



CRYPTO NATION
L I E C H T E N S T E I N

UNOFFICIAL TRANSLATION OF THE PRESENTATION BY

DR. THOMAS DÜNSER, MINISTRY OF GENERAL GOVERNMENT AFFAIRS AND FINANCE
PRINCIPALLY OF LIECHTENSTEIN

JUNE 21, 2018 - VADUZ LIECHTENSTEIN

KEY ELEMENTS OF THE “BLOCKCHAIN ACT”

ANNOUNCEMENT OF THE BLOCKCHAIN ACT



- The Government of Liechtenstein announced a set of new laws to the public on 21 June 2018. The event was held at the University of Liechtenstein with more than 300 people attending.
- Adrian Hasler, the Prime Minister of Liechtenstein, explained the importance of the new Blockchain Laws in his opening speech. Furthermore he pointed out, that the Principality of Liechtenstein understands the opportunities of blockchain technologies and wants to support the blockchain industry as a whole.
- The government initiated a working group 1.5 years ago with the goal to develop and prepare the new Blockchain Laws.
- Dr. Thomas Dünser, Head of the Blockchain working group at the Ministry of General Government Affairs and Finance, was presenting a summary of the key elements of the Blockchain Act.
- This is an unofficial translation of his presentation.
- To learn more about Crypto Nation visit www.Crypto-Nation.co

TOKEN ECONOMY

<Objects>

Cryptocurrency
(e.g. Bitcoin)

- Raw Materials, Metals
- Real Estate
- Art
- Cars
- Used Objects
- Stocks
- Contracts
- Copyrights
- etc.

<Persons>

Natural Persons

- Companies
- Funds
- Machines

<Services>

Financial
Transactions

- Trade
- Registry
- Exchanges
- Asset management
- Financing
- Contract management
- Supply Chain
- Insurance

