

**The Challenges to Securities Regulatory Thinking in the  
Blockchain Era: Comments on the Latest Regulatory  
Guidelines for Securities Token Offerings Issued by Taiwan’s  
Financial Supervisory Commission**

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**Abstract**

The blockchain technology as applied to the offering of crypto assets has created new fund-raising vehicles and capital market eco-systems. At the same time, it also brings new impacts on securities regulations. In June 2019, Taiwan’s Financial Supervisory Commission (“FSC”) designated securities tokens as securities and enacted preliminary regulatory guidelines for small-sum securities token offerings and trading platforms, which commenced Taiwan’s securities regulation of crypto assets. That said, many regulations, such as introducing the concept of investment contracts from U.S. laws to define securities tokens, restricting the small-sum offerings to the subscription by accredited investors, restricting trading platforms to bilateral trading, single platform trading, and accredited investor trading, require further contemplation. In this paper, I provide comments on FSC’s regulatory guidelines and focus on the definition of securities tokens and the regulations of small-sum offerings as well as trading platforms. By conducting comparative legal studies with U.S., U.K., Switzerland, and Singapore, etc., I explore the inadequacy of Taiwan’s securities regulations on the definition of securities, multiple securities offering channels, and regulations of securities trading venues and propose on wholesale amendments as well as partial adjustments. I also propose that Taiwan’s securities regulations shall consider blockchain’s characteristic of decentralization and stipulate special rules for the

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public notice requirement for the transfer of securities tokens and the regulation of central clearing businesses.

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