A decorative graphic on the left side of the slide consisting of two overlapping parallelograms. The front one is blue and the back one is a light green color. They are positioned diagonally, with the blue one partially covering the green one.

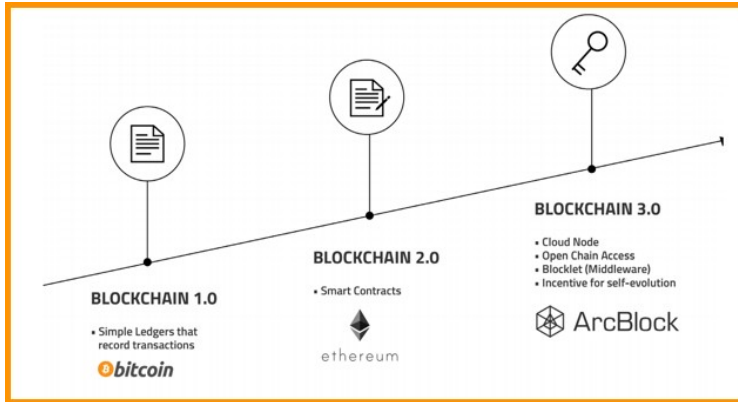
Regulations: Navigating the Conundrum of the Crypto Space

Individual-1

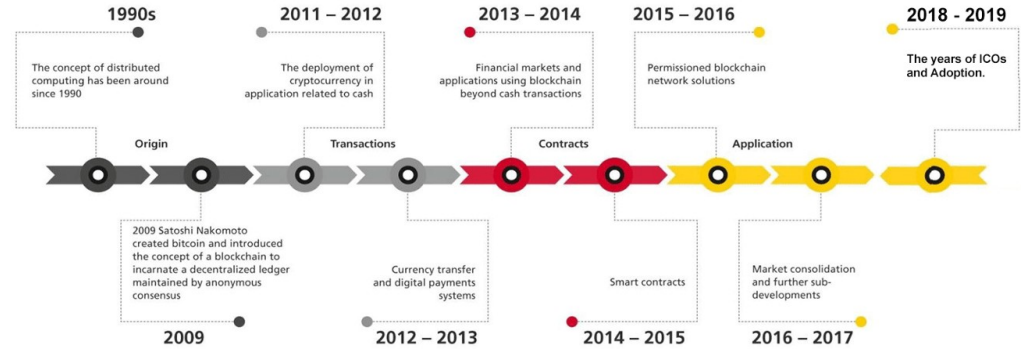


The Crypto Landscape

The Meteoric Rise of the Blockchain Era



BLOCKCHAIN HISTORY



- Worldwide, the numbers show that blockchain-based technology and cryptocurrency use is growing. Blockchain wallet users rose from nearly 9 million in 2016 to over **42 million in 2019**.
- Developers produced a mere 100 decentralized apps (DApps) in 2015—with that number skyrocketing to over **3,100 by 2019**.
- Overall, cryptocurrencies are helping to create an innovative and accessible financial system around the world.

The Many Trends of Blockchain Adoption

The blockchain revolution is enabling more efficient and transparent financial systems, digital asset ownership, and non-inflationary hard money assets.



Digital hard money
and assets



Decentralized
finance (DeFi)



Unique goods and
collectibles markets
through NFTs

With more than **\$280 billion** in Total Value Locked (TVL) across decentralized applications, the blockchain-powered financial revolution is already underway.

Source: Defi Llama (March 2022)

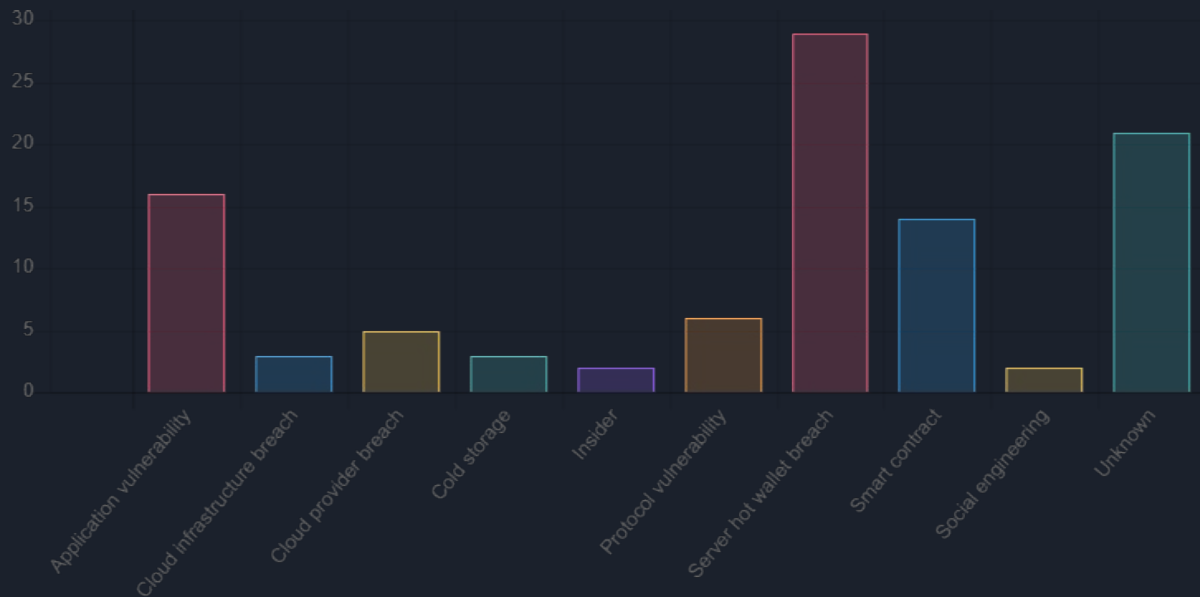
Regulators vs Bad Actors: A Match Made in Hell