TOKEN ECONOMY IN THE BLOCKCHAIN LAWS



Cryptocurrency

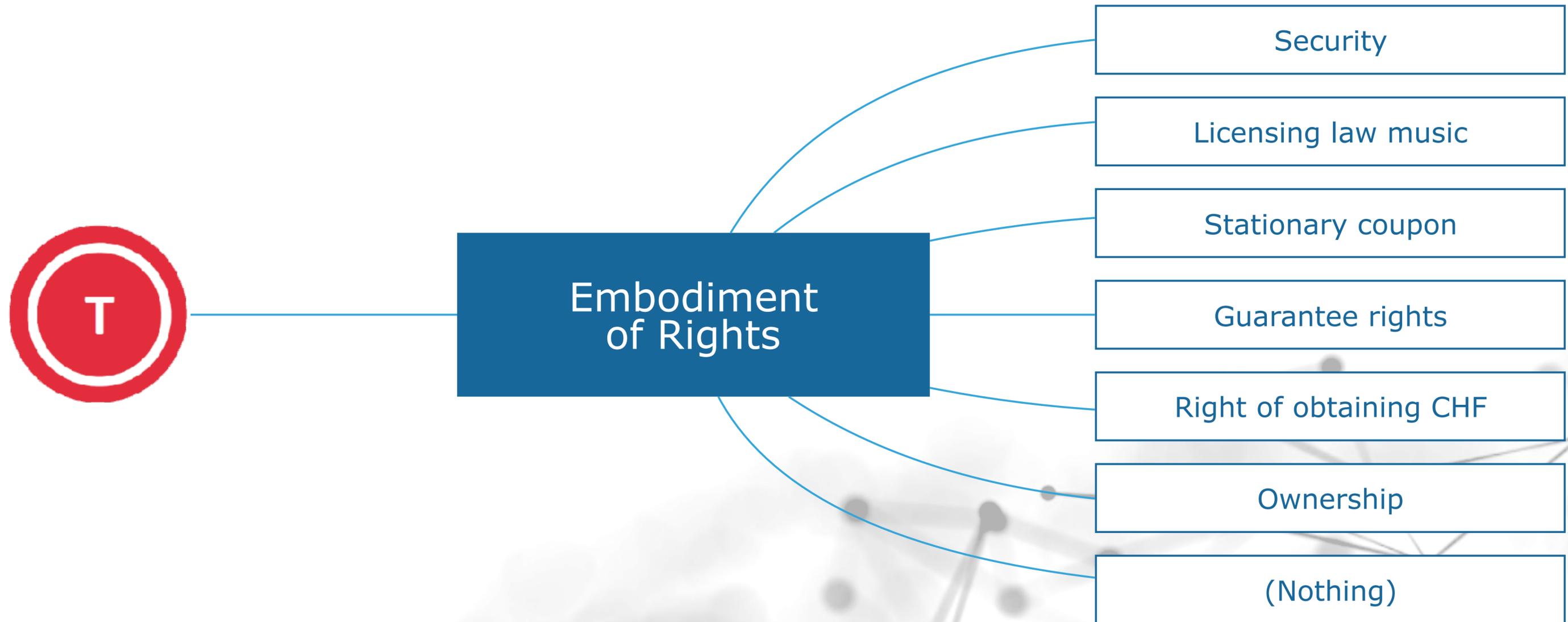


Cryptoassets

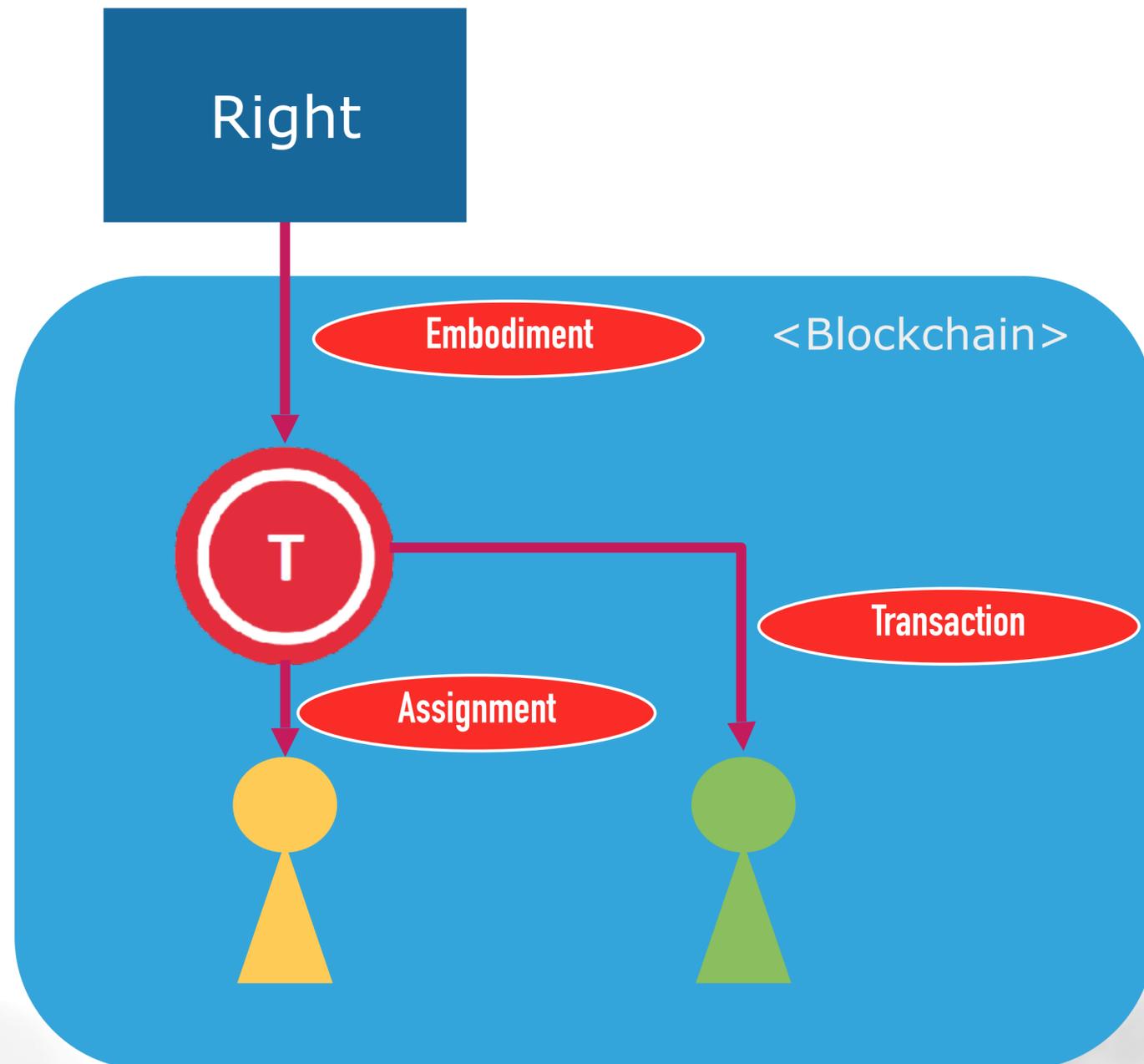


Embodiment
of Rights

TOKEN ECONOMY IN THE BLOCKCHAIN LAWS



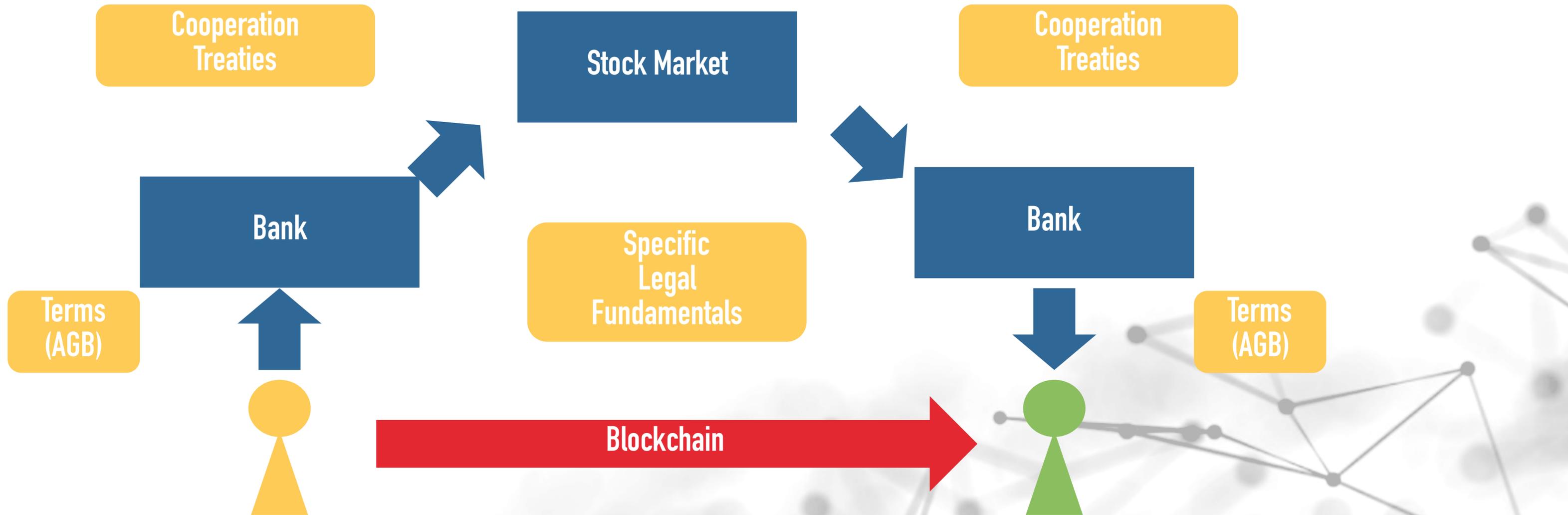
INTEGRATION IN <<BLOCKCHAIN>>



Questions:

- <Ownership> of the token?
- Relation between <Owner> and <Right>
- Rights of the <Owner>
- Legal effect of a transaction

COMPARISON TO THE FINANCIAL MARKET



REASON FOR THE OWN LAW



- Blockchain: public accessible transaction system without responsible mediator
- Analogy to the internet (TCP/IP)
- Integrity is ensured through the technology
- <Banks are safe, banking software is not>

TERM <BLOCKCHAIN>



Connecting factor of a <Blockchain> law:

