



SOLIDUS LABS



North America Edition

# Regulated Growth and Evolving Integrity

Global Regulation and Enforcement Trends in  
Crypto, Digital Assets and DeFi

The Solidus Labs Global Regulation Report  
North America Edition January 2022

[www.soliduslabs.com](http://www.soliduslabs.com)

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# The Solidus Labs Global Regulation Report Series:

## Global Trends in Digital Asset Regulation and Enforcement

2021 saw dramatic growth in digital asset markets in terms of trading volume, number and sophistication of assets, adoption by retail and institutional investors, and market cap. Digital assets are driving a transformation in financial markets and services, making them more accessible, decentralized, transparent and efficient. These opportunities, however, are coupled with a variety of risks - some of which are known, including fraud schemes and market manipulation common in traditional markets, while others are constantly evolving due to the unique nature of digital assets. Given the growth, characteristics, and risks of digital assets, the space will continue receiving greater scrutiny and attention from regulators across the globe in 2022 and beyond.

Solidus Labs has developed this report series to support clients' understanding of global trends in digital asset regulation and enforcement. In October 2021, Solidus Labs issued its first installment, [the Asia-Pacific Region](#) (APAC) report, which outlined recent developments in digital asset hubs like Singapore, Hong Kong and South Korea. It was followed in November 2021, by a second report covering [Europe, the Middle East and Africa](#) (EMEA). Among the countries featured in the EMEA report were digital asset hotspots like the UAE and Malta and the regulatory actions they have recently undertaken. This report is our third, focusing on North America, particularly the U.S. and Canada, where the industry and regulators have been increasingly active.

As the first crypto-native market integrity hub, Solidus Labs provides comprehensive risk monitoring for the entire customer journey from onboarding to trading and everything in-between. This is why crypto businesses targeting responsible growth in digital asset

**“These platforms need to come in, get registered, come within the investor protection remit, ensure for the appropriate anti-manipulation, ensure for the appropriate transparencies, deal with the custody issues and the like.”**



- Gary Gensler  
Chairman, U.S. SEC  
[Dacom Summit 2021](#)  
December 1, 2021

Image : Wikimedia Commons; SEC 2021

markets rely on our groundbreaking, AI-driven, market surveillance and risk monitoring solutions to support regulatory licensing/registration, attract institutional investors, protect their users and grow faster - and safer. Solidus Labs works closely with regulators in developing its products, sharing market insights, and helping to shape and inform the regulatory landscape.

The bottom line for where things stand at the start of 2022: North America is perhaps the most consequential region when it comes to digital asset regulation. Actions the U.S. and Canada take in the digital asset

space influence many countries around the world. Market regulators and other public stakeholders (i.e. legislators, political leaders) in both countries have been consistently active on a federal, state/provincial and local level in digital asset regulation and enforcement. These trends are expected to continue in the new year as governmental entities continue to push for more regulatory oversight of the nascent industry.

The most notable and anticipated regulatory updates that are on the horizon for the coming year include possible stablecoin regulation, increased enforcement actions against entities involved in DeFi, more guidance and regulations on digital asset lending, proposals to create federal oversight of spot markets with accompanying market surveillance measures, additional tax guidance, and further clarification on the legal status of decentralized autonomous organizations (DAOs).

Given this emerging regulatory and enforcement context, it is increasingly advisable for digital asset market participants to develop and proactively implement robust risk monitoring and compliance programs in order to stay ahead of the curve. Regulators will likely demonstrate less tolerance for missteps and omissions – it will become increasingly important to adhere to regulatory and compliance best practices gleaned from mature industries rather than seeking forgiveness. Moreover, digital asset market participants will also have to meet the demands of institutional clients with their own fiduciary responsibilities who expect comprehensive risk monitoring and compliance programs. Market participants and crypto proponents should act now to seize this opportunity to organically advance the state of the industry and build further trust in digital asset markets.

# Executive Summary:

KEY TAKEAWAYS, CHALLENGES, AND RISKS

For crypto and DeFi firms seeking safe and regulated growth, the following are key takeaways based on Solidus' direct engagement with global regulators, as well as thorough analysis of recent regulatory and policy actions:

Regulators are exercising oversight, rulemaking, and enforcement authority to ensure that registrants have sufficiently robust risk monitoring and compliance programs, moving beyond the initial focus on anti-money laundering (AML).

Market surveillance ensures orderly markets and encourages market participation and growth by building trust. Moreover, market surveillance fulfills an important demand from institutional investors by instituting demonstrable market integrity.

Companies that fail to employ effective market surveillance programs risk enforcement actions, business closures, and/or irreparable reputational damage.

Regulators have determined that market manipulation is a major risk, and that market surveillance systems are a critical component of comprehensive risk monitoring and compliance programs.

Enforcement action has been used more in North America than in any other region in the world. Enforcement authorities have highlighted combatting market manipulation as a key investor protection priority and are actively investigating suspected cases. In the United States, where Congressional action to provide additional, more specific authority is unlikely, federal regulators have made clear they will push the bounds of their existing authority to address market conduct they find concerning.

# United States

## Regulation and Enforcement Trends

The United States at the federal and state levels has been actively engaged in the digital asset space. While the federal government has been primarily active through enforcement actions, several states and even cities have implemented regulatory frameworks to attract digital asset firms to their jurisdictions.



## U.S. Federal Government

The U.S. has not enacted legislation providing a federal regulatory framework for digital assets, and is unlikely to do so in the near-term. The government has primarily relied on agencies (namely the [Securities and Exchange Commission \(SEC\)](#), [Commodity Futures Trading Commission \(CFTC\)](#) and the [Financial Crimes Enforcement Network \(FinCEN\)](#)) to issue guidance to digital asset market participants and take enforcement action consistent with their respective authorities.

There have been increasing calls by agency leaders and by Members of Congress for legislation particularly to clarify how digital assets should be treated alongside current law for securities, commodities, and currency. Most notably, [Senator Cynthia Lummis \(R-WY\)](#) has already announced that she will propose new legislation in 2022 that will include federal rules for stablecoins, consumer protection provisions, updated taxation guidance and a new self-regulatory organization administered by the CFTC and SEC. The House has seen a few bills in recent years that tackled more comprehensive regulation of digital commodities and digital assets. In particular, Congressman Glenn 'GT' Thompson (R-PA), the leading Republican of the the House Agriculture Committee, will [reintroduce the Digital Commodities Exchange Act](#) that provides voluntary frameworks and clearer definitions. Congressman Don

Beyer (D-VA), Chairman of Congress' Joint Economic Committee, proposed [legislation](#) last year incorporating digital assets into existing financial regulatory structures. Many other bills have been introduced to address more narrow issues, most notably two bills led by Congressman Patrick McHenry (R-NC), the leading Republican of the House Financial Services Committee. One of those bills [provides a safe harbor threshold](#) for early projects, as initially proposed by SEC Commissioner Hester Peirce, and another bipartisan bill [creates a CFTC-SEC working group](#) to coordinate on digital asset market oversight that passed the House of Representatives.

Of course, the most notable legislative action in 2021 was enactment of [The Infrastructure Investment and Jobs Act](#), which imposes [new tax-reporting requirements](#) for cryptocurrency brokers of transactions worth more than \$10,000. The bill led to debate over the definition of a "broker" as it applies to cryptocurrency activity. Absent legislative fixes or IRS regulation or guidance, the new reporting requirements will take effect in 2023 (thus the first tax filing must be made the following year).

