadian Securities Administrators (CSA) treats crypto platforms that hold client assets as dealing in securities or derivatives. To operate legally, platforms usually must sign a Pre-Registration Undertaking (PRU) and eventually register as a "Restricted Dealer."

ADVANTAGE

Canada has a highly digitized banking system. Regulated crypto platforms can access robust local payment rails like Interac e-Transfer for instant retail funding, and establish solid correspondent banking for large-value institutional wires (EFT/Wire). Canada's CSA has published explicit, proactive frameworks on exactly how crypto platforms must operate, how they must segregate custody, and what they can list.



United Kingdom (FCA)

FRAMEWORK

Servicing UK customers requires a UK entity and authorization from the local regulator, the Financial Conduct Authority (FCA). It is a massive institutional hub bridging traditional finance and crypto, but the approval process is stringent, especially regarding financial promotions and AML compliance.

ADVANTAGE

This strict prudential regime (which mandates specific capital reserves based on operational risk) provides massive comfort to traditional London-based hedge funds and family offices. It is the premier jurisdiction if you are routing liquidity for traditional finance players.



Japan

FRAMEWORK

Japan is an early adopter with clear rules and allows cryptocurrency under the Payment Services Act (PSA). The market is highly regulated to protect consumers, requiring strict asset segregation and operational security.

ADVANTAGE

The core advantage is stability. Because the FSA mandates extreme asset segregation and security, Japanese corporate clients and regional institutions are highly willing to deploy capital through licensed desks.



Australia

FRAMEWORK

Australia offers a predictable regulatory environment with clear tax guidelines, where crypto is treated as property for tax purposes. Platforms must register with AUSTRAC as a Digital Currency Exchange (DCE) and maintain robust AML/CTF programs.

ADVANTAGE

Registering as a Digital Currency Exchange (DCE) provides a well-respected compliance badge that unlocks access to Australia's massive, tech-forward superannuation (pension) funds and a wealthy retail market.

Tier-2 agile mid-market hubs (speed & balanced compliance)



El Salvador (CNAD)

FRAMEWORK

The Digital Asset Service Provider (DASP) license is fast to obtain, the government is actively pro-crypto, and it serves as an excellent, low-tax base for routing BTC liquidity across Latin America without fighting legacy securities laws.

ADVANTAGE

The Bitcoin-Native Sandbox. Because Bitcoin is legal tender, El Salvador offers a truly unique environment for Bitcoin-focused OTC desks.



South Africa (FSCA)

FRAMEWORK

Holding a CASP license from the FSCA provides the regulatory cover needed to secure local ZAR banking rails. This allows an OTC desk to act as the primary liquidity bridge between global crypto markets and the rapidly expanding African remittance and trading sector.

ADVANTAGE

The Gateway to Emerging Markets. South Africa is the financial anchor of the African continent.



The Bahamas (SCB)

FRAMEWORK

Governed by the DARE Act (Digital Assets and Registered Exchanges), which is widely considered one of the most comprehensive and modern frameworks for digital assets.

ADVANTAGE

Fast licensing process, clear rules for OTC and custody, and strong proximity/familiarity with North American markets.



Bermuda (BMA)

FRAMEWORK

Regulated under the Digital Asset Business Act (DABA). It offers a tiered licensing system (testing, modified, and full licenses).

ADVANTAGE

Exceptional reputation. Bermuda is highly respected by US institutions and offers a clear, structured path for scaling digital asset businesses.



Seychelles (FSA)

FRAMEWORK

Often used by retail derivatives platforms. While they have an IBC (International Business Company) structure, specific digital asset regulation is historically lighter, though tightening.

ADVANTAGE

Very fast incorporation and low setup costs.



British Virgin Islands (BVI)

FRAMEWORK

BVI recently introduced the VASP Act, it remains a highly popular offshore incorporation hub for token issuances and retail platforms.

ADVANTAGE

High flexibility, widely understood corporate structures, and no corporate tax.



