

Publication Date:  
31 August 2017

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## Recent developments in the regulation of initial coin offerings

There has been a surge of interest in Initial Coin Offerings (“**ICO**”), buoyed by the sometimes dramatic increase in the value of issued “coins”/digital tokens.

An ICO is method of raising funds through crowdfunding. At a basic level, an issuer offers digital tokens to participants, through blockchain and cryptocurrency technology. A digital token is a cryptographically-secured representation of a token-holder's rights to receive a benefit or to perform specified functions. A virtual currency (or cryptocurrency) is one particular type of digital token, which typically functions as a medium of exchange, a unit of account or a store of value.

On 25 July 2017, the US Securities and Exchange Commission published its investigative report on whether a particular “virtual” organisation had violated US federal securities laws by selling tokens to investors within the US.

The Monetary Authority of Singapore (“**MAS**”) has indicated in a statement released on 1 August 2017 that the offer or issue of digital tokens in Singapore will be regulated by MAS if the digital tokens constitute products regulated under the Securities and Futures Act.

This article by the Allen & Gledhill FinTech Practice discusses these developments. To read the article, click [here](#).

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