

	<i>Investment token</i>	<i>Asset-reference token</i>	<i>Electronic money token</i>	<i>Utility token</i>	<i>Other crypto asset tokens</i>
<i>Characteristics</i>	<ul style="list-style-type: none"> Uses DLT or similar technology Transferred and stored electronically Digital representation of rights Allows the issuer to raise funds Provides voting and decision-making rights similar to those usually granted to shareholders Provides an expectation of income (entitlements similar to dividends) 	<ul style="list-style-type: none"> Uses DLT or similar technology Transferred and stored electronically Digital representation of value Aims to maintain a stable value by referring to the value of several fiat currencies that are legal tender and/or one or more crypto assets and/or commodities May be used as a means of payment 	<ul style="list-style-type: none"> Uses DLT or similar technology Transferred and stored electronically Digital representation of value Aims to maintain a stable value by referring to the value of a single fiat currency that is legal tender 	<ul style="list-style-type: none"> Uses DLT or similar technology Transferred and stored electronically Digital representation of rights Provides digital access to a platform, goods and/or services Only accepted by the issuer May grant limited decision-making rights (e.g. voting rights on the products the issuer should develop and offer) Used for marketing purposes and/or to create a customer loyalty program 	<ul style="list-style-type: none"> Uses DLT or similar technology Transferred and stored electronically Digital representation of value or rights Does not qualify as a utility token, asset-reference token, electronic money token or an investment token that qualifies as a financial instrument under MIFID II
<i>Issue, Registration & Offering</i>	<p>The issuer need not hold a specific authorisation. If the investment token qualifies as a financial instrument under MiFID II, then:</p> <ul style="list-style-type: none"> The process of issue, offering and admission of such instruments to trading on a trading venue (e.g. regulated market, multilateral trading facility) will follow the existing rules set out in MiFID II, MIFIR, Market Abuse Regulation, Prospectus Regulation, etc. The investment tokens that qualify as transferable securities under MiFID II must be registered with a central securities depository (CSD) in accordance with the Central Securities Depositories Regulation (CSDR). CSDs that operate DLT-based central depositories and settlement systems may use the multiple exceptions (differing from the requirements set forth in CSD, MiFID II etc.) provided by DLTR, but must nevertheless comply with additional requirements, including obtain of a permit to operate a DLT-based central depository and settlement system. <p>If the investment token does not qualify as a financial instrument under MiFID II, then MiCA shall apply.</p>	<p>The issuer must be a legal person established within the EU and must hold a credit institution authorisation or a relevant (issuer) authorisation under MiCA.</p> <p>If the tokens are offered to the public and/or admitted for trading on a trading venue (exchange), then the following key rules must be followed in accordance with the requirements set forth in MiCA:</p> <ul style="list-style-type: none"> Preparation of the documentation required for authorisation of the issuer (if not a credit institution) Preparation of a white paper Obtaining of an authorisation (if not a credit institution) and approval of a whitepaper by the competent authority Publication of the white paper and, if relevant, the marketing communications Compliance with various additional obligations applicable to the issuer set forth in MiCA, e.g. on information disclosure, governance, own funds, reserve of assets, etc. Additional conditions will apply in the case of significant asset-backed tokens. <p>Exceptions will apply in cases where:</p> <ul style="list-style-type: none"> The average outstanding amount of asset-backed tokens does not exceed MEUR 5 (or a lower amount, if so decided by the relevant EU member state), or the corresponding equivalent in another currency, over a period of 12 months. The offer is solely addressed to qualified investors and the tokens can only be held by such qualified investors. <p>In such cases, no authorisation of the issuer under MiCA is required, but the preparation of a whitepaper and notification to the competent authority thereof is required.</p>	<p>The issuer must be a legal person and must hold a credit institution authorisation or an electronic money institution authorisation.