Panama & St. Vincent and the Grenadines (SVG)

FRAMEWORK

Crypto activities are not explicitly regulated or prohibited. SVG explicitly states they do not regulate forex/crypto, meaning you operate as a standard LLC.

ADVANTAGE

Near-zero compliance overhead.



Cayman Islands (CIMA)

FRAMEWORK

Regulated under the Virtual Asset (Service Providers) Act (VASP).

ADVANTAGE

The global capital for crypto hedge funds and institutional DAOs. Perfect for OTC desks routing liquidity for funds already domiciled on the islands.

Summary matrix: making the decision

Business goal	Recommended legal setup	Ideal jurisdiction
Targeting EU Institutional Capital	Principal / Matched-Principal	EU (MiCA)
Targeting Asian Funds & HNWIs	Principal or Agency	Singapore (MAS) or Dubai (VARA)
Fast Time-to-Market & Lower Capital	Matched-Principal / White-Label	El Salvador or Canada (MSB)
Pure Crypto-to-Crypto (No Fiat)	Agency / Brokerage	Cayman Islands or BVI

Step 3. Choose your liquidity model

Liquidity determines the desk's ability to offer competitive prices and execute client demand. Firms can work with a single liquidity provider, connect to several market makers, or use a platform that aggregates access to multiple institutional counterparties.

A single-provider model may be easier to launch, but it can create dependency on one source of pricing and availability. A multi-provider model can improve price discovery and resilience, but it also requires connectivity, relationship management, and operational controls. Aggregated liquidity can reduce some of this complexity by allowing the desk to access a broader network through one infrastructure layer.

For example, Finery Markets' OEMS with aggregated order book brings together liquidity from multiple providers into a single view, helping firms compare available prices and depth across connected counterparties. For companies launching an OTC desk through a white-label model, this type of infrastructure can make liquidity access easier to manage without requiring the business to build and maintain every provider connection independently.

Step 4. Select the right white-label OTC desk technology

The technology layer should support the way the desk wants to serve clients.

At minimum, it should allow the team to manage quotes, execute trades, maintain client records, control user permissions, and generate reports. For more advanced use cases, API connectivity, RFQ workflows, quote streams, position management, and integration with custody or compliance tools may be required

With a white-label model, the question is not only whether the platform can support trading. It is whether the firm can operate the desk under its own brand, configure access for different client types, apply markups, manage risk limits, and give clients a professional trading experience without building the full infrastructure internally.

This is where FM White Label brings a more complete value proposition for companies launching an OTC desk. The solution combines a branded client-facing GUI, custom API endpoints via WebSocket, REST, and FIX 4.4, and a white-labeled demo environment that can be used before going live with clients. It also supports multi-role account access, allowing firms to create, modify, and remove accounts while managing permissions across trading, risk, settlement, API, and user administration functions.

For OTC desk operators, the master and sub-account structure is especially important. A firm can use a master account to manage liquidity access, client sub-accounts, risk parameters, markups, positions, and settlement flows from one environment. Each sub-account can have its own tradable order book based on the master liquidity pool, credit lines, risk limits, and spread management settings. This makes the infrastructure relevant not only for reselling external liquidity, but also for segmenting client groups, separating business lines, internalizing customer flow, or creating access points for different types of institutional clients.

Scalability also depends on the quality of the underlying infrastructure. FM White Label is built on AWS-based infrastructure with 99.99% uptime, a sub-1 millisecond proprietary matching engine, pre-trade risk controls, and capacity to process more than 2 million orders per minute. For companies planning to launch and scale a white-label OTC desk, these features help reduce the need for in-house development while supporting execution, reporting, risk management, and settlement workflows from the start.

Step 5. Configure branding, client access, and account structure

A white-label OTC desk should not feel like a third-party product pushed onto clients. It should operate as part of the company's own service offering. That means configuring the branded client interface, API endpoints, access rights, user roles, and account structure before launch.

