

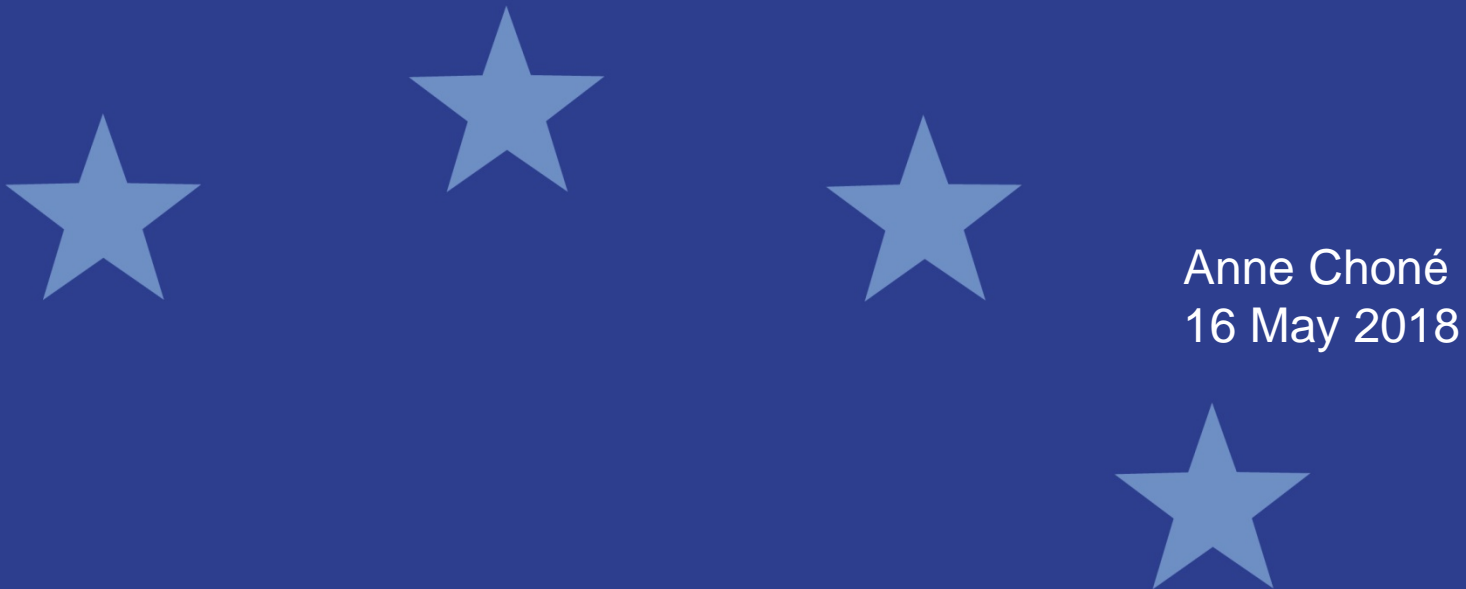


European Securities and  
Markets Authority

ESMA REGULAR USE

# Initial Coin Offerings

## A balancing act for regulators



Anne Choné  
16 May 2018




Secure | <https://ico.savedroid.com>

☆ b 🐱 ⋮

**AANNND**

**IT'S GONE.**







**Yassin Hankir #savedroidico**  
@YassinHankir


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Thanks guys! Over and out ... #savedroidICO

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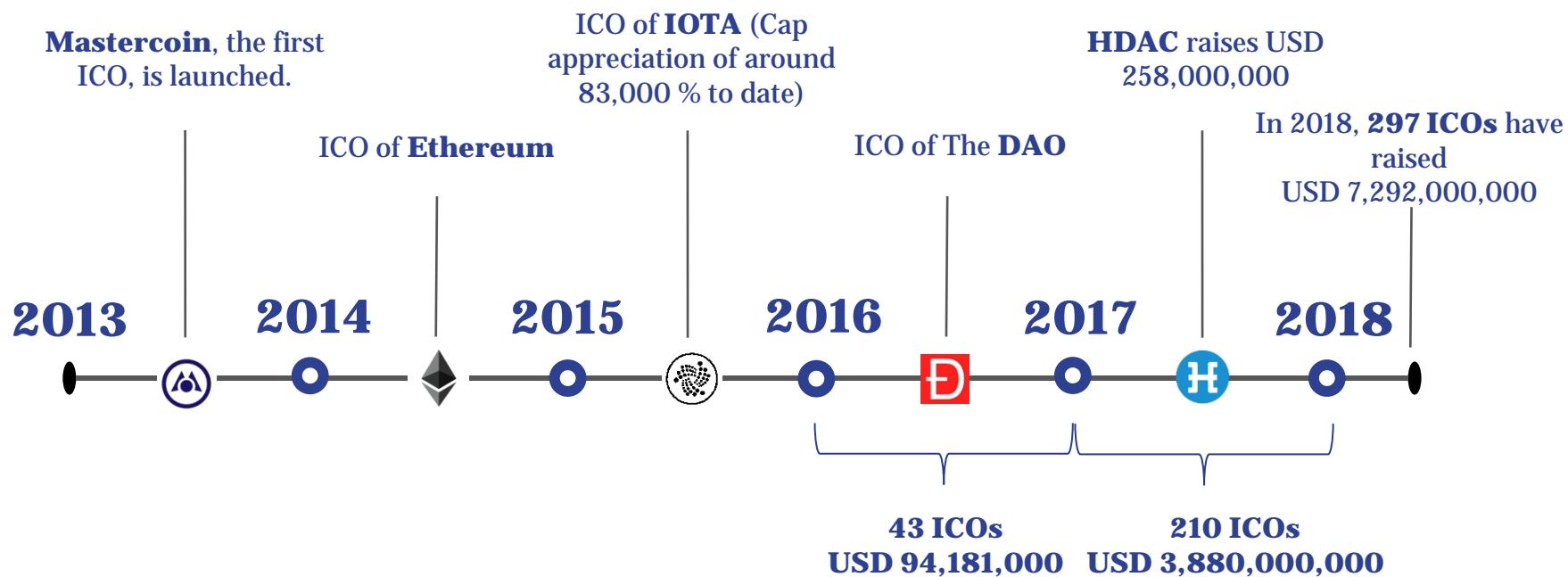
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# A new but rapidly growing phenomenon





