



## **TeraExchange Launches First Regulated Bitcoin Derivatives Trading**

### **Creates Tera Bitcoin Price Index as Global Benchmark**

Summit, NJ; September 12, 2014: TeraExchange, a swap execution facility registered with the Commodity Futures Trading Commission (“CFTC”), announced that it launched the first regulated platform for bitcoin derivatives and a spot bitcoin price index. The trading of USD/Bitcoin swaps will be subject to the rules and regulations of TeraExchange and the CFTC.

The bitcoin derivative and the Tera Bitcoin Price Index were created to meet the growing demand of global merchants, payment processors, miners, and hedge funds for an efficient hedging tool. Institutional market makers have already offered to provide continuous markets over a range of tenors.

The demand for regulated bitcoin derivatives trading and hedging has increased considerably following the announcement in March 2014 of the first unregulated USD/Bitcoin Swap, structured by a TeraExchange affiliate. TeraExchange has worked with the CFTC for over six months to ensure that the swap and the index now meet all requirements for regulation.

“The structure of the Bitcoin swap marketplace reflects extensive client input, providing participants the benefits of transparent price discovery and efficient risk transfer,” said Leonard T. Nuara, President and co-founder of TeraExchange. “Throughout this comprehensive process the CFTC Staff has been thoughtful, diligent and thorough in their analysis and review.”

The Tera Bitcoin Price Index employs a dynamic algorithm that compiles and filters data on a real-time basis from a number of widely utilized global bitcoin exchanges. In order to be included in the index these exchanges are required to execute and maintain an information sharing agreement with TeraExchange, as required by the CFTC. TeraExchange is the index administrator and calculation agent.

“Regulated bitcoin swap trading provides institutional clients with a more efficient and confident way to hedge and trade,” said Christian Martin, CEO and co-founder. “A robust price index also helps the growing bitcoin trading community to accurately mark-to-market positions while establishing trust and stability in this growing global marketplace.”

TeraExchange is a global pioneer in the derivatives marketplace. It launched as a SEF in October 2013, providing a multi-asset class platform for trading of an array financial instruments.

### **About TeraExchange**

TeraExchange, LLC is a Swap Execution Facility that is registered with the Commodity Futures Trading Commission and provides market participants with access to interest rate swaps, credit default swaps, non-deliverable forwards and bitcoin swaps.

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