

# Blockchain Compliance – Instructor Training Program

This program is designed to train University Instructors with the knowledge and skills needed to teach **Blockchain Compliance**. Participants will receive comprehensive training on the fundamental concepts, technologies, and applications of Blockchain Compliance, as well as the best practices for delivering effective instruction in a university setting.

The program aims to provide instructors with the tools and resources they need to effectively educate the next generation of Blockchain Compliance professionals.

# Training Program Overview

## Aims of the training program

This course will introduce blockchain technology, including cryptocurrencies such as Bitcoin, Ethereum, and Litecoin. The course will cover the legal implications of these technologies, including smart contracts, the development of blockchain, and the treatment and regulation of crypto assets. Students will also learn about Intellectual Property Law, legislation, taxation, and the use of NFTs and DeFi. Additionally, the course will cover the criminal aspects related to these technologies, as well as Securities Laws, cybersecurity, data privacy, and government regulations. The course will conclude with a discussion of the Metaverse, Legal Tech, Bitcoin markets, and their regulation. The goal of the course is to provide students with a broad understanding of cryptocurrencies, blockchain, and the legal and policy issues surrounding them.

## Duration

Duration of the course: 6 weeks  
A total of 18 lessons are available  
Duration of one lesson: 1.5 hours

# Blockchain Compliance Syllabus

## Part 1: Course Information

### Course Description

The course is structured into 6 modules over 6 weeks, beginning with an introduction to blockchain technology and progressing to advanced blockchain compliance. By the end of the program, participants will possess a basic understanding of blockchain technology and its applications, along with knowledge of the legal and policy implications associated with blockchain technology and cryptocurrencies.

### Prerequisite

Law, Political Science, Public Administration, International Relations, Economics

### Textbook & Course Materials

#### Required Text

- Smart Legal Contracts Advice to Governments
- Blockchain and Trust by Bruce Schneier
- "The Law of Bitcoin" by P. Rohan Gray: This book provides a comprehensive analysis of the legal and regulatory issues related to Bitcoin and other cryptocurrencies.
- "Ethereum: Blockchains, Digital Assets, Smart Contracts, Decentralized Autonomous Organizations" by Henning Diedrich: This book is a comprehensive guide to the Ethereum blockchain platform and its programming language, Solidity, and provides an in-depth look at the development of decentralized applications on the Ethereum network.

- "Blockchain Basics" by Daniel Drescher: This book is a beginner-friendly guide to blockchain technology and its applications, covering key concepts such as decentralized networks, digital currencies, and smart contracts.
- "Blockchain: Blueprints for a New Economy" by Melanie Swan: This book provides an in-depth exploration of the potential applications and implications of blockchain technology, including its use cases in various industries and its impact on society and the economy.

### **Recommended Texts & Other Readings**

- Whitaker, Amy, and Roman Kräussl. Blockchain, Fractional Ownership, and the Future of Creative Work Available at SSRN 3100389 (2019).
- Art and Blockchain (Article, Artivate.org) A Primer, History, and Taxonomy of Blockchain Use Cases in the Arts

# Blockchain Compliance

## Part 2: Student Learning Outcomes

**The student will show a working knowledge in:**

- Blockchain Concepts
- Smart Contracts and Smart Legal Contracts
- Decentralized Finance (DeFi)
- Decentralized Autonomous Organization
- Cryptocurrencies
- Securities Law
- International Treatment of Cryptocurrencies
- Crime, AML, Terrorism
- Data Privacy
- Estate Planning
- Legal Tech
- Metaverse
- Method and Tools for Compliance

## Part 3: Topic Outline/Schedule

### • **Week 1: Introduction to Blockchain Technologies**

- Introduction to Blockchain and key terms
  - History of Money
  - History of Blockchain
  - Merkle Tree, Blockchain Workflow, Blockchain Demo, Blocks

- Blockchain Technology
  - Blockchain fundamentals (Digital Security Technology (Hash, Sign), DLT Technical Concepts (minig, distributed consensus, PoW, attacks, etc), Forks (Hard, Soft, Orphan)
- Cryptography in blockchain
  - Cryptography in Blockchain
  - Symmetric & Asymmetric Encryption
  - Cryptographic hash function
  - GROUP DISCUSSION

