

# FrontLine SIX x-clear AG

## General Information

### **Interoperable clearing of Exchange Traded Products with cryptocurrencies as underlyings: Extension to London Stock Exchange**

#### **1.0 Overview**

SIX x-clear AG (SIX x-clear) is expanding its interoperable clearing offering for Exchange Traded Products with cryptocurrencies as underlyings to the London Stock Exchange. For the time being, bitcoin and Ethereum will be the only cryptocurrencies supported as an underlying. Due to the volatility of the underlying asset(s), special provisions continue to be applied when margining these products.

#### **2.0 Effective date**

Tuesday, 28 May 2024

#### **3.0 Impact on participants**

The instruments in question traded on the London Stock Exchange may be cleared by both LCH Ltd and SIX x-clear in an interoperable way. Members already trading such products on other venues can start clearing the products traded on the London Stock Exchange without any changes, provided they have the basic trading and clearing arrangements in place on the London Stock Exchange. Clearing Members interested in clearing Crypto ETPs are kindly asked to contact their Relationship Manager to start the account opening process.

#### **4.0 Details**

The London Stock Exchange has appointed SIX x-clear as a strategic partner for the clearing of crypto ETNs. SIX x-clear will be able to interoperate with LCH Ltd and clear physically backed and unleveraged crypto ETNs with bitcoin and Ethereum as underlying assets, effective from **Tuesday, 28 May 2024**.

The criteria for clearing eligibility are as follows: long/short tracker of the cryptocurrencies bitcoin and Ethereum, unleveraged, and in supported clearing currencies. The criteria may be changed at a later stage. SIX x-clear's risk management teams are monitoring the situation and can adjust the criteria in line with market conditions if necessary.

#### **5.0 Contact**

If you have any further questions, please contact your Relationship Manager. Contact details can be found in the list of SIX SIS contacts published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > Contacts > SIX SIS > List of SIX SIS contacts.

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### **Alternative:**

For more detailed information pertaining to the supported ISIN universe, please reach out to SIX x-clear operations via email: [xclearops@sisclear.com](mailto:xclearops@sisclear.com)

In this context, SIX x-clear AG draws the Members' attention to **clause 7.7, chapter 14 and 15** of the Rulebook of SIX x-clear AG stipulating that the Member is responsible for compliance with the applicable laws (in particular domestic and foreign tax, foreign exchange and stock market regulations as well as with company law and articles of association) with respect to the Clearing services obtained from SIX x-clear AG.