

## Frankle in Bloomberg News: Crypto Exuberance Is Hitting Overdrive as Ether ETF Battle Looms

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Haynes Boone Partner [Matthew Frankle](#) was quoted in a *Bloomberg News* article after seven issuers have begun pushing US regulators to greenlight funds tracking Ether, the world's second-largest cryptocurrency.

One potential obstacle is the SEC's stance on the legal classification of Ether - specifically, whether it should be considered a commodity or a security. For an Ether ETF to be approved, the SEC "has to effectively come to a conclusion that ETH is not a security," said Frankle.

The current applications are filed assuming Ether is a commodity, similar to Bitcoin. But if the regulator were to determine between now and May 23 that Ether was a security instead, that would introduce a whole ecosystem of regulated entities surrounding the ETF that the current filings have not set up.

"If it's a security, it needs to be traded on a registered exchange, which Coinbase is not. If you are buying and selling securities, that needs to be done by a broker-dealer," another aspect that's difficult, Frankle said. Coinbase Global Inc. is the largest US crypto trading platform.

To read the full article in *Bloomberg News*, click [here](#).