While there is much debate over the substance of any new legislation or regulation, regulation of stable-



coins is repeatedly cited as a priority. Near the end of 2021, the [CFTC settled its first enforcement action against a stablecoin](#) (Tether), accusing the entity of making untrue or misleading statements and for not maintaining sufficient fiat reserve requirements. The Biden Administration [issued a report on stablecoins](#) on November 1, 2021, that recommended stablecoin issuers be regulated as insured depository institutions, which would require Congress to act. [Associated with that report's release, Treasury Secretary Janet Yellen stated:](#)

“The absence of appropriate oversight presents risks to users and the broader system. Current oversight is inconsistent and fragmented, with some stablecoins effectively falling outside the regulatory perimeter. Treasury and the [FDIC and OCC]...look forward to working with Members of Congress from both parties on this issue.”

Further, in December 2021, [the Financial Stability Oversight Council \(FSOC\) warned about the risks of stablecoins](#) in its annual report and [Nellie Liang, the Treasury Undersecretary for Domestic Finance](#), emphasized “[i]f Congress does not enact legislation, the regulators will try to use what authority they have,” to protect investors from the risks posed by stablecoins. Even Mem-

**“[We have] no intention to ban [cryptocurrencies], but stablecoins are like money market funds, they are like bank deposits, but they’re to some extent outside of the regulatory perimeter and it’s appropriate that they be regulated. Same activity, same regulation.”**



Jerome Powell  
Chairman, the Federal Reserve  
[before the House Financial Services Committee, September 30, 2021](#)

Image : Federal Reserve (via Flickr)

bers of Congress agree that stablecoins are a ripe area for legislation, as demonstrated by statements by [Sen. Sherrod Brown \(D-OH\)](#) and [Sen. Pat Toomey \(R-PA\)](#). Representative Rashida Tlaib (D-MI) has gone an additional step and [introduced the STABLE Act](#) which would require issuers of stablecoins to obtain a banking charter. Clearly, legislation will be proposed and publicly debated in the current Congressional session, bringing continued attention to digital asset market regulation.

**“Our position as the global financial leader is a privilege, not a right. Other countries have a head start on us in the development of digital assets. If we get this wrong, we handicap ourselves and put our future prosperity at risk.”**



Senator Cynthia Lummis  
(R-WY)  
[August 8, 2021](#)

Image : Gage Skidmore (via Wikimedia Commons)

With respect to enforcement action, agencies will vigorously exercise their current authority over digital asset market participants. Greater oversight is also likely in the DeFi space in 2022 with investigations into DeFi players as demonstrated by the SEC’s [ongoing investigation of Uniswap Labs](#), one of the largest decentralized digital asset exchanges. The [SEC settled its first case](#) involving securities using DeFi technology in August 2021 when it charged DeFi Money Market for raising funds through unregistered offerings. Further, several ongoing cases will be closely watched in 2022, the most notable being the [SEC’s lawsuit against Ripple Labs](#). Filed in December 2020, the case could be one of the largest enforcement actions against a digital asset firm, as the SEC asserts \$1.3 billion in the value of Ripple Labs’ unregistered offering.



## SEC

SEC has not engaged in regulatory activity aimed at digital assets, even its [most recent regulatory agenda](#) does not include any such actions (though many items on the Rule List could have profound impacts such as changes that affect capital raising). While guidance has generally been issued through enforcement action, the SEC's [April 2019 framework](#) remains in place for analyzing whether a digital asset that is sold constitutes a security. Another source for insights into SEC thinking is its denials of exchange-traded funds (ETFs), captured in the chart. One key takeaway is the SEC's repeated mention of a lack of market surveillance as the primary reason for rejection.

To assess the intensity of SEC's enforcement actions, Solidus examined the relief provided or sought through

all actions that involve digital assets. The fines and disgorgements chart includes only those actions settled or decided. The enforcement actions chart also reflects cases filed and ongoing, though each case is only included once at first public action. Additionally, the totals do not include the SEC's trading suspension orders, which were not tracked in this report. In 2020, the exponential increase in fines and disgorgements was due to the SEC's \$1.2 billion settlement with Telegram. Large fines and disgorgements against one entity also accounted for the majority of the totals in 2017 (Steve Chen, et al., \$72 million), 2019 (Renwick Haddow, et al., \$83 million) and 2021 (GTV Media Group, \$539 million). A timeline summarizing notable cases is provided further below.

### SEC's Consideration of ETF Applications

Date	Company	Type of ETF	SEC Decision
1/20/2022	First Trust / SkyBridge	Spot	<a href="#">Rejected</a>
1/4/2022	NYDIG	Spot	<a href="#">Delayed until Mar. 2022</a>
12/22/2021	Valkyrie	Spot	<a href="#">Rejected</a>
12/22/2021	Kryptoin	Spot	<a href="#">Rejected</a>
12/15/2021	Bitwise	Spot	<a href="#">Delayed until Feb. 2022</a>
12/15/2021	Grayscale	Spot	<a href="#">Delayed until Feb. 2022</a>
12/1/2021	WisdomTree	Spot	<a href="#">Rejected</a>
11/12/2021	VanEck	Spot	<a href="#">Rejected</a>
10/20/2021	Valkyrie	Futures	<a href="#">Approved</a>
10/15/2021	ProShares	Futures	<a href="#">Approved</a>
10/9/2019	Bitwise	Spot	<a href="#">Rejected</a>
7/26/2018	Gemini	Spot	<a href="#">Rejected</a>
3/10/2017	Gemini	Spot	<a href="#">Rejected</a>

#### November 2021:

The SEC [halted registration for two digital tokens offered by Wyoming-based American CryptoFed DAO LLC](#), accusing the company of providing misleading information to investors in regulatory filings. American CryptoFed DAO LLC had [filed an S-1 to register with the SEC](#) in September 2021 for token distribution.

#### September 2021:

[GTV Media Group Inc., Saraca Media Group Inc. and Voice of Guo Media Inc. settled charges](#) with the SEC over allegedly conducting an illegal unregistered offering of GTV common stock and for conducting an illegal unregistered offering of a digital asset security referred to as either G-Coins or G-Dollars. GTV and Saraca agreed to pay disgorge-



ment and prejudgment interest of over \$450 million and to each pay a civil penalty of \$15 million (\$30 million total). Voice of Guo agreed to pay disgorgement and prejudgment interest of more than \$54 million and to pay a civil penalty of \$5 million.

#### August 2021:

The [SEC obtained judgments against Bitconnect promoters Michael Noble \(a.k.a. Michael Crypto\) and Joshua Jeppesen](#) for their involvement with BitConnect and the promotion of its “lending program.” The court also entered a final judgment against Laura Mascola as a relief defendant. The final judgment against Jeppesen orders him to pay \$3,039,485 in disgorgement and prejudgment interest, 190 Bitcoin in disgorgement, and a \$150,000 penalty.

#### August 2021:

The SEC [reached a settlement with Poloniex for over \\$10 million](#). (\$8.5 million disgorgement, \$1.5 million civil penalty and \$400,000 prejudgment interest).

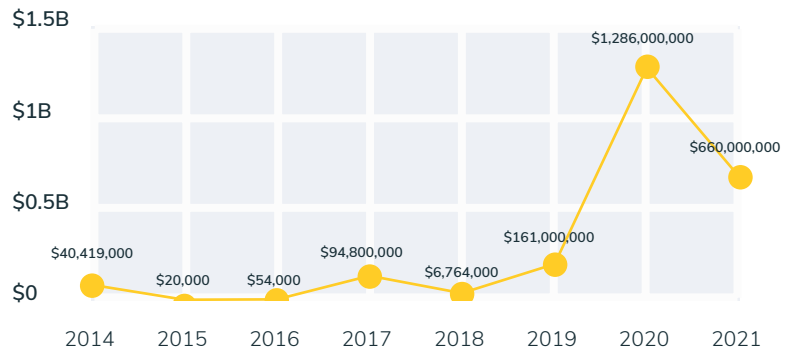
#### October 2020:

Kik Interactive was ordered to pay the SEC [a \\$5 million penalty](#) for an unregistered offering of the “Kin” digital token.