</p> <p>If the tokens are offered to the public and/or admitted for trading on a trading venue (exchange), then the following key rules must be followed in accordance with the requirements set forth in MiCA:</p> <ul style="list-style-type: none"> Preparation of a white paper Notification of the competent authority with respect to the whitepaper and, if relevant, the marketing communications Publication of the whitepaper Compliance with certain additional requirements applicable to the issuer, as set forth in the E-Money Directive Additional conditions will apply in the case of significant e-money tokens. <p>Exceptions will apply in cases where:</p> <ul style="list-style-type: none"> The average outstanding amount of e-money tokens does not exceed MEUR 5 (or a lower amount, if so decided by the relevant EU member state), or the equivalent in another currency, over a period of 12 months. The offer is solely addressed to qualified investors and can only be held by such qualified investors. <p>In such cases, no credit institution or e-money institution authorisation is required, but the issuer must comply with the other applicable requirements (see above).</p>	<p>The issuer must be a legal person, but is not required to hold a specific authorisation.</p> <p>If the tokens are offered to the public and/or admitted for trading on an exchange, then the following key rules must be followed in line with the requirements set forth in MiCA:</p> <ul style="list-style-type: none"> Preparation of a white paper Notification of the competent authority with respect to the whitepaper and, if relevant, the marketing communications Notification of the competent authority with respect to the list of EU member states, where tokens will be offered to the public or admitted for trading, and the relevant dates Publication of the white paper and, if relevant, the marketing communications Compliance with the obligations applicable to the issuer, as set forth in MiCA. <p>The above shall not apply in cases where tokens are:</p> <ul style="list-style-type: none"> Offered for free Automatically created through mining as a reward for maintenance of the DLT or the validation of transactions; Unique and not fungible with other crypto assets Offered to fewer than 150 natural or legal persons per each EU member state where such persons are acting on their own account Offered over a period of 12 months, and where the total consideration of an offer to the public in the EU does not exceed MEUR 1, or the equivalent amount in another currency or crypto assets Offered only to qualified investors and can only be held by such. 	

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Service Providers & Authorisations</p> <p>Most services related to investment tokens that qualify as financial instruments under MiFID II can be provided only by investment firms authorised under MiFID II or by credit institutions authorised to provide investment services. They include:</p> <ul style="list-style-type: none"> · The reception and transmission of orders · The execution of orders on behalf of clients · Dealing on own account · Portfolio management · Investment advice · Underwriting/placing on a firm commitment basis · Placing without a firm commitment basis · The operation of an multilateral trading facility (MTF) · Safekeeping and administering instruments on behalf of clients, including custodianship, but excluding the maintenance of accounts at the top tier level. <p>An MTF may also be operated, but a regulated market may be operated only by a regulated market operator.</p> <p>Maintaining accounts at the top tier level and related settlements are permitted only for authorised CSDs.</p> <p>CSDs that wish to operate LTD-based settlement systems and investment firms/market operators that wish to operate DLT-based MTFs should bear in mind that the proposal for a regulation on pilot regimes for market infrastructures based on DLT includes not only numerous exemptions, but also additional requirements, such as specific permits to operate DLT-based MTF and securities settlement systems.</p>	<p>The following are considered as crypto asset services:</p> <ul style="list-style-type: none"> · The custody and administration of crypto assets on behalf of third parties · The operation of trading platforms for crypto assets · The exchange of crypto assets for fiat currencies that are legal tender · The exchange of crypto assets for other crypto assets · The execution of orders for crypto assets on behalf of third parties · The placing of crypto assets · The reception and transmission of orders for crypto-assets on behalf of third parties · The provision of advice on crypto assets <p>Under MiCA, crypto asset services may be provided within the EU only by legal persons who have a registered office in an EU member state and who are authorised as a CASP (Crypto Asset Service Specialist) under MiCA. Certain exemptions are provided for investment firms and credit institutions.</p> <p>Legal persons that intend to provide crypto asset services must apply for the relevant authorisation with the competent authority of the EU member state where they have their registered office. The same authority should be notified for the purpose of offering crypto asset services in other EU member states (i.e. for <i>passporting</i>).</p> <p>CASPs must comply with the various regulatory requirements set forth in MiCA, e.g. minimum capital requirements, other prudential safeguards, organisational requirements, safekeeping requirements applicable to clients' crypto assets and funds, complaints handling, disclosure, outsourcing, etc.</p> <p>MiCA also sets forth specific requirements for the provision of each crypto asset service.</p>
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