

February 17th, 2025

Progmatt, Inc.  
Fairsquarelab Co., Ltd.  
Korea Digital Asset Custody Co., Ltd.

**Launch of a Proof-of-Concept with South Korean Financial Institutions for "Project Pax"**  
**— MOU Signed Between Japanese and South Korean Infrastructure Companies —**

Progmatt, Inc. (CEO: Tatsuya Saito, hereinafter "Progmatt"), Fairsquarelab Co., Ltd. (CEO: Joonhong Kim, hereinafter "Fairsquarelab"), and Korea Digital Asset Custody Co., Ltd. (Co-CEOs: Min-Su Kim and Cheong-Woo Lee, hereinafter "Korea Digital Asset Custody") have signed a Memorandum of Understanding (MOU) for a proof-of-concept (PoC) on Project Pax, a cross-border stablecoin remittance platform project in collaboration with Swift.

Through this PoC under the MOU, we will work on connecting the infrastructure for stablecoin remittances between Japan and South Korea. Additionally, we will identify key considerations for involving South Korean financial institutions in Project Pax and compile insights and recommendations on regulatory developments within South Korea.



# Project Pax

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## 1 . Background and Objectives

Project Pax aims to establish a cross-border stablecoin remittance platform by leveraging Swift's existing assets and collaborating with financial institutions in various countries. The project seeks to address key challenges such as AML/CFT compliance, regulatory

requirements, integration with existing operations, and corporate wallet usage. Led by Progmata in partnership with Datachain, Inc. (CEO: Tetsushi Hisata, hereinafter "Datachain"), the initiative has been advancing collaborations with relevant organizations worldwide since its inception.

Fairsquarelab is a leading blockchain company in South Korea, recognized as a pioneer in developing the country's security token mainnet, and related technologies. Korea Digital Asset Custody is South Korea's largest custodial service provider, established through joint investment by Shinhan Bank (CEO: Sang Hyuk Jung), NH Bank (President & CEO: Kang Tae-Young), Fairsquarelab, etc.

Both companies, aiming to build a unified digital asset infrastructure in South Korea, decided to formally enter the stablecoin sector and participate in Project Pax following a statement by South Korea's Financial Services Commission on January 15, 2025, signaling a proactive stance on global digital asset trends. This led to the signing of an MOU with Progmata to advance collaboration on the initiative.

## **2. Details of Collaboration and Expected Impact**

This PoC will conduct a practical assessment of the implementation process for South Korean financial institutions adopting the infrastructure developed under Project Pax. Specifically, the PoC will evaluate the feasibility of integrating South Korean financial institutions' systems and operations, identify key considerations for implementation, and develop an action roadmap for adoption.

In South Korea, the legal framework for stablecoins is still in the process of being established. By proactively identifying potential regulatory challenges at this stage, we aim to contribute to the necessary regulatory and operational preparations within the country. This will help ensure a smooth launch of stablecoin remittances once the legal framework is in place.

For Progmata, this initiative will not only facilitate connectivity with South Korean financial institutions as part of Project Pax but also strengthen collaboration in the security token sector in South Korea. Through these efforts, Progmata aims to advance financial transactions between Japan and South Korea to a higher level.

### Roles of Stakeholders in This Proof-of-Concept

Participant	Role
Progmatt	Leads and oversees the overall PoC. Conducts technical assessments related to integration with the South Korean environment in collaboration with partner companies.
Datachain	Jointly conducts the above technical assessments.
Fairsquarelab	Coordinates relevant companies in South Korea and leads project execution.
Korea Digital Asset Custody	Evaluates feasibility from a system and operational perspective.
Korean Financial Institutions	Same as above. (To be determined)
Japanese Financial Institutions	Conduct practical reviews of the PoC from an operational perspective.

### 3. Next Steps

Starting in February 2025, we will promptly begin the verification process, aiming to compile and finalize recommendations within South Korea by the end of 2025.

## Appendix

### ◆About Swift

<https://www.swift.com/>

### ◆About Project Pax

Project Pax is not about opposing the current financial system with Web3. Instead, we aim to integrate the strengths of Web3 and blockchain technology into the existing economic system to create a truly sustainable impact. Our goal is to build an environment where everyone can easily and securely access the financial system, addressing global economic disparities and challenges, including those in developing countries, and working towards a world of greater PEACE. This initiative serves as a crucial PIECE in achieving these goals. The name "Pax" means PEACE in Latin. We chose "Pax" because we want this initiative to be widely adopted globally, drawing from a word that is the root of many languages.

### ◆About the Related Organizations

Company Name : Progmatt, Inc.

Representative : Tatsuya Saito, Founder and CEO

W e b s i t e : <https://progmatt.co.jp/>

Company Name : Datachain, Inc.

Representative : Tetsushi Hisata, Founder and CEO

W e b s i t e : <https://www.datachain.jp/>

Company Name : Fairsquarelab Co., Ltd

Representative : Joonhong Kim, CEO

W e b s i t e : <https://www.fairsquarelab.com/>

Company Name : Korea Digital Asset Custody Co., Ltd.

Representative : Min-Su Kim • Cheong-Woo Lee, Co-CEO

W e b s i t e : <https://www.kdac.io/>