Innovation vs Duplication: Winner take All

- In the short run, the market is a voting machine but in the long run it is a weighing machine.” - Ben Graham
- The speed at which a project's success is recognized, is not that important as long as the intrinsic value is increasing at a satisfactory rate or maintains a strong economic moat

Blockchain Graveyard



ROOT CAUSE ESTIMATES

The data above is roughly gleaned from publicly available data about 94 incidents. This should assist estimation during threat modeling

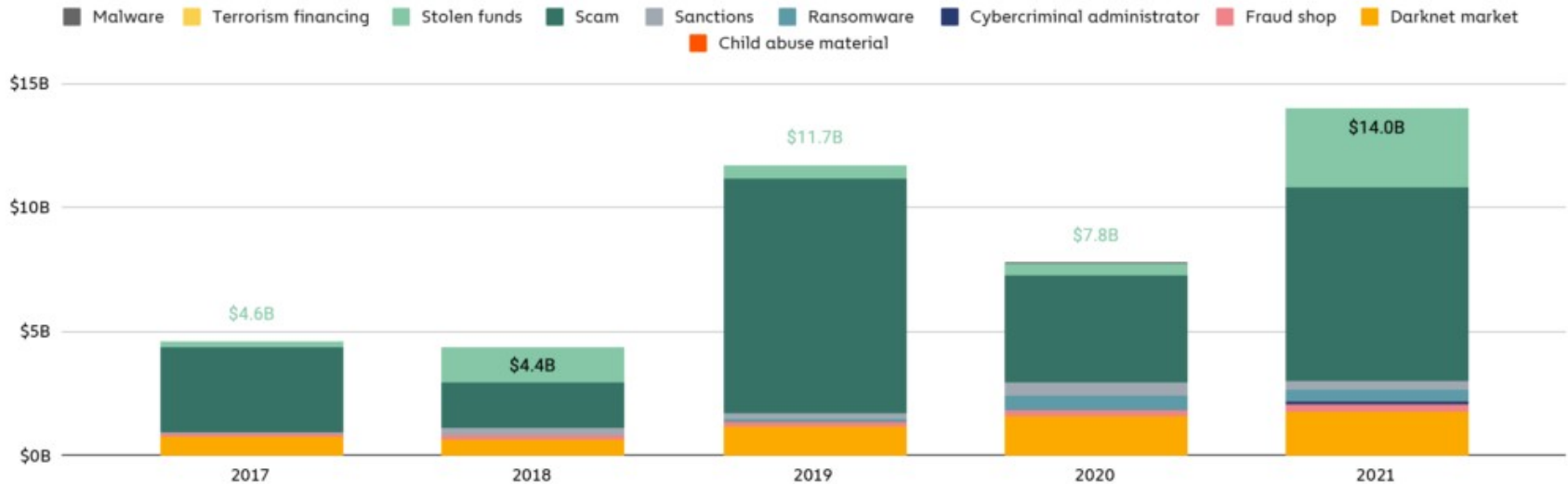


The Yin-Yang Scenario I

Digitalization of the financial system may have unwittingly imported some existing limitations of the current system & would thus have to yield itself to scrutiny

Innovation & regulation remain tightly intertwined and could have varying effects on existing & future projects

Total cryptocurrency value received by illicit addresses, 2017 - 2021



PETs as the Black Sheep

- Regulators will maintain hostile approach to privacy coins
- Bad faith actors cause loss of confidence in widespread adoption by the public
 - Noobs remain on the fence due to FUD

Cryptocurrencies

By Michael Nderitu



How Litecoin [LTC] is reacting to news of delisting from Korean exchanges

Litecoin (LTC) is on the spotlight once again days after launching its Mimbalewimble upgrade and for a related reason. Multiple South...



How do different countries around the world approach crypto-regulations?



Yin-Yang Scenario II

Measures introduced to combat financial impropriety in the crypto space has become a double edged sword

Possibilities exist for which PETs could ride the regulation tailwind to advance various projects

Government & corporate exposure to the crypto space by CBDCs and balance sheet exposure has yielded a softer tone on which regulators are currently operating.

Anti-Money Laundering Regulators

Around The World



Thanks!