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**Financial Instruments Entail Liabilities: Ether,
Bitcoin, and Litecoin Do Not**

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3630895

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Financial Asset Definitions in EU Law

- Relevance
- Properties inherent to specific types of financial assets are not identified by EU financial asset definitions
- Circularity
 - E.g. transferable securities = securities negotiable on the capital market
 - E.g. money market instruments = instruments dealt in on the money market
- Illustrative
 - E.g. transferable securities: shares, bonds, derivatives, ...
 - E.g. money market instruments: treasury bills, certificates of deposit, commercial paper

Financial Asset Definitions in EU Law

- Implications of EU approach towards definitions in financial law:
 - Flexibility
 - Uncertainty
- Mitigation of uncertainty through identification of conceptual common denominator?
- Cf. USA
- Impact of the emergence of non-traditional financial assets

Financial Instruments

- Instruments
- Common denominator = assets that entail the liability of an entity
 - E.g. transferable securities, derivatives, ...
 - Right v. liability
 - Intrinsic asset value
- Only extrinsic asset value \neq financial instrument

Non-Traditional Financial Assets

- Virtual currencies, digital currencies, cryptocurrencies, stablecoins, ...
- Utility, payment, investment
- Bitcoin, Ether, Ripple, Bitcoin Cash, Bitcoin SV, EOS, Litecoin, Tether, Binance Coin, Tez
- Limitations of the paper

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