

# Cassels

## CFTC Staff Issues Advisory for Virtual Currency Products

June 5, 2018

On Monday, May 21, 2018, the Commodity Futures Trading Commission's (CFTC) Division of Market Oversight (DMO) and Division of Clearing and Risk (DCR) issued a joint staff advisory providing information and guidance relating to the listing of virtual currency derivative products to exchanges and clearinghouses registered with the CFTC. As well, the advisory emphasized the CFTC's priorities in reviewing new virtual currency derivatives.

DMO Director Amir Zaidi noted that the CFTC staff are committed to providing guidance to market participants as the virtual currency market continues to evolve. DCR Director Brian Bussey added that this information is designed to help market participants design risk management programs and follow appropriate governance processes with respect to the launch of new investment products.

The advisory highlighted certain key areas that should be addressed in the process of listing a new virtual currency derivatives contract, including enhanced market surveillance, close coordination with CFTC staff, large trader reporting, outreach to member and market participants, and Derivatives Clearing Organization risk management and governance.

This recent staff notice highlights one of the CFTC's many efforts to ensure appropriate oversight of virtual currency markets. All such efforts are described in detail on the CFTC's dedicated [Bitcoin website](#).

### We Can Help

For more information about how Cassels can assist with your business, please contact Michael Weizel or another member of our firm's cross-disciplinary Emerging Companies Group.

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