For example, a firm may need separate sub-accounts for different clients, business lines, geographies, or liquidity relationships. Each account may require its own permissions, trading limits, settlement setup, reporting access, and markup logic. This structure allows the business to serve multiple client groups through one platform while keeping operational control at the master-account level.

This step is important because it connects the commercial model with the actual client experience. The way accounts are structured will affect onboarding, trading permissions, pricing, reporting, risk management, and settlement.

Step 6. Set up compliance, onboarding, and legal processes

An OTC desk needs to know who it can serve before it starts trading. This requires client onboarding processes, KYC and KYB checks, AML screening, sanctions controls, jurisdictional rules, and internal approval workflows. For institutional clients, onboarding also includes collecting corporate documentation, beneficial ownership information, trading authorizations, and settlement instructions.

Legal documentation should define the commercial relationship between the desk and its clients. This may include trading terms, settlement obligations, risk disclosures, service agreements, fee schedules, and rules for failed or delayed settlement.

White-label infrastructure can support the operating model, but it does not replace the firm's own compliance responsibilities. The desk still needs to define who its clients are, which jurisdictions it serves, which assets it offers, and what internal approvals are required before trading starts.

Step 7. Configure settlement and custody workflows

Settlement is one of the most important parts of the OTC operating model. The desk needs to define how fiat, stablecoins, and digital assets move before and after execution. This includes wallet setup, bank account flows, custodian relationships, transaction approvals, reconciliation, and confirmation procedures.

The desk also needs to decide whether clients must pre-fund trades, whether settlement is handled after execution, and how exposure is controlled between trade agreement and final settlement. These choices affect both client experience and risk management.

Settlement workflows should be configured alongside trading permissions and account structure. The goal is to make the post-trade process as controlled as the execution process: clear instructions, verified counterparties, auditable activity, and reliable reporting.

Step 8. Test execution, reporting, and operational controls

Before opening the desk to a broader client base, firms should test the full workflow from quote request to final settlement. This includes RFQ handling, price acceptance, trade booking, confirmations, reporting, reconciliation, and exception management.

Testing should cover normal trading conditions and edge cases. For example, what happens if a quote expires, a client sends funds late, a liquidity provider rejects a trade, or a transaction requires additional compliance review? These scenarios should be addressed before they occur in production.

For a white-label launch, this stage should also include testing the branded environment, client permissions, API connections, markup settings, risk limits, reports, and settlement instructions. A test environment can help teams validate the workflow before going live with real client activity.

Step 9. Launch with selected clients before scaling

A controlled launch is usually better than a broad public rollout. Starting with a small group of trusted clients allows the desk to validate pricing, execution, reporting, settlement, and support processes under real market conditions.

This phase also helps the firm understand what clients actually need. Some may require API access, others may need additional reporting, broader asset coverage, faster settlement, or different quote workflows. These insights can guide the next stage of product development.

Once the desk has stable workflows and client feedback, it can expand liquidity coverage, onboard more clients, add new pairs, and scale trading volumes with more confidence. With a white-label model, the business can focus this scaling phase on distribution, client service, and commercial growth rather than rebuilding the core trading infrastructure.

Key features of a white-label OTC desk platform

A white-label OTC desk platform should do more than provide a branded login page. For institutional clients, the quality of the trading experience depends on what sits behind the interface: liquidity access, execution logic, account structure, risk controls, reporting, and settlement workflows.

The goal is to give the business a ready infrastructure layer while allowing it to operate the service under its own brand.

The right platform should support both the client-facing experience and the internal operating model. Clients need a reliable environment to request prices, place orders, monitor trades, and access reporting. The desk operator needs tools to manage liquidity, pricing, permissions, markups, exposure, and post-trade processes.

BRANDED CLIENT-FACING ENVIRONMENT

A white-label OTC desk should allow the business to offer crypto trading under its own brand. This includes a branded trading interface, custom access points, and a client experience that feels consistent with the company's existing product ecosystem.