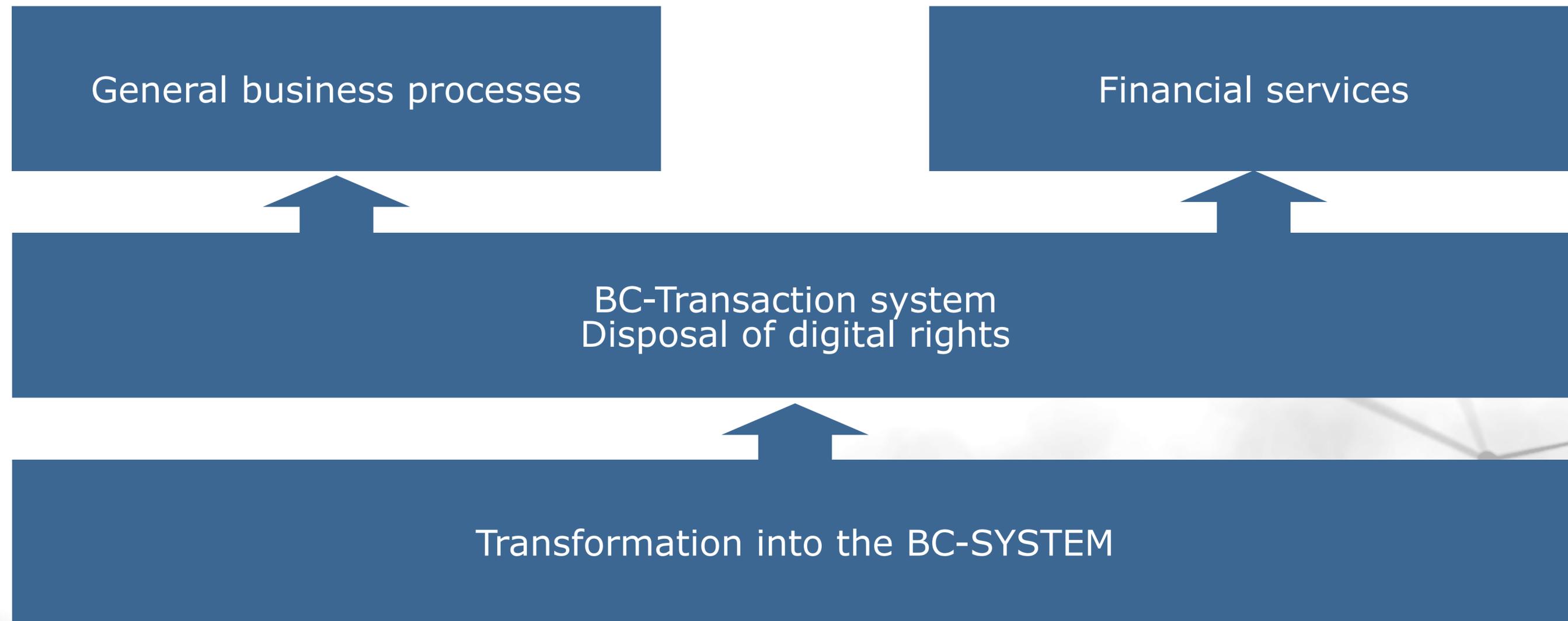
- Blockchain?
- Decentralized ledger (DLT)?
- Cryptography?
- Transaction system without a mediator?

TRUSTWORTHY TECHNOLOGIES



- Transaction systems, which offer a safe transaction and a safe storage of digital embodiments of rights as well as service delivery via reliable technologies based on these systems.
- Reliable technologies are technologies, which ensure the integrity of the token, the clear assignment to the controlling owner as well as the provision without an operator.
- These technologies replace the function of an operator who is responsible for the quality and the integrity.

