

Insights



Benjamin Sauter and Jake Chervinsky Discuss the Rise of “Stablecoins” with CoinDesk

March 4, 2019

Publication: *CoinDesk*

Kobre & Kim attorneys Benjamin Sauter and Jake Chervinsky draw upon their experience in digital currency regulatory issues to discuss the rise of “stablecoins” with leading digital currency news site Coin Desk. Stablecoins – a fiat-backed currency that has seen recent growth in size, variation and investment – currently face a number of potential compliance risks, as well as imminent regulatory scrutiny from the Securities and Exchange Commission (SEC) and Commodity Futures Trading Commission (CFTC), as they continue to gain traction in the market.

“If stablecoins are classified as regulated securities or swaps, there could be serious consequences for a large segment of the crypto industry,” the team explains. “For example, stablecoin issuers might have to register their offerings and comply with all the ensuing regulatory requirements. Similarly, a company or fund that conducts or facilitates stablecoin transactions might have to register as a broker-dealer.”

[Read the full article here.](#)