For brokers, payment providers, fintechs, and institutional service providers, this matters commercially. The client relationship remains with the business launching the desk, while the underlying execution infrastructure is provided by a specialized technology partner.

ACCESS TO INSTITUTIONAL LIQUIDITY

Institutional OTC businesses often need to support multiple client types, internal teams, business lines, and geographies. This requires more than a single administrator account. The platform should allow the operator to create and manage sub-accounts, assign roles, set permissions, and control access to trading, risk, settlement, reporting, and API functions.

This structure is especially important for firms that want to segment client groups, operate different liquidity pools, apply different markups, or manage separate trading conditions for different institutional clients.

FLEXIBLE ACCOUNT AND PERMISSION MANAGEMENT

Liquidity access is one of the main reasons firms choose a white-label model. Instead of building and maintaining individual connections to multiple liquidity providers from the start, the desk can operate through infrastructure that already supports institutional liquidity access.

A strong platform should help the operator source competitive prices, manage available depth, and support execution across the assets and pairs required by its clients. For OTC desks serving larger or more active clients, liquidity quality should be evaluated not only by spread, but also by quote reliability, market depth, uptime, and settlement conditions.

PRICING, MARKUPS, AND RISK CONTROLS

A white-label OTC desk needs commercial flexibility. The operator should be able to define how prices are shown to clients, how spreads or markups are applied, and how risk parameters are managed across accounts.

Pre-trade risk controls, credit limits, exposure monitoring, and account-level settings help the desk operate with greater discipline. These tools are important because OTC trading often involves larger order sizes, settlement timing differences, and more complex counterparty relationships than standard retail exchange trading.

API CONNECTIVITY

Many institutional clients do not want to trade only through a graphical interface. Brokers, payment companies, fintechs, and trading firms may need API connectivity to embed OTC execution into their own systems, automate workflows, or serve downstream clients.

A white-label OTC platform should therefore support robust API access, including market data, order placement, trade history, and reporting. For more advanced institutional use cases, FIX connectivity can be important because it allows crypto trading infrastructure to fit into existing capital markets workflows.

REPORTING, AUDIT TRAILS, AND OPERATIONAL TRANSPARENCY

Reporting is not an afterthought for an OTC desk. Clients need trade confirmations, histories, and clear records. Operators need visibility into volumes, pricing, client activity, exposures, and settlement status.

A strong white-label platform should support reporting and audit trails that make operations easier to monitor and reconcile. This becomes increasingly important as the desk scales, adds more clients, and handles more complex liquidity and settlement workflows.

SETTLEMENT WORKFLOW SUPPORT

Execution quality matters, but the client experience is not complete until settlement is completed correctly. The platform should support clear post-trade workflows, settlement instructions, account-level controls, and reconciliation processes.

For firms launching an OTC desk, this can reduce operational friction. Instead of managing execution and settlement as disconnected processes, the desk can operate them within a more controlled infrastructure setup.

SCALABLE INFRASTRUCTURE

A white-label OTC desk should be able to support growth without forcing the operator to rebuild its core systems. As the business adds clients, assets, trading pairs, liquidity providers, and integrations, the platform must remain stable and responsive.

Scalability is especially relevant for firms that expect OTC trading to become a strategic business line rather than a small add-on product. The infrastructure needs to support higher volumes, more complex account structures, and growing institutional expectations around uptime, latency, and operational resilience.

Common mistakes when launching an OTC desk

Launching an OTC desk can look straightforward from the outside: connect to liquidity, quote clients, execute trades, and manage settlement. In practice, most challenges appear in the details. If pricing, execution, risk, compliance, and post-trade workflows are not designed properly from the beginning, the business may struggle to scale even when client demand is strong.



TREATING LIQUIDITY AS A COMMODITY

Not all liquidity is equal. Providers may differ in spread, depth, response time, rejection rates, uptime, settlement terms, and performance during volatility.

