

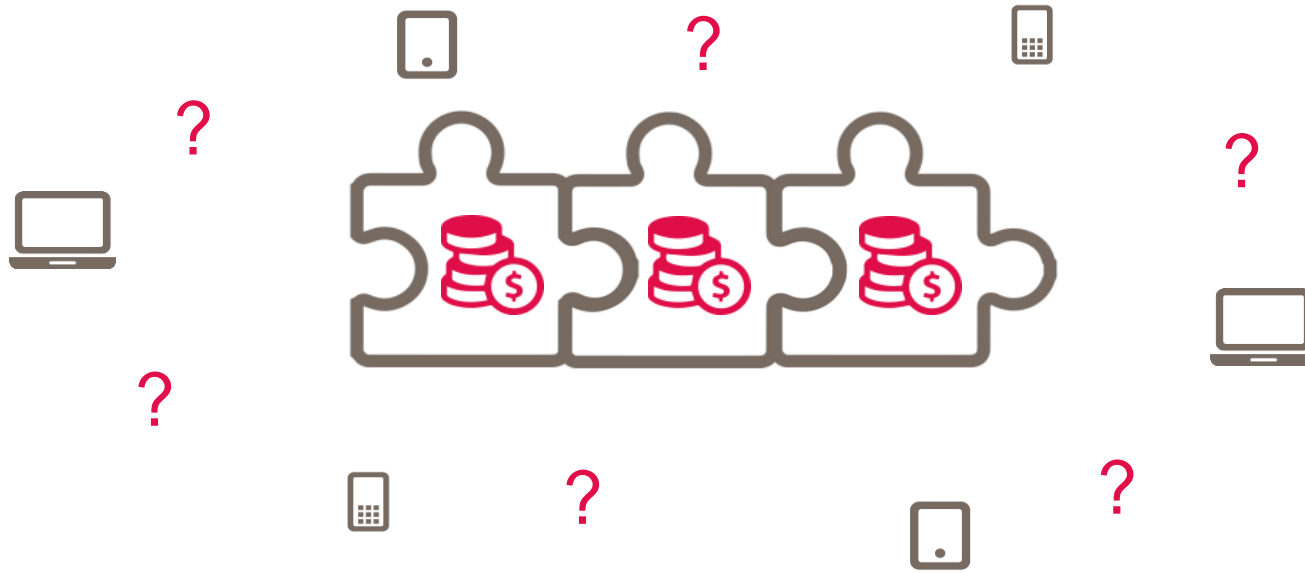
**WOLF THEISS**

**DIGITAL  
FORCE**

**ICOs – TOKEN SALES ON THE BLOCKCHAIN**

26 April 2018

# HOW EUROPEAN LAWMAKERS & REGULATORS TREAT THEM



It depends

# TYPES OF TOKENS

## 1. Intrinsic Tokens

Represent rights or assets on the blockchain: access rights, security keys, key for using protocols, etc.

## 2. Asset-backed Tokens

Represent an asset from the off-chain world: real estate, fiat currency, gold, intellectual property, etc.

## 3. Rights related Tokens

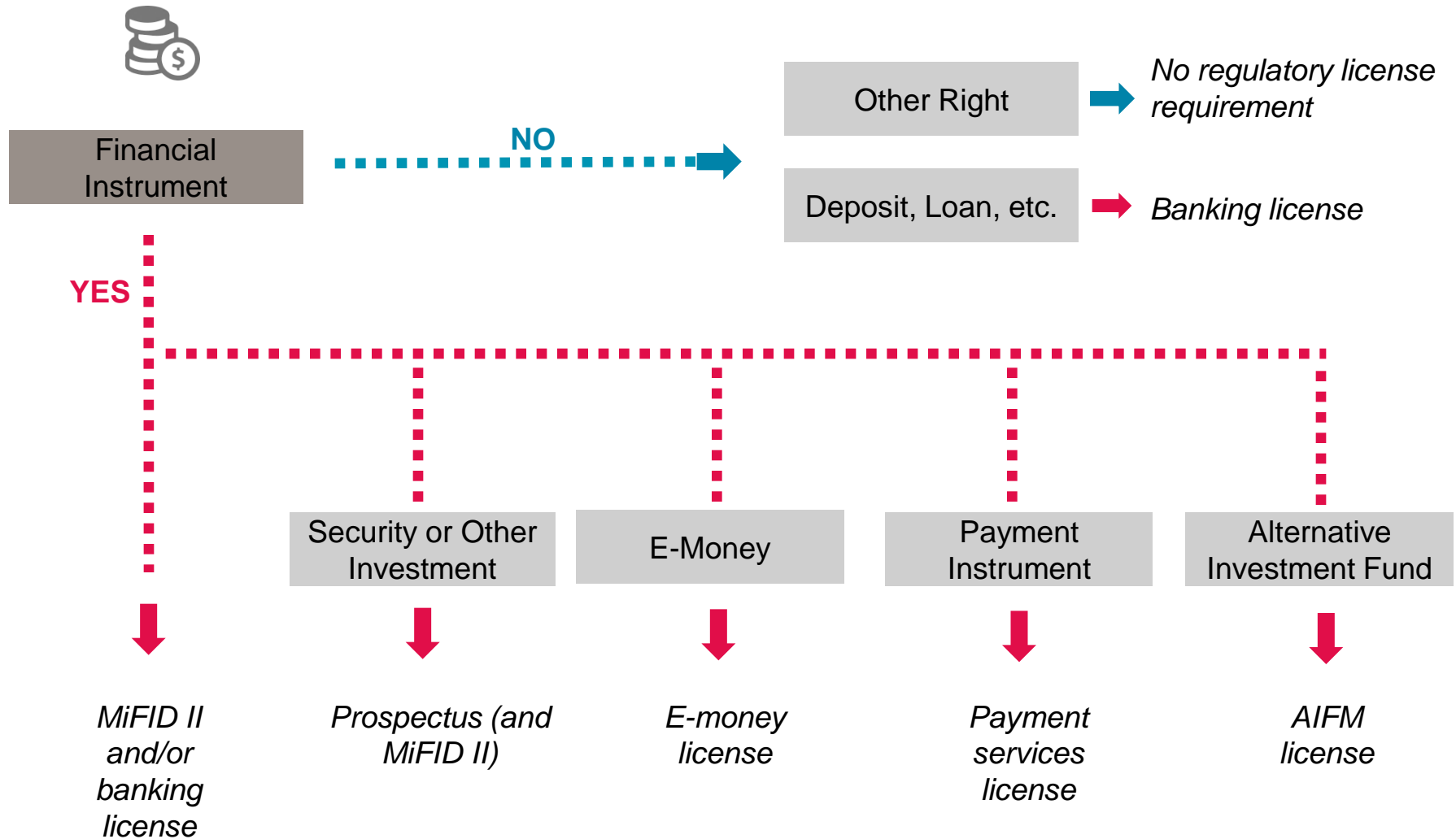
Represent rights not tied to material assets but ownership to a right that in turn relates to a material asset: e.g. the right to acquire equity or debt.

