

**Submission Date**

02/06/2023

# ESMA\_QA\_1240

Status: Question Published

## **Additional Information**

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### **Level 1 Regulation**

Regulation (EU) 2022/858 - DLT Pilot Regime Regulation (DLTR)

### **Topic**

DLT financial instruments

## **Subject Matter**

Partially tokenised financial instruments

## **Question**

Is partial tokenisation allowed under the DLTPR? Does the DLTPR apply to situations where not the entirety of an issuance of financial instruments is tokenised, but where, for example, only part of an issuance is registered with a DLT SS/TSS? In other terms, can financial instruments which have been regularly issued and subsequently partially tokenised be registered with a traditional CSD in their entirety, and be partially registered with a DLT

SS/TSS for the tokenised portion?

Can the tokenised part be issued by another party than the issuer of the original financial instruments?

Can a financial instrument recorded in a traditional CSD be fungible with one recorded in a DLT SS/TSS (having both the same rights and obligations)?

For bonds, can one option be to consider the tokenised financial instrument as different from the original underlying financial instrument, similar to the “depository receipts” model, in accordance with Article 3(1), point (b), of the DLT Pilot Regulation?