

Blockchains and Digital Assets

As blockchain technology has evolved, Skadden has helped clients navigate the complex legal and regulatory environment surrounding this new technology, providing innovative legal solutions, which in many cases are issues of first impression. Our blockchain practice draws on the firm's global platform and the comprehensive range of substantive capabilities and experiences of our corporate, litigation and regulatory practices, including in the areas of intellectual property and technology, privacy, capital markets, investment management, financial regulatory, government enforcement, litigation, tax and mergers and acquisitions. Our practice includes former officials from regulatory agencies, such as the SEC, CFTC and FinCEN, who have deep experience with how existing regulations may apply to this new technology.

With attorneys who are knowledgeable in the underlying technology and business drivers, we provide useful and thoughtful legal advice that is grounded in how blockchain ecosystems operate and the goals they seek to achieve. Skadden represents clients in the complex legal issues that arise in blockchain technology development, deployment and implementation. Our capabilities include advising on the technology, corporate structure, intellectual property and regulatory issues that companies must address when working with blockchain-based platforms and digital assets, such as virtual currencies and NFTs. Our work includes advising on specific state and federal regulations governing banking and trust operations and relationships, patent matters, anti-money laundering and foreign asset controls, holding company issues, privacy, trading and market regulation, taxation and consumer protections.

We have counseled a broad range of established and emerging companies in this space, including:

- virtual currency developers and providers;
- blockchain protocol and app developers;
- venture capital and private equity firms investing in blockchain technologies;
- firms navigating regulatory environment for capital raising activities;
- companies that are using tokens to digitize assets;
- developers of blockchain-based supply chain solutions;
- information providers seeking to become smart contract "oracles"; and
- traditional financial institutions such as banks, financial service companies, broker-dealers, asset managers and funds in migrating to blockchain-based technology solutions.

Experience

Our representations have included advising on:

- a variety of technology, privacy, corporate, regulatory and tax matters for The Libra Association in connection with the development of a cryptocurrency based on the Libra Blockchain;
- regulatory and legal matters relating to the development of a blockchain platform and related cryptocurrency;
- a transaction using cryptocurrency as acquisition currency;
- the tokenization of high-end art work investment;
- the creation of a blockchain-based digital rights management and payment system for copyrighted works;
- taxation issues related to the treatment of virtual currencies;
- a permissioned blockchain consortium in the global banking system;
- providing account services to virtual currency exchanges in the global banking arena; and
- an investment in blockchain initiatives and virtual currencies.