## • **Week 2: Smart Contracts and DeFi**

- Introduction to Smart Contracts
  - What is Smart-contract?
  - Ethereum smart- contracts, Bitcoin Smart-contracts, Smart-contracts in other blockchains, Layer 2 and Payment Channel Networks
  - Introduction to Smart Contracts and Solidity
  - Smart contracts legal implications, risks and international regulation
- Decentralized Finance (DeFi)
  - What is DeFi?, DeFi Protocols, DeFi vs TradFi (including crypto banking and CeFi)
  - Applications of DeFi (Decentralized Exchanges, Lending and Borrowing, Stable Coins, Synthetic Assets, Staking, Insurance)
  - DeFi Risks, Regulations, and Opportunities
- Token Development
  - Token types and standards, NFTs and ERC-721/ERC-5511 tokens
  - ERC-20 tokens, Stablecoins and Achieving stability
  - GROUP DISCUSSION

## • **Week 3: Legal Development for Major Blockchain Use Cases and DAOs**

- Blockchain Use Cases

- Retail, Manufacturing, Financial Services and Banking
- Securities and Trading, Real Estate, Education, Legal Industry, Insurance, Health Care, Public Sector
- Legal tech: What is Legal Tech? Use Cases, Examples & Future
- Societal Impacts
  - The promise vs. the practice, Energy Usage, Crypto Exchanges, Cybersecurity Considerations, Illicit Content, Money laundering
- The DAO: (Decentralized Autonomous Organization)
  - Goals of the DAO, raising funds, risks
  - How did the creators of the DAO envision it transforming legal and financial structures more generally?
  - Cases of legally recognized DAO
  - GROUP DISCUSSION
- **Week 4: Cryptocurrencies I**
  - Understanding Cryptocurrency
    - What is Cryptocurrency? What is the Role of Blockchain?
    - What gives cryptocurrency value? What are the risks?
    - How criminals obfuscate activities with crypto?
  - Regulation of cryptocurrencies
    - Cryptocurrencies and Law
    - International Treatment of Cryptocurrencies
  - Tokenization of real world assets (RWA), Central Bank Digital Currency
    - Cryptoassets as Property and as Commodities, Regulation of Cryptoassets, KZ CBDC
    - GROUP DISCUSSION

• **Week 5: Cryptocurrencies II**

- Cryptocurrencies and Law I
  - Cryptocurrencies & Crime, including common crime typologies
  - Cryptocurrency & Money Laundering
  - Cryptocurrencies & Terrorism
- Cryptocurrencies and Law II
  - Obstacles to cryptocurrency tracing
  - Governance of Cryptocurrency
  - Estate Planning for Cryptocurrency
- Method and Tools for an effective Cryptocurrency Compliance Program
  - The Cryptocurrency Risk Appetite, Performing the Cryptocurrency Financial Crime Risk Assessment, Monitoring Cryptocurrency Activity With Software Solutions
  - What Exactly Do Cryptocurrency Transactions Monitoring Tools Do? Identifying Cryptocurrency Red Flags, Identifying Illicit Activity With Software Solutions
  - GROUP DISCUSSION
- **Week 6: Metaverse and digital identity**
  - What is Metaverse and digital identity?
    - How to address user's data protection in the Metaverse?
    - How to acquire property in the Metaverse? Why?
  - Law in the Metaverse
    - Legal issues in the Metaverse?
    - How to trademark the Metaverse
    - What law firms should know about buying property in the Metaverse?
  - FINAL PROJECT



# Blockchain Compliance

## Part 4: Grading Policy

### Graded Course Activities

Performance evaluation

Points	Description
20%	Participation
80%	Final Project
<b>100</b>	<b>Total Points</b>

### Late Work Policy

Be sure to pay close attention to deadlines—there will be no make-up assignments or quizzes, or late work accepted without a serious and compelling reason and instructor approval.

### Viewing Grades in LMS

Points you receive for graded activities will be posted to the Learning Management System.

## Letter Grade Assignment

Final grades assigned for this course will be based on the percentage of total points earned and are assigned as follows:

Letter Grade	Percentage	Performance
A	93-100%	Excellent Work
A-	90-92%	Nearly Excellent Work
B+	87-89%	Very Good Work
B	83-86%	Good Work
B-	80-82%	Mostly Good Work
C+	77-79%	Above Average Work
C	73-76%	Average Work
C-	70-72%	Below Average Work
D+	67-69%	(Fail) Poor Work
D	60-66%	(Fail) Very Poor Work
F	0-59%	(Fail) Failing Work

Based on the specific grade for each assignment, and the final grade, the following criteria must be satisfied:

