

## Lifestyle & Culture

# E&S GROUP A MALTESE CORPORATE AND LEGAL FIRM IS OFFERING SERVICES TO THE BLOCKCHAIN BASED SPHERE

This year Malta has successfully pioneered itself becoming the first jurisdiction to pass three progressive laws attracting many Distributed Ledger Technology (DLT) based companies to the island. One of the companies that foresaw the importance of DLT technologies is the multi-facet Maltese firm, E&S Group.

### Who is E&S Group?

Situated on a little gem in the middle of the Mediterranean Sea, right in the hub of buzzing hotels and tourist hot spots, E&S Group advises and manage clients' accounts operating in various sec-

tors from aviation, corporate, to iGaming, handling yachting registrations and for the past year crypto! Since most of their clients are foreigners, E&S Group helps to open up their company in Malta abiding by Maltese law.

Only last year, before the Maltese government started discussing ways how to regulate the DLT market, the two founding members started to delve into the blockchain and crypto sector. They researched in various inter-

net sites and got personal experience to help them understand this technology behind blockchain and Initial Coin Offering (ICO). Having a legal and financial background they understood the implications it can

cause, thus creating a specialised service for their ICO clients. In 2018 alone, E&S Group has advised over 70 ICO companies making it a leader in the industry.

Now that you have a brief overview of who we are, I will explain a bit about this new platform which is conquering the world by storm.

### The Beauty of Blockchain.

So, I will start off by explaining how blockchain came about. This buzzword has been around since 2008 when a cryptographer decided to published a research paper about the Peer-to-Peer decentralised technology. His or her official name is not yet known but it holds its name under the pseudonym Satoshi Nakamoto. He came up with a Peer-to-Peer decentralised technology made up of blocks called nodes of computers. These complex computers, forming a chain, are set to decipher codes given to them by the user to process and store their data. When one node of computer successfully encrypts and stores the data, they will send it over to the next computer until the chain is complete. The advantage of blockchain technology is that it does not need any involvement of a third party such as banks and other institutions which involves added costs. Moreover, this platform is very quick, easily accessed and secure.

Blockchain which falls under the Distribution Ledger Technology (DLT) cap can be used not only to store data, but it can be used to provide a service, issuing of digital coins, commonly known as cryptocurrencies, voting rights in elections and offering a service through digital contracts known as 'smart contracts'.

Many companies are opting to use this platform to raise money for their business through a crowdfunding process. In fact, they opt to open up ICOs which refer to Initial Coin Offering. Through an ICO, companies are subjected to raise funds from investors willing to participate in their token offer. Investors offer tokens to those participating in the crowdfunding so they can use their services offered or as means of money (according to what the company is offering).

If you would like to know more about E&S Group and their tailor-made ICO Legal services, visit their website on <https://ellulschranz.com/service/ico-legal-services/> or by sending them an email on [info@ellulschranz.com](mailto:info@ellulschranz.com). Our expert advisors will guide you along the way. Our goal is to make your ICO a successful one from concept stage up to your initial offering.

## How can a firm provide services to blockchain companies?

**Analise Borg** sat down with the founding members of E&S Group, **CHRIS ELLUL** and **KARL SCHRANZ** to explain further how their company shifted their operations into ICO and blockchain.

*What made you want to shift from advising corporate services to Blockchain and Crypto? How did it come about?*

We have been involved in the crypto and blockchain industry since early 2017. We were asked to assist in a transaction which introduced us to this world and as a young and dynamic firm we were immediately intrigued by the potential offered, not only by the technology, but also the availability of the community to fund projects they truly believe in.

Whilst we are now very active in the Blockchain and Crypto advisory, I would not say that our core business has shifted. Crypto and blockchain businesses require the same type of services as other businesses in other industries. What we have done is to be one of the first firms to have invested in establishing a strong advisory team focused on blockchain and crypto.

*Since your company is the first one to offer such services with no specific guidelines set by any authority, how did you find out what needs to be presented to open up ICOs in Malta?*

There was a 4 month gap between the firm identifying the potential of the Industry and actually offering this solution to clients. These months were spent researching the industry, Local and EU legislation as well as holding discussions with authorities. We had identified that an ICO can be run as a reward based crowdfunding, which did not require any specific permission. Naturally such offers were drafted to be in line with all the other pieces of legislation that are already in force.

*What kind of services are you offering to your clients?*

We do not only offer legal services to Blockchain and crypto related businesses, but we also have a team offering tokenomics as well as banking and Know Your Customer/Anti-Money Laundering solutions.

*With the introduction of the new legislation, your company's services are now sought after. Are you finding a good workforce interested in this sector?*



We have been actively recruiting for over a year now. Being still in its infancy, we focus on recruiting talent with an interest in the sector as it is practically impossible to find experienced candidates. New recruits are then put through an intensive internal training.

*What type of clients seek your Blockchain / Crypto Legal services? Do you have both foreign and local projects in the pipeline?*

Most of the projects we are involved in are happening through Malta. Initially we only had projects with foreign promoters, however recently we have some very interesting local projects that we are thrilled to be working on.

*With the positive response you are seeing in this sector, do you believe that blockchain and crypto will be the new future of the economy? Why?*

Whilst still in its infancy, the technology is developing at a very rapid pace. This is mainly due to the availability of capital through ICOs. Whereas through regular funding rounds one could expect to take a sig-

nificant amount of time to get their project funded to be market ready. Through ICOs, this timeline is significantly reduced. This means that we could see the effects of blockchain and crypto currencies in our daily lives sooner than most can imagine.

*Do you think that Malta will remain the leader in this sector, now that these laws are soon to be implemented?*

Currently, Malta has a significant advantage over other countries in this sector. We believe that this is not only due to the strength of the new laws, but also due to the fact that authorities have taken their time to understand the requirements of the industry. There is a lot of excitement around Malta in this space with many key players actively moving here. The major concern is to ensure the supply of a qualified workforce. Currently, this is difficult in Malta due to the lack of expertise. The government, however, is tackling this issue and we are seeing a significant influx of foreign workers to reduce this skill gap.