#### September 2020

The SEC [agreed to settle charges](#) with the company Unikrn for \$6.1 million over its unregistered initial coin offering (ICO).

#### SEC Fines + Disgorgements of Entities Involved in Digital Assests (Annually)



#### July 2020:

Abra and Plutus Tech [agreed to a cease-and-desist order](#) and to pay a combined penalty of \$150,000 in a settlement with the SEC over offering and selling security-based swaps to retail investors without registration and for failing to transact those swaps on a registered national exchange

#### June 2020:

The SEC announced that Telegram [agreed to pay a civil penalty of \\$18.5 million and to return \\$1.2 billion to investors](#). The settlement resolved charges that Telegram’s unregistered offering of digital tokens called “Grams” violated the federal securities laws. Note that in [October 2019, the SEC announced](#) that it halted an alleged \$1.7 billion unregistered digital token offering from Telegram.

#### May 2020:

The SEC ordered Bitclave [to pay disgorgement of \\$25.5 million](#), prejudgment interest of \$3.4 million, and a penalty of \$400,000 for conducting an unregistered ICO of digital asset securities.

**September 2019:**

The SEC ordered Bitclave to [pay disgorgement of \\$25.5 million](#), prejudgment interest of \$3.4 million, and a penalty of \$400,000 for conducting an unregistered ICO of digital asset securities.

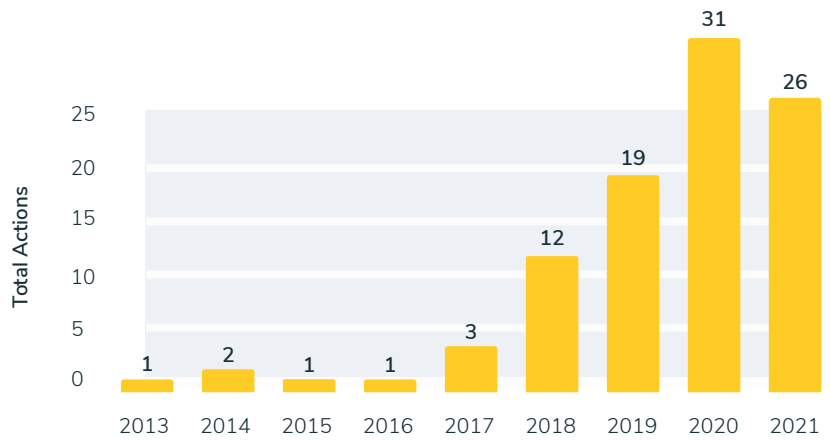
**August 2019:**

The SEC [settled charges with Bitqyck](#) and its founders for allegedly defrauding investors in securities offerings of two digital assets, Bitqy and BitqyM, and for operating an unregistered exchange. Bitqyck consented to an order requiring that it pay disgorgement, prejudgment interest and a civil penalty of \$8.4 million.

**November 2018:**

The [SEC settled charges against professional boxer Floyd Mayweather, Jr. and Khaled Khaled \(known as DJ Khaled\)](#) for failing to disclose payments they received for promoting investments in ICOs. These are the SEC’s first cases to charge touting violations involving ICOs. Mayweather, Jr. agreed to pay a \$300,000 civil penalty and \$315,000 in disgorgement and interest. Khaled agreed to pay a \$100,000 civil penalty and \$53,000 in disgorgement and interest.

**SEC Enforcement Actions Filed or Settled Against Entities Involved in Digital Assets (Annually)**

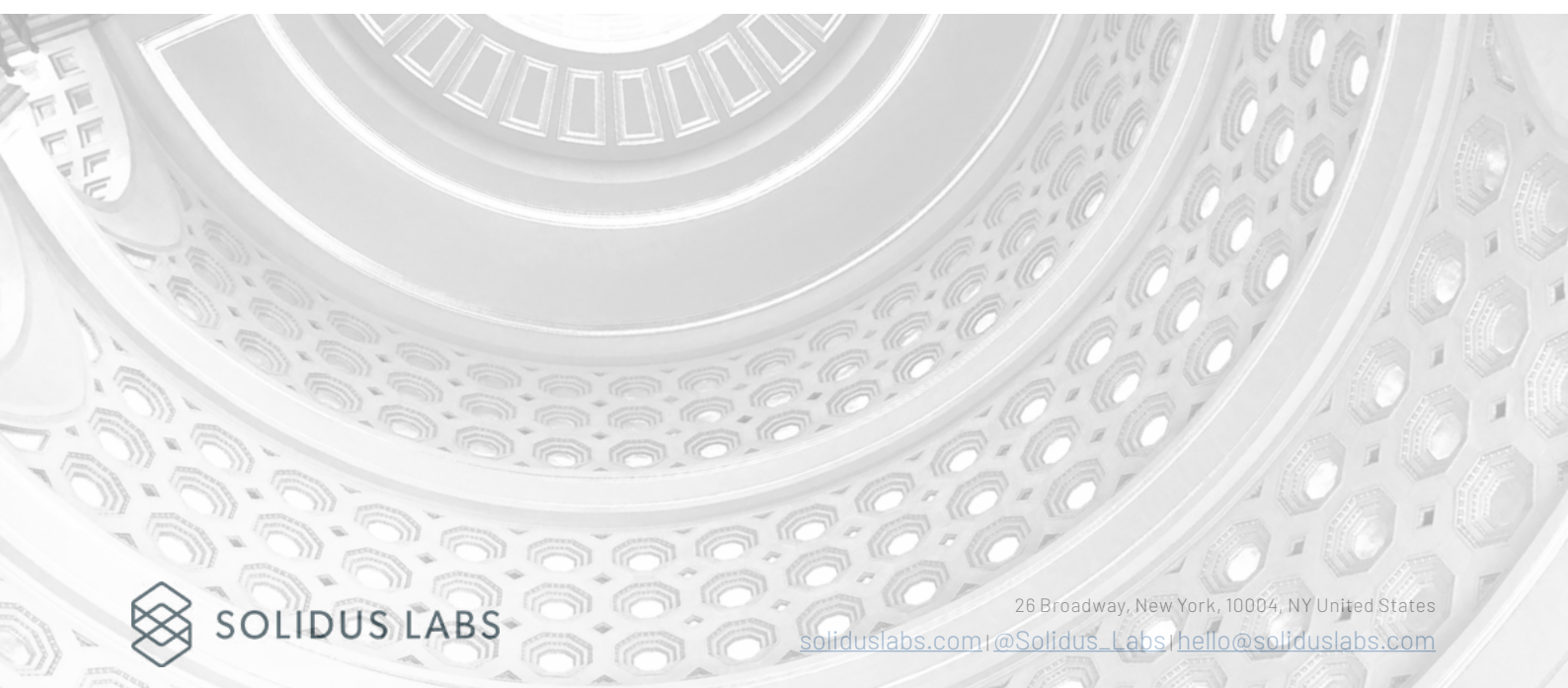


**November 2018:**

The [SEC settled charges against Paragon Coin Inc.](#) for offering unregistered securities in an unregistered ICO. Paragon Coin was ordered to pay a \$250,000 civil monetary penalty. This case and the CarrierEQ Inc. case below are the SEC’s first cases imposing civil penalties solely for ICO securities offering registration violations.