BLOCKCHAIN-SYSTEMS AS BASE INFRASTRUCTURE

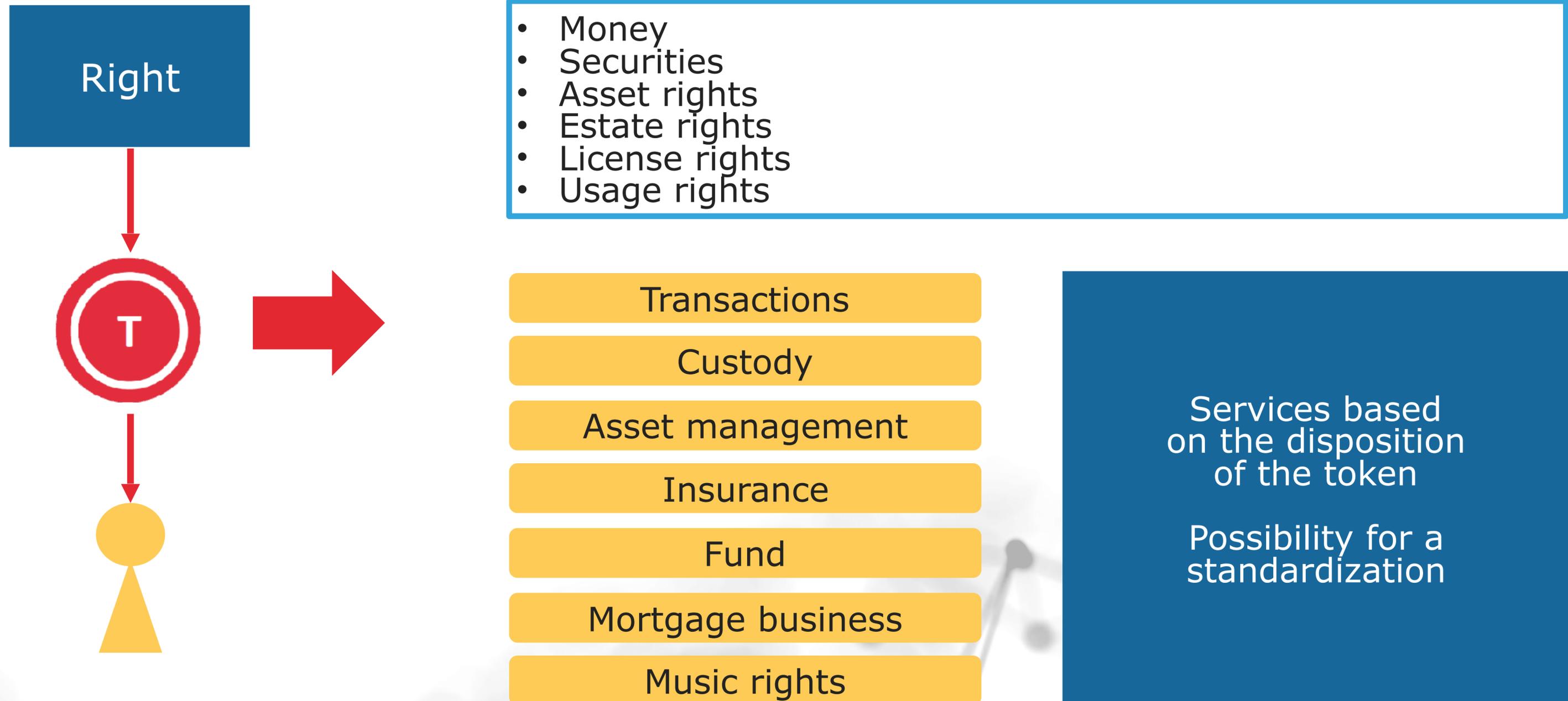


IMPLEMENTATION <CONTROL OF TOKEN>

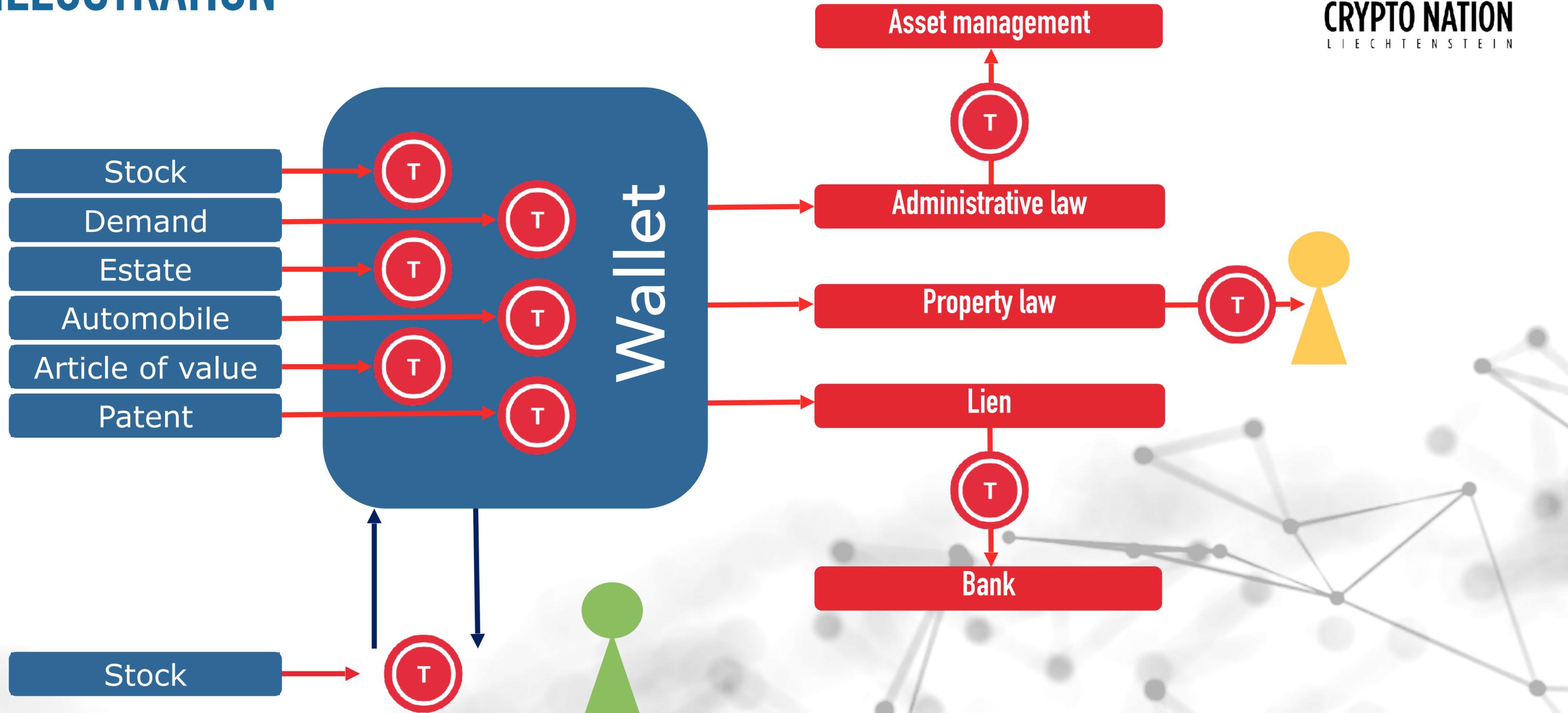


- <Power of control and disposition of the token>
- Requirements, irrevocability and finality
- Legitimation
- Purchasing in good faith
- Contradiction and segregation
- Use of the Liechtenstein Blockchain Laws on international level