OTC desk operators should evaluate liquidity by execution quality, reliability, and operational fit — not only by the displayed price.



LAUNCHING WITHOUT CLEAR CLIENT SEGMENTATION

Different clients use OTC desks for different reasons. Brokers may need APIs and downstream reporting, payment providers may need stablecoin liquidity and fast conversion, while banks or EMLs may require stronger governance and documentation.

Segmentation should influence asset coverage, pricing, limits, settlement terms, reporting, and support.



UNDERESTIMATING SETTLEMENT COMPLEXITY

Execution is only half of the trade. The desk still needs to receive funds, deliver assets, confirm settlement, reconcile balances, and handle exceptions.

Before launch, firms should define how fiat, stablecoins, and digital assets move between clients, liquidity providers, custodians, and internal accounts.



RELYING TOO HEAVILY ON MANUAL WORKFLOWS

Chats, spreadsheets, screenshots, and email confirmations may work at a very early stage, but they become fragile as volumes grow.

Manual workflows make it harder to control pricing, track approvals, reconcile trades, monitor exposure, and maintain clean records.



CHOOSING TECHNOLOGY THAT CANNOT SCALE

A basic trading interface may be enough to demonstrate demand, but not enough to operate an institutional OTC desk over time.

Common limitations include weak API access, poor permission management, limited account structure, no markup controls, insufficient risk settings, or difficulty integrating with custody and compliance workflows.



IGNORING COMPLIANCE UNTIL AFTER LAUNCH

Compliance should be part of the OTC desk design from day one.

The desk needs to know which clients it can onboard, which jurisdictions it can serve, which assets and pairs it can offer, and what monitoring or reporting obligations apply to its business model.



TREATING WHITE LABEL AS ONLY A SHORTCUT

White-label OTC infrastructure can accelerate launch, but it does not replace strategic decisions. The firm still needs to define its business model, client segments, pricing approach, risk appetite, legal framework, and operating procedures.

The strongest model combines client ownership and market positioning with infrastructure built for institutional execution, liquidity access, reporting, and operational control.

How Finery Markets helps businesses launch OTC desks:

Client layer

- FRONT-END (MOBILE/WEB)
- MARKET DATA
- API GATEWAY

Liquidity & execution

- OEMS/EMS/SOR
- SYNTHETIC ENGINE
- CONNECTIVITY
- MARKET DATA AGGREGATION

Settlement & reconciliation

- ON/OFF RAMP RAILS
- ON-CHAIN SETTLEMENT
- RECONCILIATION ENGINE
- POSITION KEEPING

Custody & treasury

- TREASURY MANAGEMENT
- QUALIFIED CUSTODIAN
- WALLET ARCHITECTURE (COLD/HOT)

- CYBERSECURITY
- LEGAL FRAMEWORK
- KYC / KYB
- KYT
- RISK ENGINE
- MPC TECHNOLOGY

Client layer

We advise on the optimal Front-end (Mobile/Web) for retail simplicity, or a robust API Gateway for institutional connectivity.

Liquidity & execution

We help you select the right Smart order router and OEMS to aggregate market data and achieve best execution without slippage.

1. Pre-trade: Structuring a Pre-trade risk engine to handle real-time balance checks and limits before an order hits the market.
2. Trade: Implementing a Connectivity layer to OEMS / EMS / SOR systems that pull from aggregated Liquidity pools.
3. Post-trade: Defining the Post-trade module for position updates and risk checks, seamlessly linking your Settlement module with Banking rails and the Blockchain network.

Settlement & reconciliation

We help to map out your on/off ramp rails, blockchain settlement workflows, and automated reconciliation engine.

Custody & treasury

We design your treasury management strategy and connect you with custodians that fits your operational scale.

Finery Markets supports businesses that want to launch institutional crypto trading services without building the full OTC infrastructure from scratch.

