

SEC Considers Cryptocurrency

Earlier this year the SEC took on the subject of virtual currency. Specifically, when cryptocurrency, like Bitcoin, would be considered a security and subject to United States Securities Laws.

Read the SEC guidance, get a cryptocurrency primer and see current legal news on the topic below:

**SEC Cryptocurrency Guidance,
SEC Release No. 81207**

**EXPERT ANALYSIS:
Cryptocurrency: A Primer**

**Read Recent Legal News
On Virtual Currency**



Can't Contract Out Of Section 12

In an attempt to mitigate the risk of a rescission offer in the event that the token is later deemed to be a security, some token purchase agreements for recent initial coin offerings (ICOs) and presales contain language that attempts to disclaim liability and prospectively remove the possibility of rescission, stating that token purchases are irreversible and there is “no refund under any circumstances.” Other token issuers characterize the payments received from token buyers as nonrefundable donations, using a Switzerland foundation as the legal entity. However, caveat emptor or “buyer beware” has its limitations, and token issuers cannot contract out of compliance with securities laws, including Section 12 rescission. [Rescission In The Age Of Cryptocurrency, Law360, September 25, 2017](#)