MEANING



ILLUSTRATION

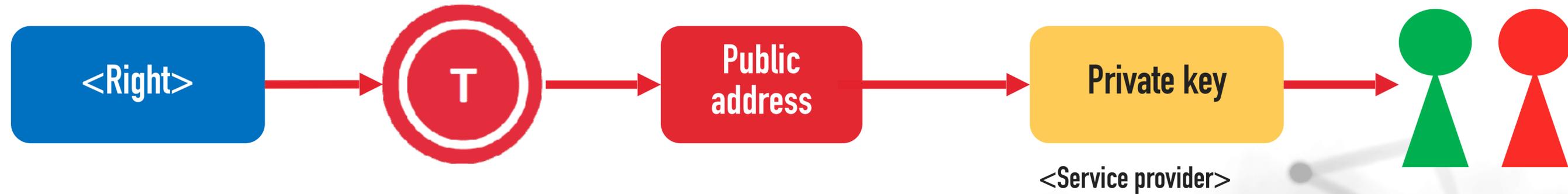


DELEGATIONS

Model: Directly through authorized person



Model: custody services of private keys



Model: custody services of token

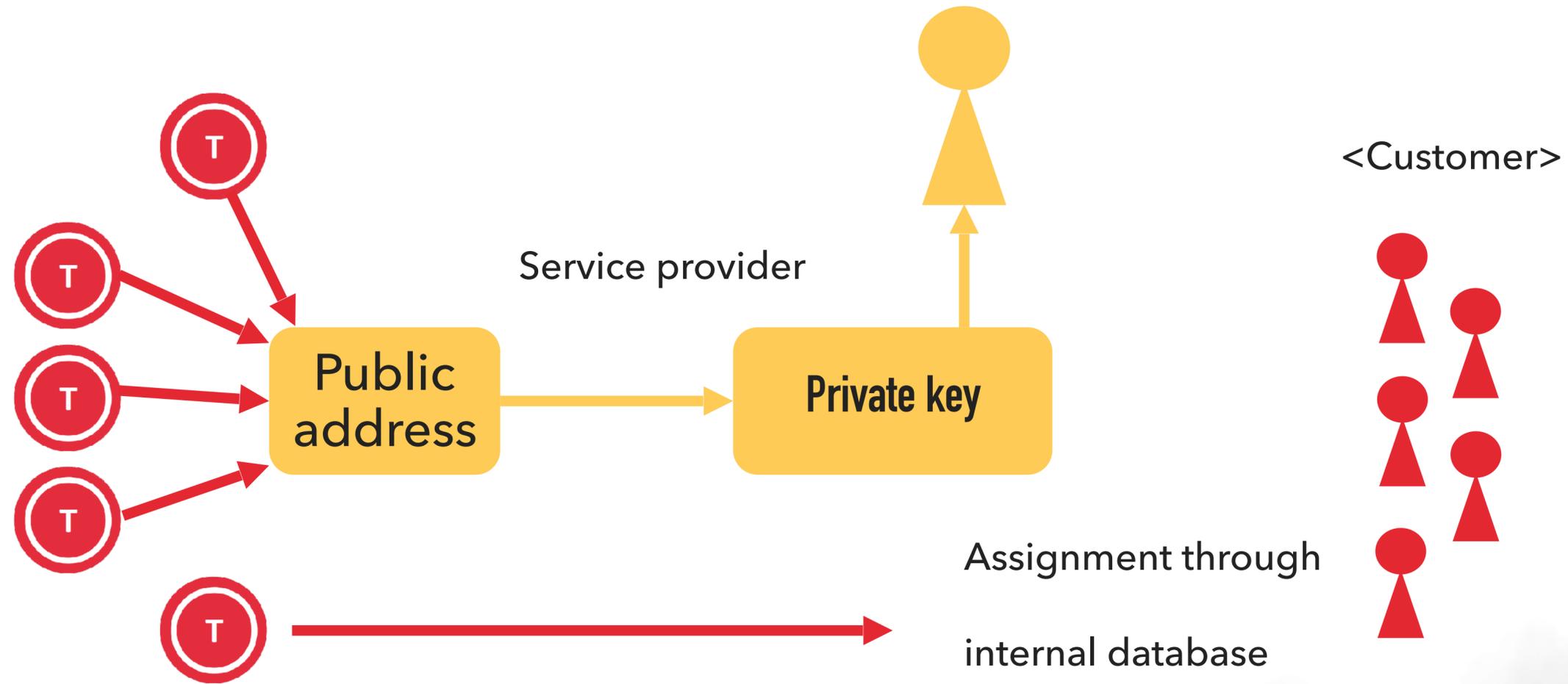


LEGAL SAFETY OF THE DELEGATION IN THE CUSTODY OF PRIVATE KEYS



- Legal differentiation of <Owner>, <Proprietor>, <Respresentative>
- Bankruptcy regulation: Segregation of private keys
- Activity of the custodian will be monitored