**November 2018:**

The [SEC settled charges against CarrierEQ Inc.](#) for ICO securities offering registration violations and was ordered to pay a \$250,000 civil penalty.





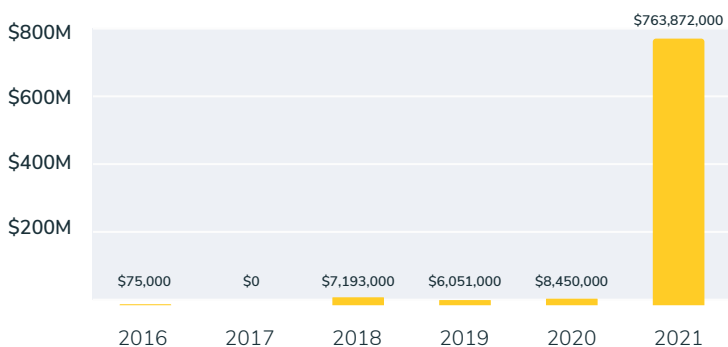
## CFTC

Since 2015, the CFTC has asserted oversight authority over futures and derivatives contracts underpinned by certain virtual currencies and has brought enforcement actions for fraud and manipulation in virtual currency markets. This regulatory engagement derives from an interpretation that certain virtual currencies are commodities under the Commodities Exchange Act (CEA), as noted in a [2015 CFTC enforcement action](#).

Building on this foundation, the CFTC had sought to provide clarity regarding its jurisdiction over digital assets, and commissioners of both parties have actively engaged with the industry. The CFTC now oversees bitcoin and ether based futures contracts, and trading activity in such products has steadily increased over the years.

On the enforcement side, last year, there was a clear increase in activity. During his confirmation hearing, Chairman Behnam [expressed](#) the CFTC’s need for additional resources to help police digital asset markets. Despite the confirmation of the Chairman, the CFTC is still in transition with [four nominees](#) pending before the Senate for confirmation.

### CFTC Fines + Disgorgements of Entities Involved in Digital Assests (Annually)



**“We really also need to have a conversation about market regulation and sort of the exchange, the purchase and sale of these coins in a regulatory structure for both securities and commodities.”**



**Rostin Behnam**  
 Chairman, CFTC  
 in testimony before the  
 U.S. Senate Committee on  
 Agriculture, Nutrition and Forestry,  
[October 27, 2021](#)

Image : CFTC (via Wikimedia Commons)

Solidus also assessed CFTC’s enforcement actions. Since 2015, the CFTC has filed charges against or settled with at least 30 entities (six cases are still ongoing) involved in digital asset activity and levied fines and disgorgements against them totaling more than \$787 million. Although the overwhelming majority of all fines and disgorgements occurred in 2021, just two cases accounted for nearly 90% of the total. Market manipulation charges were also among the enforcement actions of 2021. The CFTC included charges of market abuse in their cases against Coinbase (for allegedly wash trading) and John McAfee (for allegedly committing a pump-and-dump).

The fines and disgorgements chart includes only those actions settled or decided. The enforcement actions chart also reflects cases filed and ongoing, though each case is only included once at first public action. A timeline summarizing key actions is provided further below.

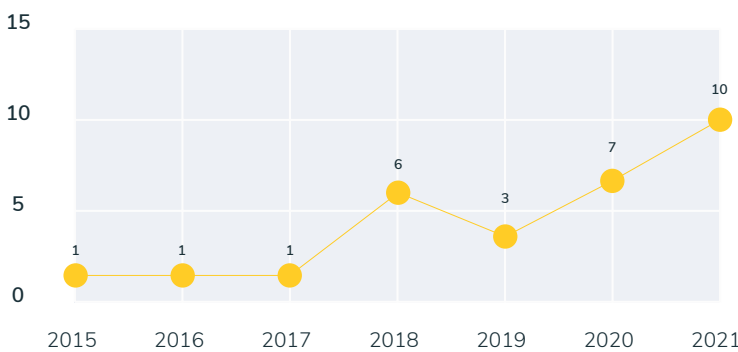
**January 2022**

The [CFTC filed and simultaneously settled charges against Blockratize, Inc. \(Polymarket\)](#), a crypto betting platform. The order required that Polymarket pay a \$1.4 million civil monetary penalty for offering off-exchange event-based binary options contracts and failure to obtain designation as a designated contract market or registration as a swap execution facility.

**October 2021**

CFTC [fined Tether](#) \$41 million over untrue or misleading statements and omissions of material fact in claims that Tether Stablecoin was fully backed by U.S. Dollars.

**CFTC Enforcement Actions Filed or Settled Against Entities Involved in Digital Assets (Annually)**



**October 2021**

CFTC [fined Bitfinex](#) \$1.5 million for illegal transactions while operating Bitfinex Cryptocurrency Trading Platform and violation of a prior CFTC order.

**September 2021:**

CFTC [imposed a \\$1.25 million penalty](#) on Kraken for offering off-exchange digital asset trading and for failing to register as required.

**August 2021:**

The U.S. District Court for the Southern District of New York ordered BitMEX to [pay a \\$100 million fine](#) for illegally operating a cryptocurrency trading platform and AML violations. The order stems from a CFTC action filed on October 1, 2020 against the BitMEX entities and their three individual founders.

**March 2021:**

The [CFTC settled charges with Coinbase](#) and ordered it to pay \$6.5 million for reckless, false, misleading, or inaccurate reporting as well as wash trading by a former employee on Coinbase’s GDAX platform.

**July 2020:**

The [CFTC settled charges against Plutus Financial, Inc. d/b/a Abra and Plutus Technologies Philippines Corp. d/b/a Abra International](#) for entering into illegal off-exchange swaps in digital assets and foreign currency with U.S. and overseas customers and registration violations. The order requires the respondents to pay a \$150,000 civil monetary penalty.

**March 2020:**

The CFTC [announced that it had voted unanimously to approve final interpretive guidance](#) concerning retail commodity transactions involving certain digital assets. The guidance clarifies the CFTC’s views regarding the “actual delivery” exception to Section 2(c)(2)(D) of the CEA in the context of digital assets. The guidance took effect in June 2020.

**October 2019**

CFTC Chairman [Heath Tarbert said in an interview with Yahoo! Finance](#) that, “We’ve been very clear on bitcoin: bitcoin is a commodity under the Commodity Exchange Act. We haven’t said anything about ether –

until now. It is my view as Chairman of the CFTC that ether is a commodity, and therefore it will be regulated under the CEA...It's my conclusion as Chairman of the CFTC that ether is a commodity and therefore would fall under our jurisdiction."

**October 2018:**

A [New York federal court ordered Gelfman Blueprint, Inc.](#) and its chief executive officer (CEO) Nicholas Gelfman to pay over \$2.5 million in civil monetary penalties and restitution in what was the first anti-fraud enforcement action involving Bitcoin filed by the CFTC.

**December 2017:**

The CFTC [issued a Proposed Interpretation](#) regarding its jurisdiction over certain types of retail transactions involving virtual currency. The Proposed Interpretation sets out the CFTC's view regarding the "actual delivery" exception that may apply to virtual currency transactions.

**October 2017:**

The [newly established LabCFTC](#) published a [Primer on Virtual Currencies](#).

