



ETC Group

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CASE STUDY

DIGITISING KID PRODUCTION AND
PRIIPs KEY FIGURES COMPUTATION
FOR ETC'S EXISTING AND NEW ETPs



PART OF UNITED FINTECH

I. INTRODUCTION

TTMzero is a RegTech and Capital Markets Tech firm specialising in providing cutting-edge software solutions to the finance industry. Manufacturers of structured products and other financial instruments use TTMzero's Financial Instruments Automation Platform (FIAP) to ensure that they comply with statutory requirements stipulated by PRIIPs, MiFID II, and Swiss FIDLEG regulations. FIAP is a cutting-edge solution that provides reliable and cost-effective digitalisation of securities issuance and lifecycle handling processes.



With a client-specific configuration of process flows and document templates, we enable fully automated business processes that help FIAP users issue new securities faster. Our technology supports our clients throughout the entire product life cycle, from the initial product idea, computation of required key figures, generation of documents, listing at various exchanges, filing with regulators and supervisory authorities, to distribution of documents and data to third parties.

II. USER BACKGROUND

ETC Group is a leading provider of digital asset-backed securities, offering investors exposure to cryptocurrencies. Investors that buy ETC's securities may gain exposure to digital assets without having to deal with obstacles or risks that arise from cold storage wallets. ETC Group utilises a modern issuance infrastructure to issue and distribute its innovative investment products. ETC supports the distribution of its investment products in more than 20 different jurisdictions.

To meet all the individual requirements of the jurisdictions in which its products are distributed, ETC has built automated production processes and streamlined operations that avoid inefficiencies associated with manual data generation.

ETC Group's reputation as a pioneer in the cryptocurrency industry, demonstrated by launching the world's first centrally cleared **Bitcoin exchange-traded product (ETP)** and the first **ETP linked to the MSCI Digital Assets Select 20 index**, highlighted their expertise in digital asset management and their willingness to explore new frontiers.

III. ONBOARDING ETC ON TTMZERO'S FIAP SOLUTION

ETC decided to use TTMzero's SaaS for issuers to automate the production of KIDs and the data distribution to third party vendors. TTMzero and ETC collaborated to leverage TTMzero's expertise in software development, enabling ETC to reallocate its internal resources effectively. This collaboration also facilitated ETC's adherence to the PRIIPS RTS Level 2 requirements, which were implemented in January 2023.

The successful completion of ETC's onboarding process onto TTMzero's technology occurred in less than three months. Throughout the onboarding, ETC received personalized support from TTMzero, with a dedicated product owner involved right from the start. This approach ensured efficient communication, collaboration, and effective monitoring of progress.

TTMzero's FIAP solution had already proven successful for other manufacturers. Hence ETC was able to benefit from a reliable and well-established foundation.

IV. RESULTS

ETC Group now benefits from TTMzero's monitoring algorithms, which promptly detect significant changes in the products' risk indicators and performance scenarios, ensuring that KID updates are triggered when necessary.

Another area of improvement is the reduction in time to market for new issuances. By utilising TTMzero's KID templates, ETC Group has been able to expedite the process of creating KIDs while maintaining compliance with regulatory standards. This accelerated workflow has allowed them to bring new products to market more swiftly, meeting the needs of their clients promptly.



TTMzero has been a game-changer for ETC Group. As the COO, I can confidently say that their personalized support and guidance exceeded our expectations. They understood our unique needs and challenges, delivering a tailored solution. Automation of PRIIPS indicators and performance scenarios has transformed our operations, eliminating manual processes and saving valuable time. TTMzero's expertise, comprehensive support, and adherence to regulatory standards have been invaluable. They have significantly reduced our time to market and I highly recommend them as a committed and innovative partner.



Leyla Sharifullina, Chief Operating Officer at



ETC Group

V. CONCLUSION

ETC's onboarding process as a user of TTMzero was an exceptional success, completed within an impressive timeframe, setting a notable benchmark in the industry. TTMzero demonstrated their expertise and commitment to meeting ETC's specific requirements by efficiently configuring products in FIAP, establishing KID templates, integrating the API, and determining the KID layout and underlying price history.

The smooth onboarding process was facilitated by effective communication and collaboration between TTMzero and ETC. TTMzero provided comprehensive specifications and examples, enabling ETC to make well-informed decisions. ETC actively contributed by sharing their details and requirements, ensuring the final solution aligned perfectly with their expectations.

In summary, the partnership between ETC and TTMzero serves as a prime example of the power of collaboration, efficient implementation, and a customer-centric approach.

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