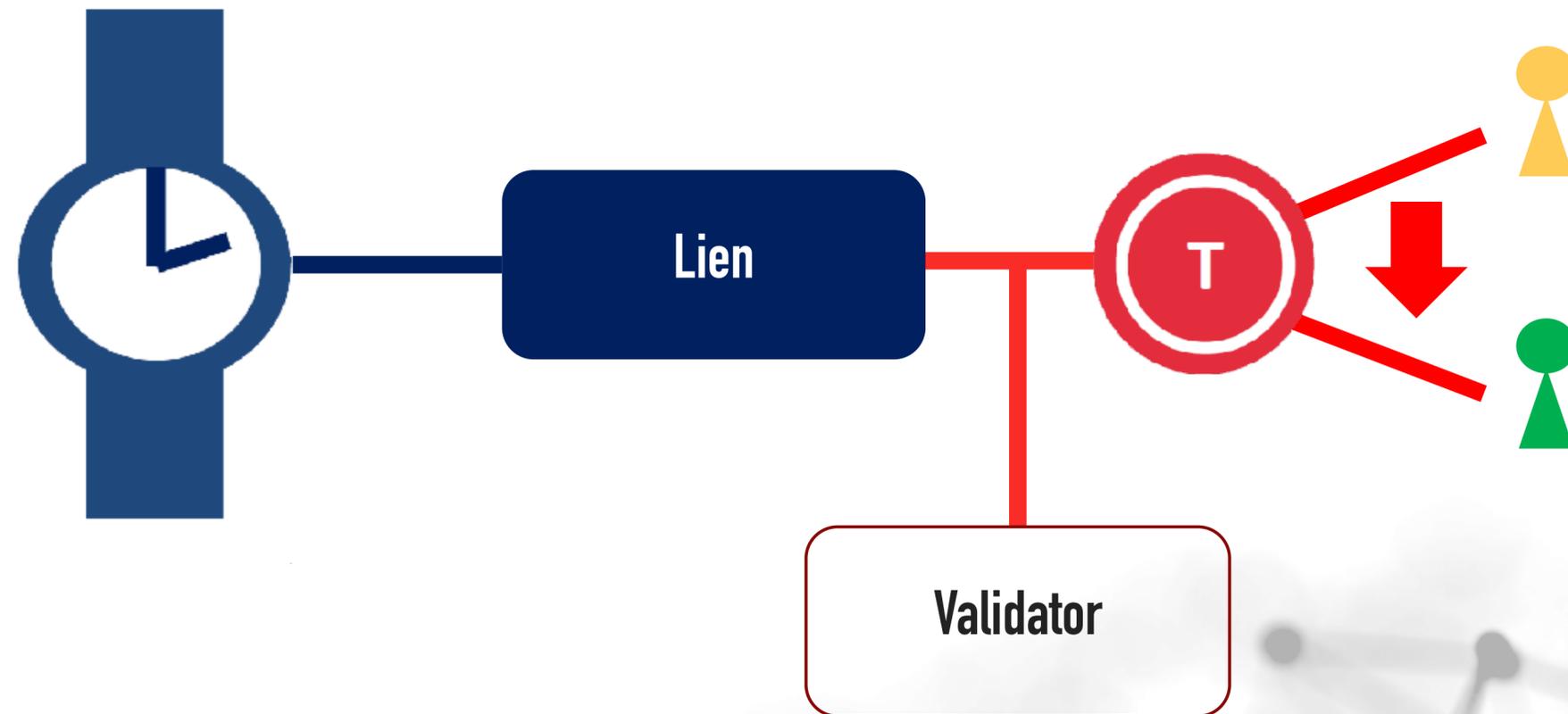
CUSTODY OF TOKEN



LEGAL SAFETY OF THE CUSTODY TRANSFER OF TOKEN

- Legal differentiation of <Owner>, <Proprietor>, <Respresentative>
- Bankruptcy regulation: Trusted token are separate assets
- Activity will be monitored (only executable with the license of the BankG or TrHG)

LEGAL ENFORCEMENT ON THINGS



TOKEN EMISSION



- Token emission: Public offers of token
- Not only cryptocurrencies, but all sorts of token
- Control of token issuer
- Publication of basic information
- Exceptional rules

NATIONAL SUPERVISION



- Confidence in service providers is essential
- Formulation of general requirements of service provider in the token economy
- Monitoring by the nation creates efficiency
- <Quality-Label>
- Cooperation with financial service providers

GOALS OF THE LAW



- Protection of the user
- Protection of the service provider
- Protection of the trust in the digital legal regulations and the development of the token economy

SUMMARY



The law includes i.a.:

- Legal definition of the most important elements of the token economy
- Token basic model as base for the <Token-Economy>
- Establishing legal security for token buyers
- Bankruptcy regulations
- Minimum standards for centralized service provider
- Minimum standards for token sales, token emissions (Basic information)
- Treatments and regulations of the national supervision

TIME SCHEDULE



Start consultation: Summer 2018

Estimated legal validity: Summer 2019

THANK YOU





CRYPTO NATION

Contact us

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