**June 2016:**

The [CFTC issued an Order filing and simultaneously settling charges against BFXNA Inc. d/b/a Bitfinex](#), for offering illegal off-exchange financed retail commodity transactions in bitcoin and other cryptocurrencies, and for failing to register as a Futures Commission Merchant as required by the CEA. The Order requires Bitfinex to pay a \$75,000 civil monetary penalty and to cease and desist from future such violations of the CEA.

**September 2015:**

The [CFTC settled charges with Coinflip, Inc.](#) d/b/a Derivabit and its CEO for conducting activity related to commodity options transactions without complying with the CEA and CFTC Regulations. No monetary fines or penalties were imposed. This was the CFTC's first action against an unregistered Bitcoin options trading platform. The CFTC definitively stated, "Bitcoin and other virtual currencies are encompassed in the [commodity] definition and properly defined as commodities."



## FinCEN

In March 2013, FinCEN became one of the first U.S. government agencies to provide guidance on the digital asset space when it clarified that virtual currency exchanges and administrators are money transmitters and must register with FinCEN. Since then, FinCEN has taken discrete regulatory and enforcement actions. Most notable is its [ongoing rulemaking to explicitly apply the travel rule to convertible virtual currencies \(CVC\)](#), as well as transactions involving digital assets with legal tender status, and to lower travel rule reporting requirements from \$3,000 to \$250 on international transactions. That is a rulemaking action to watch for, however, as [FinCEN is still without a permanent Director](#) to lead the agency, it is not clear if that will take place in 2022. The below are key actions from FinCEN in recent years.

### August 2021

In a global settlement action with the CFTC, [FinCEN assessed a civil money penalty in the amount of \\$100 million against BitMEX](#) for violations of the Bank Secrecy Act (BSA) and FinCEN's implementing regulations.

### October 2020:

FinCEN [assessed a \\$60 million civil money penalty against Larry Dean Harmon](#), the founder, administrator, and primary operator of Helix and Coin Ninja, CVC "mixers," or "tumblers," for violations of the BSA and its implementing regulations.

### October 2020

FinCEN and the Federal Reserve [proposed an amendment to the travel rule regulations and to apply travel rule regulations to convertible virtual currencies](#). Under travel rule regulations, financial institutions must collect, retain, and transmit certain information on fund transfers over \$3,000. The proposed rule lowers the applicable threshold from \$3,000 to \$250 for international transactions, but would remain at \$3,000 for domestic transactions. [The proposal is still live, though it has not been finalized](#).

### May 2019

[FinCEN issued additional clarification on CVCs](#), including that financial institutions that are mixers and tumblers of CVCs are money transmitters under FinCEN regulations and must comply with FinCEN registration requirements.

### July 2017:

FinCEN working in coordination with the U.S. Attorney's Office for the Northern District of California (USAO-NDCA), [assessed a \\$110 million civil monetary penalty against Canton Business Corporation \(BTC-e\)](#) for willfully violating U.S. AML laws. FinCEN also assessed a \$12 million penalty. Among other violations, BTC-e failed to obtain required information from customers beyond a username, a password, and an e-mail address.

### May 2015:

FinCEN, working in coordination with the USAO-NDCA, [assessed a \\$700,000 civil money penalty against Ripple Labs Inc.](#) and its wholly-owned subsidiary, XRP II, LLC. Ripple Labs willfully violated several BSA requirements by acting as a money services business (MSB) and selling its virtual currency, known as XRP, without registering with FinCEN, and by failing to implement and maintain an adequate AML program designed to protect its products from use by money launderers or terrorist financiers.

### March 2013:

FinCEN [clarified in its 2013 Guidance](#) that exchangers and administrators of CVC are money transmitters under the BSA and thus fall under FinCEN's regulations. This means that they must [register with FinCEN](#), develop, implement, and maintain an AML compliance program and meet all applicable reporting and record-keeping requirements.

# U.S. State Governments

## Regulation and Enforcement Trends

Regulations of the digital asset industry vary dramatically among individual states. Wyoming, for example, has implemented some of the most accommodating policies for the digital asset industry. These include becoming the first state to issue a bank charter to a cryptocurrency exchange, recognizing virtual currencies as 'money' and recognizing DAOs as LLCs in the state. In contrast, New York has taken a stricter regulatory and enforcement approach. Since 2015, the state has required entities that want to engage in digital asset activity to first obtain a "Bitlicense" in order to do so. Many other U.S. states have yet to provide a regulatory framework for the digital asset space.



## California

### October 2021:

The California [Department of Financial Protection and Innovation \(DFPI\) wrote an interpretive opinion](#) that said that if an entity's activities are limited to directly selling Bitcoin, Litecoin, and Ethereum to clients, they are not required to obtain a California Money Transmission Act license because "it does not involve the sale or issuance of a payment instrument, the sale or issuance of stored value, or receiving money for transmission."

### September 2020:

California Governor Gavin Newsom [signed bill AB 1864](#) which renamed the California Department of Business Oversight (DBO) as the DFPI. DBO Commissioner, [Manuel P. Alvarez, said that the new bill](#) will give the regulator "new tools to shape the regulation of virtual currency."

### April 2019:

California [enacted Assembly Bill 147](#) which added "Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller" to what is called a "marketplace facilitator."

### September 2018:

California [enacted Assembly Bill 2658](#) which provided a legal definition for blockchain technology and required the creation of a blockchain working group to report to the Legislature on the potential "uses, risks, and benefits of the use of blockchain technology by state government and California-based businesses."



## Florida

### December 2021:

Governor Ron DeSantis [released his proposed 2022-23 budget that included](#), "\$200,000 for the Department of Financial Services to offer Florida corporations the ability to pay state fees via cryptocurrency directly to the Department of State." The budget summary added that "Florida encourages cryptocurrency as a means of commerce and furthering Florida's attractiveness to businesses and economic growth."

### November 2021:

Miami Mayor Francis Suarez [said in an interview](#) that he "will be taking 100% of" his salary in Bitcoin, leading other [politicians](#) to announce the same.

### September 2021:

[Miami's city commissioners voted to accept funds](#) generated by a new cryptocurrency, MiamiCoin, which was launched in August by CityCoins.

### August 2021:

Florida's Office of Financial Regulation (OFR) [issued a notification that an MSB license](#) will be required to engage in the business of selling virtual currency in Florida. The OFR also warned that "As of January 1, 2022, anyone conducting unlicensed money transmitter activity (including selling virtual currency) with-

**"I'm going to ask my friends, brothers and sisters, the mayors of this country to sign on to a mayoral crypto compact, because we need to lead in the absence of leadership. We need to make sure that a generation of prosperity and innovation is not lost because of a lack of innovative spirit."**



- Francis Suarez  
Miami Mayor  
said as the head of the  
U.S. Conference of Mayors  
[January 3, 2022](#)

[Image](#) : City of Miami (via Wikimedia Commons)

out having submitted an application to the OFR for a money services business license may be subject to administrative fines or penalties and possible criminal prosecution."

### January 2021:

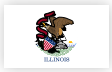
Florida-based XRP investor Tyler Toomey [filed a class action complaint against Ripple Labs](#) and Ripple CEO Brad Garlinghouse. The lawsuit alleges that the defendants failed to comply with Florida securities laws by failing to register with the Florida Office of Financial Regulation.

### June 2017:

Florida Governor Rick Scott [signed into law House Bill 1379](#) which expanded the Florida Money Laundering Act to prohibit the laundering of virtual currency.







## Illinois

### August 2021:

The Illinois Governor [signed bill SB 338 which amended the State Treasurer Act](#) and the Revised Uniform Unclaimed Property Act. The bill added the definition of a virtual currency and labeled virtual currency as “property.”