Through FM White Label, companies can offer a branded B2B trading environment while relying on Finery Markets' technology stack for execution, liquidity access, account management, risk controls, reporting, and settlement workflows.

This model is designed for firms that already have client relationships or a clear distribution channel, but need the infrastructure layer to turn OTC trading into a scalable service. Brokers, payment providers, fintech companies, banks, EMLs, OTC desks, and digital asset businesses can use white-label infrastructure to bring crypto liquidity to their clients under their own brand.



Launch under your own brand

FM White Label allows companies to provide a branded trading experience through a client-facing GUI and custom API endpoints.

The business keeps the client relationship, pricing strategy, and commercial positioning under its own name, while Finery Markets supports the execution layer behind it.



Access institutional liquidity through one infrastructure layer

Liquidity is one of the hardest parts of launching an OTC desk independently.

Finery Markets helps simplify this through institutional liquidity access and aggregated liquidity infrastructure, allowing firms to operate through a single platform instead of building every provider connection separately.



Manage clients, sub-accounts, markups, and risk controls

FM White Label uses a master and sub-account structure, which is particularly relevant for OTC desk operators. A firm can manage client accounts, configure access rights, apply markups, set risk limits, and monitor positions from one environment.

This helps brokers, payment providers, and OTC desks serve different client groups or business lines with greater control.



Support both GUI and API-driven trading

Different clients require different workflows. Some prefer a graphical interface for RFQ-style execution and trade monitoring, while others need API connectivity to embed trading into internal systems or serve downstream clients. FM White Label supports both approaches through a branded GUI and custom API endpoints, including WebSocket, REST, and FIX 4.4 connectivity.

It also gives OTC desk operators access to Finery Markets' hybrid trading model, which combines order-driven and quote-driven execution. Clients can interact with firm liquidity in the order book or request quotes from multiple liquidity providers through RFQ, then choose the execution method that best fits the trade size, asset liquidity, and market conditions.

This is especially relevant for OTC desks that need both transparent price discovery and the ability to handle larger or less liquid trades with reduced market impact.



Build on infrastructure designed for institutional scale

A white-label OTC desk needs to be reliable from the start. Finery Markets' infrastructure is built for institutional trading, with AWS-based deployment, 99.99% uptime, a proprietary matching engine, pre-trade risk controls, and capacity to process high order volumes.

For companies launching an OTC desk, this reduces the need to build and maintain critical trading infrastructure internally.

How long does it take to launch an OTC desk?

The answer depends on whether the firm builds the OTC desk internally or uses existing white-label infrastructure. Building from scratch can take months or longer, especially if the business needs to develop the trading interface, connect liquidity providers, build pricing and execution logic, configure reporting, integrate compliance workflows, and test settlement operations.

With a white-label model, the timeline can be much shorter. With FM White Label, clients can typically have a full setup in around a week, depending on the required configuration, branding, liquidity model, account structure, and internal approval process. This makes the white-label route especially relevant for firms that already have client demand and want to bring an OTC trading service to market without waiting for a long internal development cycle.

The important distinction is between technical setup and full operational readiness. A branded environment can be configured quickly, but the company still needs to complete its own legal, compliance, onboarding, settlement, and internal governance steps before serving clients in production.

In practice, this means that white-label infrastructure can compress the technology timeline from months to days, while the final go-live date will depend on how prepared the firm is from a business, legal, and operational standpoint.

The bottom line

Launching an OTC desk in 2026 requires a clear view of the market opportunity and the operational model behind it. Institutional demand for crypto, fiat, and stablecoin liquidity continues to grow, but clients expect more than access to prices. They need reliable execution, transparent workflows, strong controls, and a service that can support larger and more complex trading activity.

White-label OTC infrastructure can shorten the path to market while keeping the core client relationship under the company's own brand. The strongest setups will combine speed, liquidity access, trading technology, risk management, reporting, and settlement discipline into one scalable OTC offering.