

V- Security tokens

Security tokens pass the Howey test of the US authorities

Howey test:

- ✓ Investment of money
- ✓ In a “common enterprise”
- ✓ With an “expectation of profit”
- ✓ “solely on the efforts of others”

<https://www.sec.gov/news/press-release/2020-146>

Telegram to Return \$1.2 Billion to Investors and Pay \$18.5 Million Penalty to Settle SEC Charges

<https://www.sec.gov/news/press-release/2020-124>

Unregistered \$25.5 Million ICO Issuer to Return Money for Distribution to Investors

<https://www.sec.gov/news/press-release/2020-37>

ICO Issuer Settles SEC Registration Charges, Agrees to Return Funds and Register Tokens As Securities



Securities and Exchange Commission in the USA is very active in bringing security violations against companies

<https://www.sec.gov/ICO>

Please go through the following links to understand EU and Finnish regulations of crypto tokens

Finnish regulations and guidance on crypto assets

<https://www.finanssivalvonta.fi/en/fintech--financial-sector-innovations/virtuaalivaluutan-tarjoajat/>

Finnish regulations and guidance on Fintech

<https://www.finanssivalvonta.fi/en/fintech--financial-sector-innovations/>

European parliament and European Union regulatory updates

[https://www.europarl.europa.eu/RegData/etudes/STUD/2020/648779/IPOL_STU\(2020\)648779_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/648779/IPOL_STU(2020)648779_EN.pdf)

<https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12089-Directive-regulation-establishing-a-European-framework-for-markets-in-crypto-assets/public-consultation>

Security Token Exchanges: Introduction