### August 2021:

Holly Kim, a treasurer in Lake County, Illinois, [became the first political candidate in the state to accept crypto campaign donations](#).

### January 2020:

Illinois’ [Blockchain Technology Act took effect](#). The Act recognized smart contracts and other blockchain-based records as legal instruments. [These contracts are now admissible as evidence in court](#), recognized as a viable alternative to paper-based records and statutorily exempt from local taxation.

### June 2017:

Illinois [passed House Resolution 120](#). The bill created the Illinois Legislative Blockchain and Distributed Ledger Task Force to study how and if the State of Illinois, county governments, and municipal governments can benefit from a transition to a blockchain based system for recordkeeping and service delivery.

### June 2017:

The Illinois Department of Financial and Professional Regulation [published digital currency regulatory guidance](#). The guidance noted that “A person or entity engaged in the transmission of solely digital currencies, as defined, would not be required to obtain a [Transmitters of Money Act] license. However, should transmission of digital currencies involve money in a transaction, that transaction may be considered money transmission depending on how the transaction is organized.”



## New Jersey

### November 2021:

The [New Jersey State Senate introduced Senate Bill No. 4163 \(NJ S4163\)](#), titled “Virtual Currency and Blockchain Regulation Act.” If enacted, the bill would establish a regulatory framework for New Jersey virtual currency businesses and create incentives for virtual currency businesses in the state.

### August 2019:

Governor Phil Murphy [signed bills S2297 and A5111 into law](#). Bill S2297 established the New Jersey Blockchain Initiative Task Force and bill A5111 created the Innovation District Designation Program.

### August 2019:

The New Jersey Department of Banking and Insurance [issued Everex a full Money Transmitter License](#). This license gave Everex the ability to conduct cryptocurrency-fiat exchange activities among other things.





## New York

### November 2021:

Eric Adams was elected the new Mayor of New York beginning in January 2022. Adams has openly expressed his desire to turn New York City into a digital asset hub. His proposals include adding digital asset technology to school curriculums, potentially introducing a crypto wallet for municipal workers and [taking his first three paychecks in Bitcoin](#).

### October 2021:

New York Attorney General Letitia James [announced that virtual or crypto lending platforms must register](#) with the Office of the Attorney General (OAG) if they are operating within the state or offering their products to New Yorkers. Attorney General James also directed two of these lending platforms to immediately cease their unregistered and unlawful activities in New York and directed three other platforms ([including Celsius Network](#)) to immediately provide information about their activities and products.

### August 2021:

Adrienne Harris, a former Obama administration official, [was nominated to be the new Superintendent](#) of the New York Department of Financial Services (NYDFS). The NYDFS oversees digital asset regulation in New York State and could see some changes under the new leadership of Harris.

### March 2021:

In a press release, New York Attorney General Letitia James [warned entities facilitating trading of virtual currencies](#) that they must register with the OAG's Investor Protection Bureau if they are doing business in New York, unless they qualify for an exemption.

### April 2019:

The [NYDFS rejected Bittrex's application for a BitLicense](#) "due to failure to meet the licensing requirements of

DFS, primarily due to deficiencies in Bittrex's BSA/AML/OFAC compliance program; deficiency in meeting the Department's capital requirement; and deficient due diligence and control over Bittrex's token and product launches." Bittrex was ordered to cease operating in New York State within 60 days.

### September 2018:

The [NYDFS authorized Gemini and Paxos to each offer stablecoins](#) pegged to the U.S. dollar. Which, [according to the companies](#), made them among the first countries in the world to offer regulated stablecoins pegged to the U.S. dollar.

### September 2018:

The OAG [released the Virtual Markets Integrity Report](#). The report found "that virtual asset trading platforms have yet to implement serious efforts to monitor and stop abusive or manipulative trading." The report also found that "virtual asset trading platforms engage in multiple, overlapping lines of business that present serious conflicts of interest."

### February 2018:

[The NYDFS issued guidance for licensed entities offering virtual currency services](#) in New York State. The guidance requires those companies to implement written policies that evaluate "the full range of fraud-related and similar risk areas," including market manipulation, in addition to providing procedures and controls to safeguard consumers and investors from these risks. The guidance also requires that virtual currency entities take steps to investigate fraud and wrongdoing, and upon the completion of a given investigation, to issue a statement summarizing the actions taken to resolve any fraud and wrongdoing.

### September 2015:



## Texas

[NYDFS approved Circle Internet Financial's BitLicense application](#) – making it the first company to receive a BitLicense from NYDFS.

### June 2015:

The NYDFS [issued its virtual currency regulation, 23 NYCRR Part 200](#), which requires entities to obtain a license (BitLicense) in order to engage in any virtual currency business activity.

### May 2015:

[NYDFS granted its first charter](#) under the New York Banking Law to itBit Trust Company, LLC (now Paxos) – a commercial Bitcoin exchange.

**“Count me in as a crypto law proposal supporter. It is increasingly being used for transactions and is beginning to go mainstream as an investment. (Fidelity, etc. trying to get Bitcoin ETF). Texas should lead on this like we did with a gold depository.**



- Greg Abbott  
Governor of Texas  
January 3, 2022

[Image](#) : Gage Skidmore (via Wikimedia Commons)

### October 2021:

The Texas Ethics Commission [proposed a new rule that permits government officials and politicians to accept Bitcoin \(BTC\)](#) and cryptocurrency contributions. The proposal clarifies that political and governmental campaigns will not be permitted to spend cryptocurrencies directly and will be required to liquidate cryptocurrencies before spending the proceeds.

### September 2021:

[House Bill 4474 became effective](#). The new law amended the state's Uniform Commercial Code to recognize cryptocurrencies under commercial law. This made [Texas the fourth U.S. state to define virtual currency](#), after Wyoming, Rhode Island and Nebraska.

### June 2021:

The Texas Department of Banking [issued a notice stating that state-chartered banks](#) are permitted to provide virtual custody services to customers.

### June 2021:

[The Governor of Texas signed HB 1576](#), a bill that established a 16 member working group to develop a master plan for the expansion of the blockchain industry in Texas and recommend policies and state investments in connection with blockchain technology.

### April 2021:

The Texas legislature [introduced a joint resolution \(SJR 55\) to amend the Texas constitution](#) to make owning and using digital currency a constitutional right.



## Wyoming

### July 2021:

[Bill HB 43 officially took effect](#), amending the definition of “digital asset” to specify that it is either a digital consumer asset, digital security, or virtual currency. The bill included other amendments regarding digital assets as well.

### July 2021:

The [American CryptoFed DAO was legally recognized by the state of Wyoming](#) as the first DAO in the United States.

### April 2021:

The [Governor of Wyoming signed bill SF 38 into law](#), which recognized DAOs as LLCs with special provisions allowing the company to be algorithmically run or managed (in whole or in part) through smart contracts executed by computers.

### October 2020:

[Avanti became the second cryptocurrency firm](#) to receive a bank charter from the state of Wyoming. The Wyoming State Banking Board voted 8-0 to grant Avanti Bank & Trust a bank charter.

### September 2020:

Kraken [became the first cryptocurrency exchange](#) in the U.S. to receive a bank charter from the state of Wyoming. The State of Wyoming approved Kraken’s application to form the Special Purpose Depository Institution (SPDI), called Kraken Bank.

### March 2020:

The [Governor of Wyoming signed into law HB 27](#) that created the Select Committee on Blockchain, Financial Technology and Digital Innovation Technology. The act requires the Select Committee to develop specialized expertise and authorizes it to sponsor certain legislation. The Act also requires the appointment of Executive Branch liaisons to the Select Committee.

