

OUR PRACTICE

Blockchain and Digital Assets Technology

Baker Donelson's Blockchain and Digital Assets Technology attorneys offer clients multi-disciplinary representation in the growing area of blockchain and digital asset technology, including corporate and business matters, securities, Anti-Money Laundering and Know-Your-Customer (AML/KYC), money transmitter, Office of Foreign Assets Control (OFAC), cybersecurity, privacy, intellectual property, litigation, government relations, and public policy. Clients benefit from working with a group that understands the underlying technology to help frame the legal issues affecting blockchain and digital assets, enabling them to collaborate to develop thoughtful, effective business solutions.

Our lawyers and advisors recognize the technological, business, and public policy scenarios faced by clients in the world of blockchain and digital assets. We represent a broad spectrum of organizations, including venture capitalists, financial institutions, technology start-ups, and international companies. We help them navigate the complexities of virtual currency, digital assets, non-fungible token (NFTs), cryptocurrency mining, decentralized finance and other blockchain technology applications.

With backgrounds in corporate law, securities law regulations, AML/KYC, Bank Secrecy Act, OFAC, intellectual property, financial services, real estate, and tax, we provide a comprehensive legal and public policy approach on the issues that matter – from crypto mining and digital assets to virtual currency and the regulatory analysis of NFTs.

We provide deliberate, knowledgeable, and accomplished counsel across the following areas of service:

Corporate and business. We advise clients on entity formation, contract negotiation, mergers and acquisitions, securities, commodities, and regulatory compliance.

Intellectual property. Our IP lawyers have filed several patent applications for blockchain systems. We also offer intellectual property analysis of our clients' emerging technologies and identify appropriate legal protections.

Business litigation. Disputes involving business arrangements may arise, and our commercial litigation attorneys skillfully advise clients across a broad spectrum of industries.

Government relations and public policy. When disruptive legislation and regulations are being drafted, it's vital to be aware of what's coming. We stay abreast of emerging policy issues to help clients mitigate regulatory risk and achieve their policy goals. Our advisors work to develop strategic messaging and deliver it to key decision makers in Congress, the White House, and federal agencies.

Real estate. Crypto mining requires large warehouses to store the digital technology. Clients rely on Baker Donelson's commercial real estate lawyers to negotiate transactions successfully and skillfully.

Energy. A significant amount of energy is needed for crypto mining. We have experience handling complicated power purchase agreements as well as advising on energy credits for miners pursuing green and carbon neutral strategies.

Tax. We advise clients on the tax implications of purchasing and selling blockchain technology.

Global Business. We prepare export compliance programs, such as policies, procedures, and personnel training, including International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR).



Representative Matters

- Represented a European company creating an NFT exchange in the U.S. Advised the client on developing their business model based on considerations around the NFT and exchange being regulated under the securities laws, AML/KYC, OFAC, intellectual property, cybersecurity and privacy concerns impacting the launch of the exchange.
- Represented a publicly held company in the \$50 million development of a new crypto mining facility that included the power contract, purchase of 1,000 mining machines, and procurement of facilities necessary to host the machines.
- Represented a publicly traded company in \$12 million construction contract for building a modular mining facility on a four-acre property.
- Advised a U.S. client on the set-up of a modular data mining center along with negotiation of a power contract and structure of the mining hosting contract with customers.
- Advised a crypto currency company when a customer breached a contract relating to non-payment of mining hosting fees.
- Represented a publicly held company in the \$7 million purchase of a data center that will be redesigned into a crypto mining facility.
- Represented a high net worth individual who lost over 50 Bitcoin on an exchange subject to Securities and Exchange Commission (SEC) sanction.
- Advised a multi-national play-to-earn crypto gaming and entertainment company on corporate and tax structure, securities law compliance, export compliance, and various related matters.
- Advise a multi-national crypto mining company on policy developments and strategy, including federal tax, SEC, energy, and AML/KYC policy.