

Notice relating to the public offering of derivatives on cryptocurrencies and other innovative assets

The *Autorité des marchés financiers* (the “Authority” or the “AMF”) wishes to remind any person who intends to create or market a derivative that derivatives, including products related to cryptocurrencies and other innovative assets, are subject to the *Derivatives Act*, CQLR, c. I-14.01 (the “Act”), which sets out obligations with respect to qualification, registration and trade reporting.

Any person that wishes to create or market a derivative is required to apply to the AMF for qualification before the derivative is offered to the public. In addition, the qualified person must offer derivatives to the public through a dealer, or register with the AMF as a dealer. As well, a qualified person may only market derivatives that have been duly authorized by the AMF as listed in its qualification decision or in a specific decision following an application by the qualified person.

Moreover, failure to comply with these requirements constitutes a punishable offence. Investors with knowledge of derivatives offered in contravention of the Act are invited to file a complaint with the AMF.

For more information on the regulation of derivatives markets in Québec and the qualification process, [consult the AMF website](#).

Warning for investors

The AMF notes that the frenzy surrounding cryptocurrencies has led to many financial product and service offerings aimed at the general public in Québec and abroad. The financial products offered include a variety of derivatives such as contracts for difference and futures with underlying cryptocurrencies and other innovative assets. The AMF urges investors who want to use derivatives to exercise caution given that these risky products are intended for informed investors and can lead to significant financial loss.

Lastly, investors are asked to [determine if their derivatives dealer](#) is registered as such with the AMF and to remain vigilant to the risk of fraud or suspicious practices. In both these cases, any information [may be reported to the AMF Information Centre for investigation](#).

Hyperlinks

Regulation of Derivatives Markets in Québec

<https://lautorite.qc.ca/en/professionals/securities-and-derivatives/regulation-of-derivatives-markets-in-quebec/>

Register of firms and individuals authorized to practise

<https://lautorite.qc.ca/en/general-public/registers/register-of-firms-and-individuals-authorized-to-practise/>

Report fraud or suspicious practices to the AMF

<https://lautorite.qc.ca/en/general-public/assistance-complaints-and-compensation/report-fraud-or-suspicious-practices-to-the-amf/>

Additional Information

Further information is available from:

Lise Estelle Brault
Senior Director, Derivatives
Autorité des marchés financiers
514-395-0337, ext. 4481
Toll-free: 1-877-525-0337
lise-estelle.brault@lautorite.qc.ca

May 22, 2018