## 4. Currency / Naked Tokens

Any token may become a currency, if used as a means of payment; prominent examples are

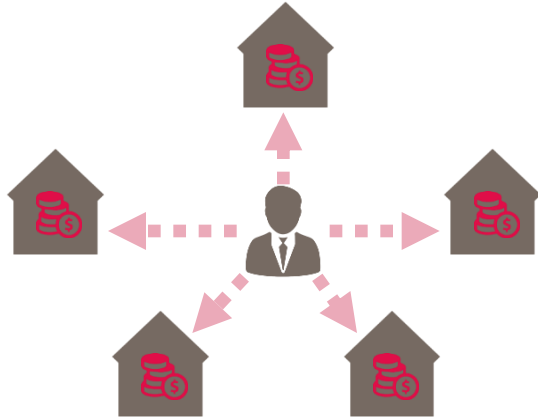


# LEGAL CLASSIFICATION



# EXEMPTIONS

Limited Networks



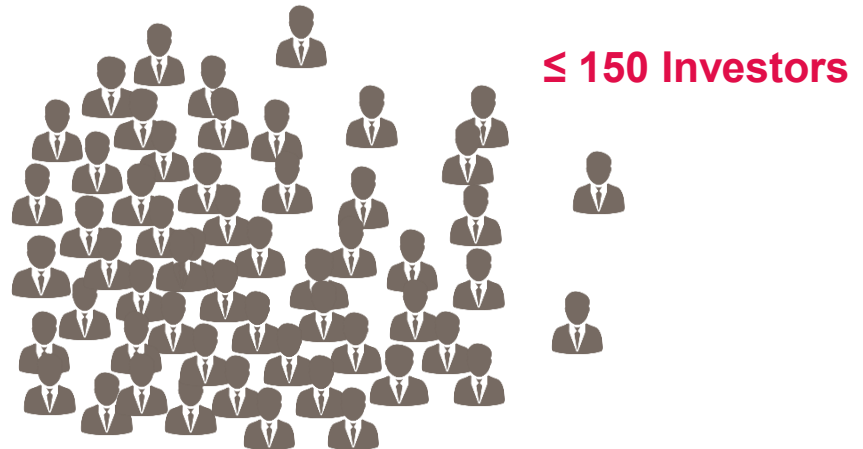
Qualified Investors



Countervalue  $\geq$  EUR 100,000  
per Token



Limited Investor Base



# WHAT THE EU SAYS ABOUT BLOCKCHAIN APPLICATIONS

## KYC / AML Obligations

- Today: KYC / AML in case of license requirements
- End of 2019: The European Commission envisages to amend the 4<sup>th</sup> AML Directive to include wallet providers and crypto exchanges.

*"virtual currencies" means a digital representation of value that is neither issued by a central bank or a public authority, nor attached to a legally established fiat currency, which does not possess a legal status of currency or money, but is accepted by natural or legal persons, as a means of exchange, and possibly also for other purposes, and which can be transferred, stored or traded electronically.*

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+REPORT+A8-2017-0056+0+DOC+XML+V0//EN#title6>

## FinTech Action Plan

- March 2018
- For a more competitive and innovative European financial sector



- **Real presence on the ground** – our offices in 13 countries in the CEE/SEE region enable us to provide fully integrated and efficient services.
- **One of the largest and most experienced teams** – 340 lawyers ensuring legal viability of trailblazer projects and safeguarding business needs.
- **Full-scope legal advice** to help make your opportunities happen. We approach the challenges of new technologies from all sides with a stringent innovation focus.



**Andrea Gritsch, Partner**

+43 1 51510 5083

[andrea.gritsch@wolftheiss.com](mailto:andrea.gritsch@wolftheiss.com)

