Press release

SEC-approved Ether ETFs Debut

Following the success of Bitcoin ETFs, Ether ETFs are launching: experts estimate at least $5 billion in assets by the end of the year. U.S. asset managers and banks have overcome the SEC's resistance.

Milan, July 23 2024 - Following the success of Bitcoin ETFs approved in January, it is now the turn of Ether, the native cryptocurrency of the Ethereum platform: its ETFs debut today. The Bitcoin funds marked the best debut ever in the ETF sector: BlackRock's *iShares Bitcoin Trust* alone exceeded $22 billion in assets. Experts estimate that Ether ETFs could gather over $5 billion by the end of the year, driven by growing institutional interest in the cryptocurrency market.

"*The debut of Ether ETFs confirms the institutionalization of the crypto ecosystem and attests to the growing confidence in crypto assets as investment and diversification tools for savvy investors' portfolios*," states Ferdinando Ametrano, CEO of CheckSig.

Currently, crypto ETFs are not harmonized and are therefore challenging for European Union investors to access. Although European regulators are opening up to the sector, as demonstrated by the recent enactment of the MiCA (Markets in Crypto Assets) regulation, the most significant developments are happening in the United States.

"*Ether ETFs are launching despite initial resistance from the SEC, which, when approving Bitcoin ETFs last January, declared it would not authorize ETFs for other crypto assets*," Ametrano adds. "*There is an ongoing power struggle in the United States: banks and asset managers want to offer financial services in the crypto space, while the regulator seeks to restrain them. This clash has reached the House of Representatives, where a restrictive measure proposed by the SEC was rejected, thanks in part to lobbying by the American Bankers Association. President Biden opposed the House's decision, siding with the SEC, but his* *position is increasingly weakened, especially considering Trump's open support for Bitcoin and cryptocurrencies*," Ametrano explains.

ETFs only replicate the financial performance of Ether, while there is also strong market demand for direct ownership of the cryptocurrency. "*The market seeks reliable crypto intermediaries, like ETF issuers. However, ETFs are not traded 24/7, do not allow the underlying asset to be withdrawn and transferred elsewhere, do not leverage staking to increase investment returns, and sometimes use insecure custody practices. For investors who understand the limits of ETFs, an intermediary like CheckSig is the best solution for all operational aspects: buying and selling, custody, staking, tax substitution, and education. We are the only Italian operator to offer insurance coverage and third-party independent audits, and the only one to act as a tax withholding agent for our clients*," concludes Ametrano.

CheckSig

Founded in 2019 as a spin-off from the Digital Gold Institute (Italy's leading think tank on Bitcoin, crypto-assets, and blockchain), CheckSig is an Italian fintech company offering Bitcoin and crypto solutions for private and institutional investors. Its mission is to make access to this new investment asset class simple and secure, providing services such as trading, custody, staking, tax compliance, and education. CheckSig offers an integrated, reliable, and transparent ecosystem, also available in a B2B2C model as a Crypto-as-a-Service technological infrastructure at clear.checksig.com. CheckSig was the first in the world to provide public proof-of-reserves since 2020 and remains the only custodian to do so. It is the only crypto entity in Italy to have insurance coverage (Munich RE) and SOC1/SOC2 Type II attestations, with continuous audits (conducted by Deloitte) on the quality of its system and organizational controls. Since 2024, it is the first and only crypto operator to act as a tax substitute for its clients.

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