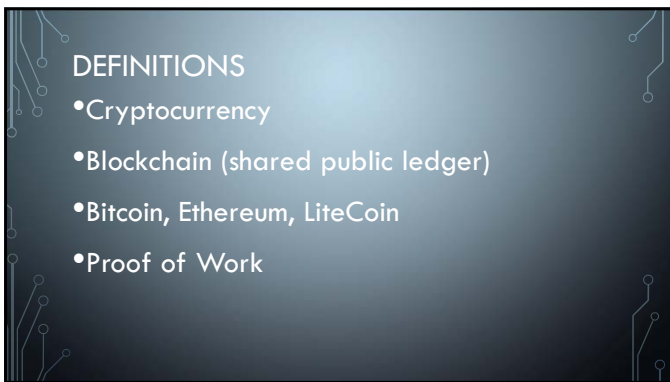


WHAT IS CRYPTOCURRENCY?

23RD ANNUAL WHITE-WILLIAMS BANKRUPTCY INSTITUTE
SARAH STARNES
UNIVERSITY OF AKRON SCHOOL OF LAW



DEFINITIONS

- Cryptocurrency
- Blockchain (shared public ledger)
- Bitcoin, Ethereum, LiteCoin
- Proof of Work



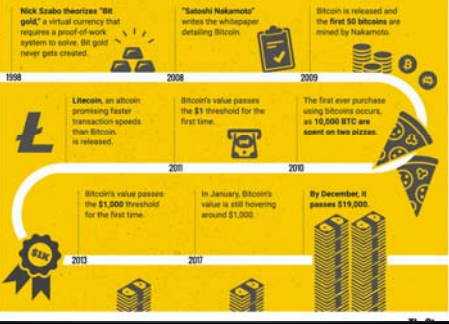
DEFINITIONS

- Private Keys – Transactions
- Mining (processing)
- Initial coin offerings
- Utility tokens

HISTORY OF CRYPTOCURRENCY

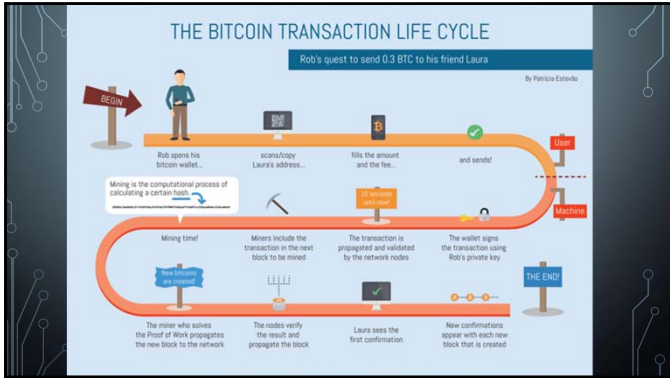
- Origins of Digital currency
 - 1982 DIGI-Cash
 - 1997 HashCash
 - 1998 B-money & Bit Gold
 - 2008 – Bitcoin!

THE HISTORY OF CRYPTOCURRENCY: A TIMELINE



HOW







- ### HOW TO USE BITCOINS AND WHERE?
- Major companies are starting to accept bitcoin
 - Overstock
 - Expedia
 - Subway
 - PayPal
 - Shopify
 - Microsoft
 - Dish Network
 - Pizzaforcoins

WHAT DOES THIS MEAN FOR ATTORNEYS?

- Additional Payment method
- Blockchain Smart Contract
- Secure Transfer of Assets (a new type of bookkeeping system)
- Estate planning or trust management

Who is using cryptocurrency anyway?



CRYPTOCURRENCY AND TAXES

- The IRS is going after Bitcoin profits...
- Advise your clients to report capital gains

IS IT A CURRENCY, A SECURITY OR A COMMODITY?

- Official currency?
 - Congress has yet to pass any laws regulating cryptocurrencies
 - But can be traded, exchanged, and used to buy goods and services
- New York Federal Judge – It's a security and subject to the SEC regulations on fraud
 - Negotiable financial tool with monetary value
- Different New York Federal Judge – It's a commodity and can be regulated by the U.S. Commodity Future Trading Commission

QUESTIONS?

- Sarah Starnes
- ssstarnes@wakron.edu
- 330.972.5291
