

## Article Information

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## **Blockchain Bites: Piper Alderman: First Law Firm to use Blockchain-Based Payment Guarantee, Blockchain Week: Panel on Investment in Blockchain Innovation, Todd Lenfield on Crypto Crime, Panel on Building the Decentralised Future**

**Michael Bacina, Barbara Vrettos and Jade McGlynn of the Piper Alderman Blockchain Group bring you the latest legal, regulatory and project updates in Blockchain and Digital Law.**

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### **Piper Alderman: First Law Firm to use Blockchain-Based Payment Guarantee**

It's well known that [Piper Alderman](#) is passionate about the opportunities provided by distributed ledger technologies. As part of our ongoing endeavours to partner with clients and together advance innovation and in particular blockchain and digital-assets, we are excited to announce with Lygon we are the first Australian legal firm to execute a blockchain-based payment guarantee in a commercial contract, and may well be the first law firm in the world to do this.

National newspaper, [The Australian](#) published an exclusive an interview with Michael Bacina, Partner at Piper Alderman and Justin Amos, CEO of Lygon available [here](#).

While Mr Bacina [told the Australian](#) that increased usage of a blockchain-based guarantee system would be *"a win-win-win for law firms"*, he recognised that *"the legal industry is slow to change"*. But in leading the way Piper Alderman will hopefully show other law firms that the power of blockchain technology and innovation is one that can legal practice and ultimately the clients whom we serve. Lygon is an innovative blockchain project with huge potential.

### **Blockchain Week Panel: Investment in [Blockchain] Innovation**

[On Monday](#) Blockchain Australia's Blockchain week presented a panel on Investing in Blockchain Innovation with Jonathan Hatch of ASIC, Chloe White of the Department of Industry, Jemma Xu of Redblock Capital, Kevin Saunders of Tribelet Capital and Justin Amos of Lygon discussing the challenges and success in blockchain innovation. Michael Bacina of Piper Alderman moderated the Panel.

With Australia's excellent handling of Covid so far, the event was packed with attendees and had a solid online viewership as well. The panelists discussed the challenges to blockchain adoption and simplifying complexity, and some of the regulatory challenges as well as the importance of innovation driving choice for users.

Kevin Saunders, the Chief Investment Officer - Monochrome Asset Management, commented that *"it's about momentum in the end"*. He said, *"if the price is right, there's liquidity there and its growing - that's all we need."*

But Chloe White, the National Blockchain Roadmap Lead of the Department of Industry, Science, Energy & Resources, raised a pertinent question, how do we make these products safe and accessible when there is such a great pace of change?

Since the introduction of this innovative technology, it has been clear that [more supportive guidance and clearer regulatory parameters](#) is needed to encourage innovation and keep projects based in Australia.

### **Blockchain Week Panel: Building the Decentralised Future**

During Blockchain Week, Piper Alderman hosted a group of panelists across the blockchain industry to focus on decentralised finance, considering the factors necessary to future proof adoption and how we can build the rails for a decentralised future.

Speakers exploring the topic included:-

- Patrick McNab, Head of Product & Co-Founder at [Mycelium](#).
- Adrian Manning, a Director of [Sigma Prime](#);
- Alexa Bowditch, Associate at [Piper Alderman](#);
- Adriana Belotti from the Digital Product and Community team at [Prismatik](#); and
- Michael Bacina, Moderator and Partner at Piper Alderman.

Decentralised finance raises many challenges that span technical proficiency, government comfort and awareness of regulatory parameters. Specifically, Adrian pulled at the thread of security and the problems of faulty and abundant open sourced code. The theme was echoed throughout the panel of a need to improve capacity and accessibility of code auditors to minimise the harm which may befall the general community.

If you'd like to hear more, the full recordings are being published and released by [Blockchain Australia](#).

#### **Blockchain Week: Todd Lenfield of Chainalysis on Crypto Crime**

Chainalysis' Australia Country Manager [Todd Lenfield](#) spoke at the final day of Australian Blockchain Week to discuss the challenges of criminal use of digital assets.

The recent Chainalysis Crypto Crime reported noted there is **only 270 wallet addresses** which are connected to **55% of all money laundering** using crypto.

Mr Lenfield noted that 11% of those addresses are associated with Australian digital currency exchanges and while that could be a surprising number it shows the how important robust AML/CTF programs are in helping to track and shut down illicit use of digital currencies. The figure needs to be put in context since:

[only] 0.34% of [all] digital currency transactions are associated with illicit activities [and] we have seen a dramatic reduction this year.

He further commented that this amount of illicit activity is far less than the amount of known and suspected money laundering happening in the traditional financial sector, and that from Chainalysis' view they would be happy to have criminals use crypto as it makes them far easier to find.

It's fantastic that Chainalysis has a full time country manager on the ground in Australia and we look forward to the pervasive myths of digital currencies being principally used for crime being challenged and corrected, that small figure of 0.34% being reduced even further so digital assets can claim their deserved reputation as a far safer payment system than traditional financial networks.

#### **Blockchain Week: A conversation with Kain Warwick**

Blockchain entrepreneur, founder of [Synthetix](#) and CEO at [Blueshyft](#), Kain Warwick, was interviewed by [Michael Bacina](#) of Piper Alderman during Blockchain Week about his contributions to the decentralised and digital asset space, regulation and what's next for Synthetix.

Kain shared his perspective about approaching Synthetix with a hybrid infrastructure that featured both a decentralised system to enable the issuance of synthetic assets combined with the governance of the Synthetix Foundation.

Now the [Synthetix Foundation has been decommissioned](#), Kain spoke about how this primed Synthetix to lay the

groundwork for the move to full decentralised governance. A key challenge of decentralised governance, balancing pivoting, updating and managing a slow pace of code change, remains.

Kain also said that:

The market is still highly inefficient [and] we need to introduce more sophisticated products...

If you'd like to hear the full interview the [recording is live now](#).