Grade	Criteria to be satisfied
90-100	<ul style="list-style-type: none"> <li>- Work would be worthy of further dissemination under appropriate conditions</li> <li>- Mastery of advanced methods and techniques at a level beyond that explicitly taught</li> <li>- Ability to synthesize and employ in an original way idea from across the subject</li> <li>- Outstanding command of critical analysis and judgment</li> </ul>
80-89	<ul style="list-style-type: none"> <li>- Excellent range and depth of attainment of intended outcomes</li> <li>- Mastery of a wide range of methods and techniques</li> <li>- Evidence of study and originality of what has been taught - Able to display a command of critical analysis and judgement</li> </ul>

70-79	<ul style="list-style-type: none"> <li>- Attained all the intended learning outcomes for a unit</li> <li>- Able to use well a range of methods and techniques to come to conclusions</li> <li>- Able to employ critical analysis and judgement</li> </ul>
60-69	<ul style="list-style-type: none"> <li>- Some limitations in attainment of learning objectives, but has managed to grasp most of them</li> <li>- Able to use most of the methods and techniques taught - Evidence of study and comprehension of what has been taught but grasp insecure</li> <li>- Some grasp of the issues and concepts underlying the techniques and material taught, but weak and incomplete</li> </ul>
50-59	<ul style="list-style-type: none"> <li>- Attainment of only a minority of the learning outcomes - Able to demonstrate a clear but limited use of some of the basic methods and techniques taught</li> <li>- Weak and incomplete grasp of what has been taught</li> <li>- Deficient understanding of the issues and concepts underlying the techniques and material taught</li> </ul>
25-49	<ul style="list-style-type: none"> <li>- Attainment of nearly all the intended learning outcomes deficient</li> <li>- Lack of ability to use at all or the right methods and techniques taught - Inadequately and incoherently presented</li> <li>- Wholly deficient grasp of what has been taught</li> <li>- Lack of understanding of the issues and concepts underlying the techniques and material taught</li> </ul>
0-24	No significant assessable material, absent or assessment missing a must pass component

### Methodological Guidelines

Assessment is administered continuously throughout the course. The students are rated against their performance in continuous rating administered throughout the training program.

• **Graduation criteria** Students should meet all of the criteria to successfully pass the training program.

Criteria: Attendance  $\geq 70\%$ , overall grade  $\geq 70\%$ , final exam  $\geq 50\%$ .

## Blockchain Compliance

### Part 5: Course Policies

#### Attend Class

Students are expected to attend all class sessions as listed on the course calendar. To successfully graduate the course students must have  $\geq 70\%$  attendance.

#### Complete Assignments

**All assignments for this course will be submitted electronically through LMS unless otherwise instructed.**

Assignments must be submitted by the given deadline or special permission must be requested from instructor *before the due date*. Extensions will not be given beyond the next assignment except under extreme circumstances.

All discussion assignments must be completed by the assignment due date and time. Late or missing discussion assignments will affect the student's grade.

#### Commit to Integrity

As a student in this course, you are expected to maintain high degrees of professionalism, commitment to active learning and participation in this class and also integrity in your behavior in and out of the classroom.

#### Academic Dishonesty Policy

1. Academic dishonesty includes such things as cheating, inventing false information or citations, plagiarism and helping someone else commit an act of academic dishonesty. It usually involves an attempt by a student to show possession of a level of knowledge or skill that he/she does not possess.

2. Course instructors have the initial responsibility for detecting and dealing with academic dishonesty. Instructors who believe that an act of academic dishonesty has occurred are obligated to discuss the matter with the student(s) involved. Instructors should possess reasonable evidence of academic dishonesty. However, if circumstances prevent consultation with student(s), instructors

may take whatever action (subject to student appeal) they deem appropriate.

3. Instructors who are convinced by the evidence that a student is guilty of academic dishonesty shall assign an appropriate academic penalty. If the instructors believe that the academic dishonesty reflects on the student's academic performance or the academic integrity in a course, the student's grade should be adversely affected. Suggested guidelines for appropriate actions are: an oral reprimand in cases where there is reasonable doubt that the student knew his/her action constituted academic dishonesty; a failing grade on the particular work, project or examination where the act of dishonesty was unpremeditated, or where there were significant mitigating circumstances; a failing grade in the course where the dishonesty was premeditated or planned.

**Important Note:** Any form of academic dishonesty, including cheating and plagiarism is strictly prohibited

**Course policies are subject to change.** It is the student's responsibility to check materials for corrections or updates.