### February 2019:

The [Governor of Wyoming signed SF0125 into law](#), officially recognizing virtual currencies as “money.”

### February 2019:

The [Governor of Wyoming signed HB 57 into law](#). HB 57 created a financial technology sandbox for the testing of financial products and services (including blockchain and digital assets) in Wyoming.

### February 2019:

The [Governor of Wyoming signed HB 74 into law](#). HB 74 created the SPDI as a new financial institution and authorizes SPDIs to conduct traditional banking services with digital assets and virtual currencies.

## Notable Enforcement Activity from States

State enforcement action varies greatly by state, with New York and Texas being two of the most active states. Several states have recently begun cracking down on crypto-lending platforms, most notably Celsius Network and BlockFi. Multiple states including Texas and New Jersey issued cease-and-desist or notice hearing letters to the two firms.

### September 2021:

Securities regulators in [Alabama](#), [Kentucky](#), [New Jersey](#) and [Texas](#) issued show-cause or cease and desist orders to Celsius Network.

### July 2021:

Securities regulators in [Alabama](#), [Kentucky](#), [New Jersey](#) and [Texas](#) issued show-cause or cease and desist orders to BlockFi over its crypto-lending platform.

## New York

### October 2021:

New York Attorney General Letitia James [directed two lending platforms to immediately cease their unregistered](#) and unlawful activities in New York and directed three other platforms to immediately provide information about their activities and products.

### September 2021:

New York Attorney General Letitia James [secured a judgment against the virtual currency trading platform Coinseed](#), as well as founder and CEO Delgerdai Davaasambu, that shut down the company and put in place a permanent receiver to protect investors' funds. The Court ordered the defendants to pay a judgment of \$3 million.

### September 2021:

New York Attorney General Letitia James [announced she has secured a recovery of \\$480 million](#) unlawfully obtained from investors who financially backed GTV Media Group, Inc. and its parent company, Saraca Media Group, Inc. The two companies unlawfully sold stocks and two digital instruments promoted as cryptocurrencies without registering in New York state.

### February 2021:

New York Attorney General James announced that [Bitfinex and Tether are required to end all of their trading activity with New Yorkers](#). A settlement agreement with iFinex, Tether, and their related entities required them to cease any further trading activity with New Yorkers, as well as force the companies to pay \$18.5 million in penalties, in addition to requiring a number of steps to increase transparency.

## Notable Enforcement Activity from States

## Texas

### November 2021:

The Texas Securities Commissioner [entered an emergency cease and desist order against Treasure Growth LLC](#), a cryptocurrency cloud mining firm. Treasure Growth is not registered to offer securities in Texas.

### September 2021:

The Texas State Securities Board [announced that it will hold a hearing related to allegations that Celsius Network](#) is offering and selling securities in Texas that are not registered as well as not registering as a dealer under the state's Securities Act.

### September 2021:

The Texas Securities Commissioner [filed an emergency cease and desist order against Immortal Assets](#) and its owner, Michael Wichkoski. The parties are accused of promoting an illegal cryptocurrency trading program.

### July 2021:

The [Texas State Securities Board issued a Notice of Hearing to BlockFi](#) to determine whether a cease and desist order will be issued against it. The Notice states that BlockFi is not registered with the Texas State Securities Board to sell securities in Texas.

### March 2021:

The Texas State Securities Board [issued an Emergency Cease and Desist Order against Delta Crypt](#) for not registering with the Securities Commissioner, fraud, deception and other allegations.

### November 2020:

The Texas State Securities Board [issued a cease and desist order against Cryptobase](#) for not registering with the Securities Commissioner, fraud and other allegations.

### June 2020:

The Texas State Securities Board [issued an Emergency Cease and Desist Order against Coinvaultpt](#) for not being registered with the Securities Commissioner as a dealer, agent or investment adviser and for allegedly committing fraud.

### October 2019:

The Texas State Securities Board [issued an Emergency Cease and Desist Order against Crypto Miner Limited](#) over registration violations and accusations of deception and fraud.

### January 2018:

The Texas Securities Commissioner [entered an Emergency Cease and Desist Order to halt the operations of BitConnect](#). The Securities Commissioner found that the BitConnect investments are securities, but were not registered as required by the Texas Securities Act and State Securities Board Rules and Regulations. In addition, the company is not registered to sell securities in Texas.

### December 2017:

The Texas Securities Commissioner [entered an Emergency Cease and Desist Order against USI-Tech Limited](#), an overseas firm that is promising low-risk, triple-digit returns from investments tied to Bitcoin mining. Neither USI-Tech nor the sales agents were registered to sell securities in Texas.

# Canada

## Regulation and Enforcement Trends

When it comes to digital asset regulation, Canada has been active. The country's two main financial regulators, the Canadian Securities Administrators (CSA) and the Investment Industry Regulatory Organization of Canada (IIROC) [issued guidance](#) that requires crypto trading platforms (CTPs) to register with the provincial

regulators. In June 2014, Canada became one of the first countries in the world to amend its AML laws to include virtual currencies. In 2021, it became the first country to approve a physically-backed Bitcoin ETF. As of now, there are no less than seven physically-backed Bitcoin ETFs and five physically-backed Ethereum ETFs publicly traded in Canada.



## Canada Federal Regulation

### December 2021:

Binance Canada Capital Markets [registered with the Financial Transactions and Reports Analysis Centre of Canada \(FINTRAC\)](#), the country's AML and anti-terrorism financing regulator.

### December 2021:

[Fidelity Canada launched its Bitcoin ETF](#) (the Fidelity Advantage Bitcoin ETF) and Bitcoin mutual fund (Fidelity Advantage Bitcoin ETF Fund). The Fidelity Advantage Bitcoin ETF trades on the Toronto Stock Exchange under the ticker symbol FBTC.

### September 2021:

The CSA and IIROC [published guidance to help crypto trading platforms](#) understand and comply with requirements under securities law and IIROC rules for advertising, marketing and social media use.

### April 2021:

The Bank of Canada [released a Stablecoin Assessment Framework](#) that proposed a three-step framework to assess the risks of a stablecoin arrangement.

### March 2021:

The [CSA and IIROC published a Notice outlining how securities laws apply to CTPs](#) and how they may be tailored by regulators for the CTP's business model. If a CTP offers crypto assets that are securities and/or derivatives, the CTP is subject to securities legislation and must register with the IIROC.

### January 2020:

The [CSA issued Staff Notice 21-327](#) to provide guidance on when securities legislation applies to CTPs. If crypto assets that are securities and/or derivatives are traded on a CTP, the CTP would be subject to securities legislation. In addition, securities legislation may apply to CTPs that facilitate the buying and selling of crypto assets, including crypto assets that are commodities.

**June 2019:**

Canada amended part of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act to [recognize cryptocurrency exchanges and payment processors as MSBs](#) in Canada. The law took effect in January 2020.

**March 2019:**

The CSA and IIROC [published a Consultation Paper \(Consultation Paper 21-402\)](#), which outlined a proposed regulatory framework for CTPs, and solicited comments to better understand the industry, its risks and how regulatory requirements may be tailored.

**June 2014:**

The [Governor General of Canada approved Bill C-31](#), which included treating virtual currencies as MSBs for purposes of its AML laws.

