



## Europe's first regulated bitcoin product launches in Gibraltar

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Europe's first regulated bitcoin product - an asset-backed exchange-traded instrument that will invest exclusively in the digital currency - begins trading this week on the Gibraltar Stock Exchange and Germany's Deutsche Boerse.

The Web-based currency can be used to send money instantly around the world, free of charge and with no need for third-party checks. It is accepted by several major online retailers and is used in more than 200,000 daily transactions.

Its value has been highly volatile, peaking at more than \$1,200 in late 2013 before crashing after the collapse of the Mt. Gox bitcoin exchange. It has since stabilized somewhat, trading at around \$655 on Monday, up more than 50 percent this year.

BitcoinETI will be available through regulated brokerages across Europe, and settlement will be handled through Clearstream and Euroclear, the Gibraltar Stock Exchange said, rather than via bitcoin's shared ledger system - the blockchain.

In the United States, where regulation of bitcoin and financial technology more broadly tends to be

more onerous, twins Cameron and Tyles Winklevoss - entrepreneurs who famously sued Facebook founder Mark Zuckerberg for allegedly stealing their idea - have been waiting for approval for a proposed bitcoin exchange-traded fund for three years.

Their proposed Winklevoss Bitcoin Trust would be the first ETF issued by a U.S. entity that invests solely in bitcoin.

Another ETF issued by New York-based ARK Investment Management last year became the first ETF to invest in bitcoin, but it also invests in other fintech companies.

The new European ETI, issued by Gibraltar-based iStructure PCC and sponsored by one of its subsidiaries, Revoltura, comes as a result of talks between stakeholders, including the Financial Services Commission - Gibraltar's regulator - and the British Overseas Territory's government.

"By listing the ETI on the Gibraltar Stock Exchange, which is an EU-regulated market, we are able to bring a high level of transparency and liquidity to investors," said Revoltura CEO Ransu Salovaara. ■

