

Article Information

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Blockchain Bites: Libra growing stronger, UK Taskforce releases Legal Statement on Cryptoassets, UAE crafts crypto regulations

The Libra Project shows no sign of slowing down since its announcement five months ago, The UK LawTech Delivery Panel has released a Legal Statement on cryptoassets and smart contracts, and the UAE have drafted regulation governing the use of blockchain and cryptocurrency within its borders.

Libra: Five months and growing stronger

Having only been [announced 5 months ago](#), it is difficult to think of a project more polarizing, chastised, disparaged and dissected than Libra. It has now been nearly a month since the Libra Association charter was signed by its members in Geneva, and since then, Libra have stated in their recent blog post entitled, '[Five months and growing strong](#)' that they have been "working diligently to build the global community of developers and the technical infrastructure needed to support it."

In their post, Libra also outline the progress that they have made towards their roadmap, completing:

- Libra Canonical Serialization (LCS)
- MVP for full nodes
- MVP for vectors in Move (Libra's smart contract language)
- Events

It seems as though it is all hands on deck in the Libra offices, with no signs of slowing down despite all the spotlight of recent hearings in the [US Senate](#) and [Congress](#) by both Libra and Facebook and [rumour driven news articles](#). Libra seems poised to continue to grow.

\$24 million worth of bitcoin lost in a SIM swap attack

A crypto investor (Michael Terpin) has lost bitcoin worth as much as \$US24 million after falling victim to a [SIM swapping scandal](#) involving a theft of 1,500 bitcoins. It was reported that the thefts occurred due to hackers taking control of the investor's phone number and using Google's "Forgot password?" feature to gain access to his email. With possession of the two personal accounts, the thieves hacked Terpin's crypto wallet, stole the digital assets and quickly sold them.

SIM swaps are incredibly precise, and have been rampant over the past year with such major examples such as Twitter CEO Jack Dorsey's [SIM swap attack on August 30](#), and more notably, California resident Seth Shapiro's [lawsuit](#) against wireless service giant AT&T, where it was alleged that AT&T employees helped to perpetrate a SIM-swap which resulted in the theft of over \$1.8 million in total, including cryptocurrencies.

South Korean Crypto Exchange CEO Jailed For 16 Years

It has been reported that the Seoul Central District Court's 24th Criminal Consensus has sentenced Kang-Seok-jun, 53 year old CEO of crypto exchange Coinup, to [16 years imprisonment](#), after being charged with fraud under the [Specific Economic Crime Weighted Punishment Act](#).

The court found the crypto exchange CEO guilty of orchestrating a \$386 million cryptocurrency scam, with seven other senior executives also bagging prison terms. The company's vice president received a 7-year sentence while another senior

member of the exchange receiving an 11-year sentence. According to reports, Coinup promoted a fraudulent crypto investment scheme that promised 200% returns between 4 and 10 weeks.

British Blockchain Taskforce Reports Smart Contracts Valid

The UK LawTech Delivery Panel has released a [Legal Statement on cryptoassets and smart contracts](#) which has some interesting comments. The UK Jurisdiction Taskforce is a powerhouse of British legal knowledge with the Chancellor of the High Court, [Sir Geoffrey Vos](#) leading the report and Mr Christopher Woolard of the Financial Conduct Authority involved as well as an incredible array of leading law firms and lawyers in digital law.

The report provides some insightful views on English common law and cryptoassets under the area of property law, including noting that cryptoassets have all the indicia of property; and that the features of some crypto assets do not disqualify them from being property; despite assets being “virtual” there is no impediment to parties granting security over cryptoassets and that cryptoassets are property for the purposes of insolvency law.

The report also provided some insightful views on the topic of smart contracts, including that smart contracts are capable of satisfying the requirements of English law just as well as a more traditional or natural language contract; that English law does not struggle with the concept of anonymous or pseudonymous parties contracting; that English common law is equipped to deal not only with bilateral smart contracts but also Decentralised Autonomous Organisations (essentially treating them as unincorporated associations); and in principle, that a legal requirement for a “signature” can be met by the signing of a transaction by use of a private key and a requirement for something to be “in writing” can be met by code for a smart contract being recorded.

The report sticks to the Common Law and does not get into taxation, money laundering or financial services, but the core legal principles discussed are all relevant for these more highly regulated areas, and applicable for the most part to Australian law.

UAE crafts crypto regulations amid rapid adoption

Hot on the heels of [China's plans](#) to establish a central bank-backed digital currency, the United Arab Emirates (UAE) had [drafted regulation](#) governing the use of blockchain and cryptocurrency within its borders.

Once the regulation is implemented, market participants will be able to request guidance from the [Telecommunications Regulatory Authority](#) (TRA) through its eServices system regarding issuance of crypto assets or gaining regulatory clarity. The Regulation also pronounces the “Dubai Blockchain Strategy”, which aims to make Dubai the “first blockchain powered government.”

It is also important to note that in January this year, the UAE and Saudi Arabia signed an [agreement to cooperate](#) on developing a cross-border digital currency, which will be strictly targeted for banks at an experimental phase with the aim of better understanding the implications of Blockchain technology and facilitating cross-border payments.

Ledger Vault obtains groundbreaking custom crime insurance policy

[Ledger](#), makers of the Ledger Nano and other cold storage devices has [announced](#) that it has secured a crime insurance policy covering digital assets secured by the Ledger Vault platform. The Ledger Vault is a multi-authorization cryptocurrency wallet management platform, which claims to enable financial institutions to build digital asset operations at increased scale.

Ledger worked with well known broker [Marsh](#) and a lead underwriter of crypto-asset insurance, [Arch Insurance \(UK\) Limited](#). Only a year ago, insurance for digital assets was unheard of, and with Lloyd's syndicates and other insurers entering the market, it can only assist in the adoption of new crypto-asset based products and greater trust in blockchain systems and security.

Bank for International Settlements appoints Benoît Cœuré as head of Innovation Hub

The Bank for International Settlements (BIS) recently appointed [Benoît Cœuré](#) (member of the European Central Bank Board) as Head of the new BIS Innovation Hub for an initial 5 year term. This appointment comes after Cœuré led the Group of Seven working group on global stablecoins, which published its most recent paper on [18 October 2019](#). He has also chaired the Committee on Payments and Market Infrastructures since 2013, and was previously Deputy Director General of the French Treasury.

The BIS established the Innovation Hub on 30 June 2019 to encourage further international collaboration on innovative financial technology within the central banking community. While the Innovation Hub's [remit includes various fields](#)

beyond the analysis of cryptocurrencies, stablecoins and the token economy, this has been a significant focus since Libra was announced.