



mark hiraide featured in *law360*

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Mark Hiraide was featured in *Law360* for authoring the article, "5 Considerations to Give Crypto Sellers Pause Post-Ripple," published on August 1, 2023.

The article discusses the case *U.S. Securities and Exchange Commission v. Ripple Labs Inc.*, in which a federal judge held that Ripple's institutional sales of XRP tokens were sales of securities in violation of the registration provisions of the Securities Act, but the programmatic sales to the public were not investment contracts and did not satisfy the "Howey test" for securities. However, Mark's perspective is that the court's decision is fact-specific and may not be a binding precedent for other cases, leaving certain questions unanswered in the realm of token distribution and compliance with federal securities laws.

From the article...

"Although at first glance the order appears to provide a mechanism to distribute tokens to the public through programmatic sales to market makers without complying with the federal securities laws, the order raises a number of difficult unanswered questions. Unfortunately, Judge Torres' Ripple decision does not make carving a pathway to a compliant token distribution any easier. No doubt, token issuers will try."

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practice areas

capital markets & securities

corporate & business transactions

crypto assets & blockchain technology