## It's an ICO, stupid!



'Cryptocurrencies – everything you don't understand about money combined with everything you don't understand about computers', John Oliver

ICOs are 'far worse than anything I was ever doing',  
Jordan Belfort, 'Wolf of Wall Street'



'Every ICO I've seen is a security',  
Jay Clayton, SEC Chairman



## Some potential benefits



**Token Issuer**

- Alternative source of funding
- Lower funding costs, no equity dilution
- Consumer base

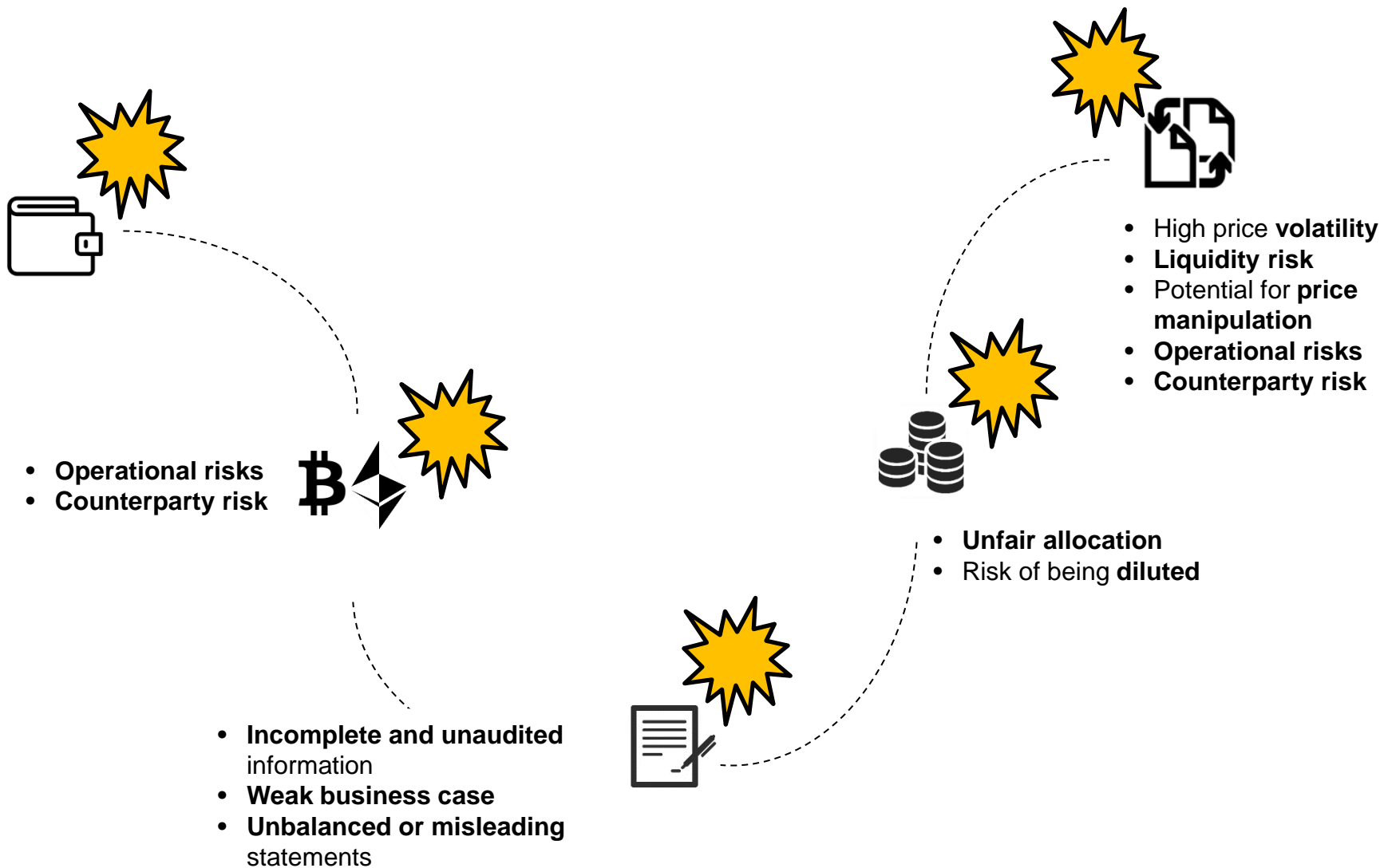


**Investors**

- Attractive investment opportunity
- Higher liquidity than traditional VC



## But many risks as well





# A balancing act for regulators

- Interactions with the existing regulatory framework
- Potential gaps and issues
- Need to get the tipping point right



**Investor Protection**



**Innovative and  
sustainable  
business models**

**Financial Regulation**