**“At this time, key regulatory challenges associated with cryptoassets include investor protection issues related to cryptoasset trading platforms and the use of cryptoassets in illicit transactions.”**

- Bank of Canada  
Financial System Review  
2021

## Provincial Regulation

Digital asset firms in Canada are heavily regulated and enforced at the provincial level. Securities agencies in Alberta, British Columbia and Ontario have been notably active in regulating the digital asset space. For example, in 2021, the Ontario Securities Commission (OSC) not only [approved](#) the [first physically-backed Bitcoin ETF](#) in the world, but also ordered at least five digital asset exchanges, including Binance, to cease trading activity in the Province of Ontario. Meanwhile, the British Columbia Securities Commission (BCSC) has [issued dozens of investment caution notices](#) against digital asset entities and the Alberta Securities Commission (ASC) has [provided thorough guidance](#) on when securities laws apply to crypto assets.

**April 2021:**

The [OSC approved the first Ethereum ETF](#) in the world. Three separate ETFs were approved in one day: Purpose Ether ETF, CI Galaxy Ethereum ETF, Ether ETF (ETHR).

**April 2021:**

The BCSC [issued a notice to clarify requirements](#) for crypto asset trading platforms. “Platforms headquartered in British Columbia that facilitate trading in crypto assets that are securities or derivatives, or in instruments or contracts based on crypto assets, are expected to immediately start engaging with the BCSC to obtain appropriate regulatory authorization” the notice said.

**March 2021:**

The [OSC issued a press release](#) saying that it is “notifying crypto asset trading platforms that currently offer trading in derivatives or securities to persons or companies located in Ontario, that they must bring their operations into compliance with Ontario securities law or face potential regulatory action.” The OSC gave CTPs a deadline of April 19, 2021 to contact the OSC.

**February 2021:**

The OSC [approved the Purpose Bitcoin ETF](#), the first physically settled Bitcoin ETF approved in the world.



# Enforcement Activity in Canada

## December 2021:

In response to Binance telling its Ontario users that they don't have to close their accounts by December 31, 2021, the [OSC posted a Notice that stated that Binance is "not authorized to offer trading in derivatives or securities](#) to persons or companies located in the province." The Notice added that Binance "represented to OSC Staff that no new transactions involving Ontario residents would occur after December 31, 2021. Binance has issued a notice to users, without any notification to the OSC, rescinding this commitment. This is unacceptable."

## December 2021:

The [OSC ruled that Miner Edge Inc.](#), "contravened Ontario securities laws by perpetrating a fraud on investors, engaging in the business of trading securities without registration and illegally distributing securities." The OSC ordered the defendant to pay \$170,600 in disgorgement, a \$500,000 administrative penalty and pay costs of \$100,000.

## June 2021:

The [OSC issued a Statement of Allegations](#) against Bybit for "disregarding Ontario securities law." The OSC ordered that "Bybit cease trading in any securities or derivatives permanently or for such period as is specified by the Commission."

## June 2021:

The [OSC issued a Statement of Allegations](#) against Mek Global and PhoenixFin (collectively KuCoin) for "disregarding Ontario securities law" and ordered them to "cease trading in any securities or derivatives."

## August 2021:

The [OSC issued a Statement of Allegations against Aux Cayes](#) (OKEx Platform) for failing to comply with Ontario securities laws and orders that "Aux Cayes cease trading in any securities or derivatives permanently or for such period as is specified by the Commission."

## May 2021:

The [OSC issued a Statement of Allegations against Polo Digital Assets \(Poloniex\)](#) for "disregarding Ontario securities law." The OSC ordered that "Poloniex cease trading in any securities or derivatives permanently or for such period as is specified by the Commission."

## April 2021:

The [BCSC settled its case against Francesco Servedio](#) who used funds that he had raised from investors for the development of a blockchain platform for personal purposes. The man agreed to pay \$70,000 to the BCSC.

## January 2020:

The [Alberta Securities Commission \(ASC\) settled its case against Ava Trade Ltd.](#) over allegations it acted as a "dealer without registration in accordance with Alberta securities laws." Ava Trade agreed to pay a monetary settlement of \$30,000 and a disgorgement of \$213,428.00.

## May 2018:

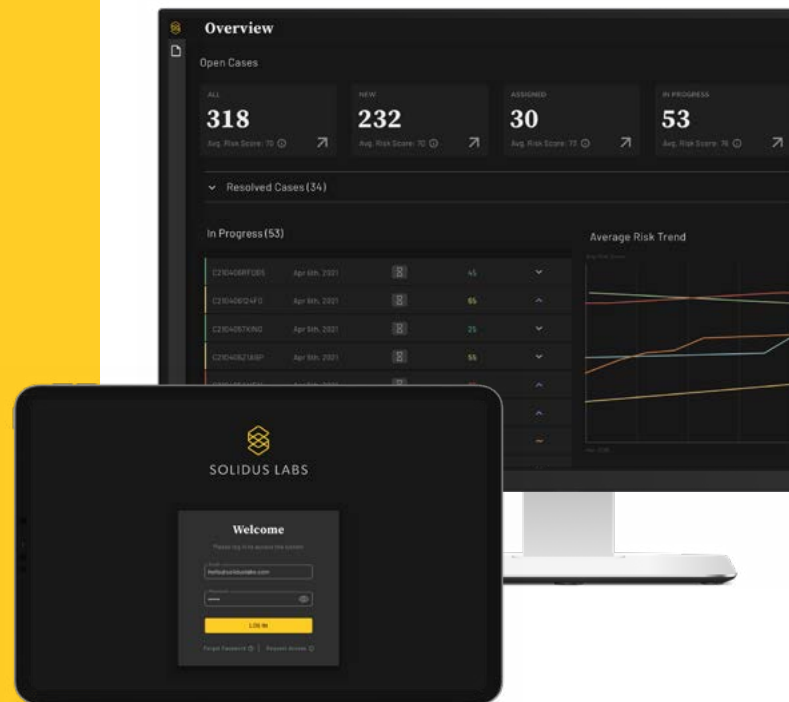
The [BCSC announced its participation in "Operation Cryptosweep,"](#) an international crackdown on fraudulent ICOs and cryptocurrency-related investment products. The BCSC issued letters to at least 12 offshore companies asking them to cease their activities in British Columbia. The effort was coordinated by the [North American Securities Administrators Association](#), of which the BCSC is a member.

# Solidus Labs' Value Proposition

## Crypto-native Risk Monitoring & Market Surveillance

Solidus Labs provides market surveillance and risk monitoring solutions uniquely designed to enable digital asset firms to achieve compliance with higher efficiency and precision. By allowing crypto trading platforms to detect, investigate, manage and report market abuse, manipulation and fraud concerns on account, trade and market levels, Solidus Labs's solutions address various requirements set forth by regulators globally.

In order to ensure they address dynamic crypto regulatory requirements as they continue to evolve around the world, Solidus Labs developed its solutions, and continues to update them, as regulation evolves and consistent with feedback from regulators.



# Get in Touch

Our customers:

## Crypto & Digital Asset Businesses

- ✓ Exchanges
- ✓ OTCs and execution desks
- ✓ Broker dealers and prime brokerages
- ✓ Decentralized platforms
- ✓ Digital Securities and Token Platforms

## Financial Institutions

- ✓ Investment/commercial banks
- ✓ Wealth and asset managers
- ✓ ETP/ETF issuers

## Government Agencies

- ✓ Regulators
- ✓ SROs
- ✓ Enforcement agencies

What our clients say:

“Solidus Labs’ **crypto-native design** will further enable us to ensure that as more customers rely on Bittrex to engage with virtual currencies, we continue to **maintain the highest levels of trust and safety**. Solidus’ innovation in risk monitoring makes it a natural partner for us.”

Mike Carter,

Chief Compliance Officer, Bittrex



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or learn more:

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