



firm profile

McMillan is a modern and ambitious business law firm serving public, private and not-for-profit clients across key industries in Canada, the United States and internationally. With recognized expertise and acknowledged leadership in major business sectors, we provide solutions-oriented legal advice through our offices in Vancouver, Calgary, Toronto, Ottawa, Montréal and Hong Kong. Our firm values – respect, teamwork, commitment, client service and professional excellence – are at the heart of McMillan’s commitment to serve our clients, our local communities and the legal profession. For more information, please visit our website at www.mcmillan.ca.

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cryptocurrency and blockchain

overview

Technology is challenging traditional capital raising models. Existing and emerging companies are exploring a variety of funding options, including crowdfunding, equity crowdfunding, and, now, initial coin or token offerings (ICOs and ITOs). Each of these new models raises new legal challenges which existing regulatory frameworks have not clearly addressed or adapted to.

McMillan’s recognized and long-standing experience and bench strength in such areas as capital markets, financial services and technology make us uniquely positioned to assist clients in navigating through the evolving legal landscape for these new models and, ultimately, help them achieve strategic and legal objectives. Members of McMillan’s cryptocurrency and blockchain practice are able to advise startups and growing and established businesses alike, registered dealers, investments funds and financial institutions on how to manage the risks inherent in the cryptocurrency space — and seize great opportunities.

Our cryptocurrency and blockchain practice encompasses a comprehensive understanding of the existing compliance requirements for cryptocurrency, digital assets and blockchain-based businesses. We take a pragmatic and proactive approach when providing counsel in this ever-changing regulatory landscape through our participation in, and support of, regulatory hackathons, FinTech (financial technology), as well as recently launched technology associations in Canada’s major business centers.

We look forward to helping our clients take the lead, strengthen their market position, and blaze new regulatory trails as needed. Notably, McMillan provided counsel in connection with **the first ever exemptive relief granted by a Canadian securities regulator** under the CSA Sandbox initiative in connection with an initial coin offering: On August 15, 2017, the *Autorité des Marchés Financiers (AMF)* granted exemptive relief to our client, *Impak Finance Inc.*, a FinTech startup, in connection with their ICO. The McMillan team is honored to have made this precedent-setting and ground-breaking decision for the Canadian cryptocurrency industry happen.

We also look forward to continuing to share our expertise with respect to digital assets and blockchain matters, understanding—and complying with—the Canadian regulatory requirements, including the filing of applications for discretionary or exemptive relief with the applicable securities regulatory authorities.

We also appreciate that, given its multifaceted nature, a cryptocurrency or blockchain-based business would require a full-service approach when fulfilling its business, legal and regulatory



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compliance goals. As such, our team includes specialists in a wide variety of fields such as tax, capital markets/securities, mergers and acquisitions, technology, privacy and cybersecurity, intellectual property, consumer protection, anti-money laundering and litigation.

Our service offering includes:

- Advising issuers and dealers with respect to initial coin or token offerings (ICOs and ITOs)
- CSA Sandbox Applications, including, as appropriate, exemptive relief applications, for businesses contemplating activities which may require registration under applicable securities laws
- Advising blockchain-based platforms which are designed to issue cryptocurrency by participating members
- Advising cryptocurrency exchanges on terms of service, privacy policy, and securities compliance
- Advising institutional lenders, technology companies and regulators on a wide array of FinTech matters including cryptocurrencies, utility tokens and other types of digital assets, payments systems, mobile payments and deposits, virtual/digital wallets, online lending, trading and investments
- Negotiating on behalf of clients the complex intersection of cybersecurity, data privacy, banking and securities regulatory compliance, consumer protection and other regulatory and transactional requirements