



Directive on Crypto-Assets as Underlying Instruments

Directive Crypto-Assets as Underlying Instruments, DCA
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Table of contents

I	General provisions	3
Art. 1	Purpose	3
II	Special provisions	3
Art. 2	Additional requirements for crypto-assets	3
Art. 3	Preliminary check of crypto-assets.....	3
Art. 4	Details in the prospectus in accordance with the FinSA or information document	4
Art. 5	Suspension of trading and termination of listing	4
Art. 6	Procedure with forks	4
III	Final provisions.....	4
Art. 7	Entry into force	4
Art. 8	Transitional provisions	4

Basis: Art. 17a ARD and Art. 12a ARETP

I General provisions

Art. 1 Purpose

This Directive specifies the technical details and other requirements for crypto-assets as underlying instruments for derivatives and Exchange Traded Products (ETPs).

II Special provisions

Art. 2 Additional requirements for crypto-assets

¹ Crypto-assets must be based on an open-source software that functions according to the principles of blockchain technology. Consensus protocol must be applied and transactions must be verified by network participants using a clearly defined process. The issuing of further units of the crypto-assets must be clearly defined and must not systematically favour any individual persons.

² At the time of applying for provisional admission to trading of the derivative or an application is made for the ETP to be listed, the crypto-asset must cumulatively

- have a market capitalisation of at least USD 500 million;
- demonstrate average daily liquidity of at least USD 50 million over the past 30 calendar days before submitting the application;
- have a trading history of at least 180 calendar days.

Alternatively, the details on the following websites can be used as reference: www.coinmarketcap.com, www.coingecko.com/en or www.cryptocompare.com.

³ It must be ensured that the prices for the crypto-asset used are set regularly and are publicly available on the internet. In addition, it must be ensured that the crypto-asset can be traded directly against an established fiat currency (e.g. USD or EUR) and that a price feed is available via a reputable information system, such as SIX Financial Information, Bloomberg or Reuters.

⁴ At least one trading venue must be available, which meets the following criteria:

- offers trading against an established fiat currency;
- transparency through publication of prices;
- provides an API;
- website at least in English.

Art. 3 Preliminary check of crypto-assets

Before submitting the application for provisional admission to trading of the derivative or listing of the ETP, SIX Exchange Regulation AG must be informed via e-mail to listing@six-group.com about how the requirements defined above are met, and it must be confirmed that

- the underlying instrument is permitted under Art. 17a ARD or Art. 12a ARETP;
- the details can be found as per Art. 4 in the prospectus in accordance with the FinSA or in another information document.

Art. 4 Details in the prospectus in accordance with the FinSA or information document

Details of the following points must be given in the prospectus in accordance with the FinSA or in another information document:

- presentation of the key differences and resultant risks between traditional currencies and the crypto-asset, particularly intrinsic value unavailable, trading of the crypto-asset on unregulated online exchanges, low trading volume, higher volatility.
- presentation of the specific risks connected with products on crypto-assets, particularly fraud risks and risks arising from possible hacker attacks.
- reference in the prospectus in accordance with the FinSA to the possibility of temporarily suspension of trading if this is deemed necessary in exceptional circumstances, in particular in the event of suspected price manipulation, falsification of liquidity or criminal activities, as well as a reference to delisting if trading is suspended for more than three months.

Art. 5 Suspension of trading and termination of listing

¹ The Exchange and/or the Regulatory Bodies may temporarily suspend trading at the request of the issuer or on their own initiative if this is deemed necessary in exceptional circumstances, in particular in the event of suspected price manipulation, falsification of liquidity or criminal activity.

² If trading has been suspended for a continuous three-month period, the derivatives or ETPs concerned are delisted by the Regulatory Board, unless the reasons for the suspension ceased to exist.

³ The Exchange and/or the Regulatory Bodies accept no liability for damage or loss incurred in connection with the suspension of trading and delisting, in particular in the event of suspected price manipulation, falsification of liquidity or criminal activities.

Art. 6 Procedure with forks

If a fork occurs on a crypto-asset used as an underlying instrument during the term of a derivative/ETP traded on SIX Swiss Exchange AG ("SIX Swiss Exchange"), the derivative/ETP that relates to the new crypto-asset and is allocated to existing investors without an equivalent value can also be permitted to trading. It is also permitted for this type of fork to be settled differently, for instance by adding the new crypto-asset as an additional underlying instrument of the existing product, provided that the new crypto-asset meets all the requirements defined above, apart from those under Art. 2 para. 2.

III Final provisions

Art. 7 Entry into force

This Directive enters into force on 1 April 2024.

Art. 8 Transitional provisions

The derivatives and ETPs previously listed on SIX Swiss Exchange with crypto-assets as underlying instruments will remain listed. Issuers of derivatives and ETPs listed before this Directive came into force must submit a prospectus in accordance with the FinSA pursuant to Art. 4 within a transitional period of six months. If these requirements and the submission of this prospectus are not met within the transitional period, the listing of the derivatives and ETPs concerned will be terminated extraordinarily.