

FTX Founder Sam Bankman-Fried pleads not guilty

To list all the 13 current lawsuits against Bankman-Fried, the 30-year-old founder of the cryptocurrency exchange FTX, means writing a whole Ph.D. thesis. We look at two recent noteworthy lawsuits in combination with the FTX crash, which include bribe charges and a class-action lawsuit against supermodels and Superbowl winners. And if FTX are just three random letters to you, stick with us, we summarized the biggest crypto crash to make sure you are up to date with all the crypto tea.

SWITZERLAND

PostFinance offering crypto services to their 2.5 million customers
Postfinance, a government-owned Swiss Bank, announced that they will soon provide their customers access to trade cryptocurrencies such as Bitcoin or Ether.

INTERNATIONAL

Sustainable Blockchain Platform is Set to Revolutionize Industry
A launch was announced by two banks from Sweden and France of a new digital bond platform that is built on blockchain technology.

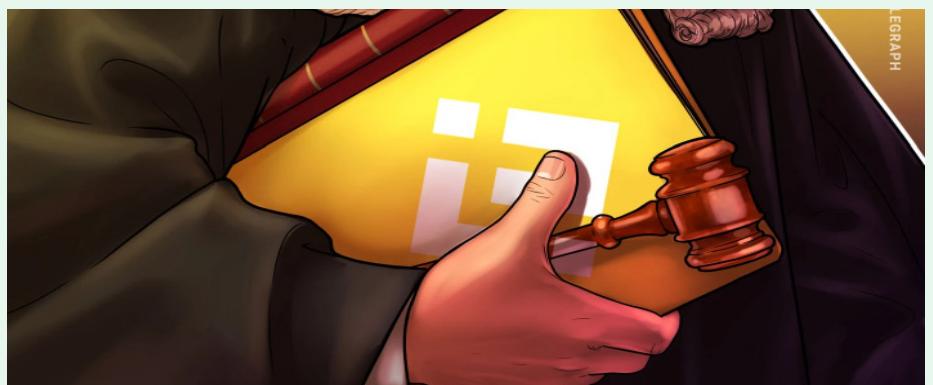
CRYPTOCURRENCY

ZeroSync develops zero-knowledge proof for bitcoin
A method to improve the privacy as well as the security of Bitcoin transactions; We bring you new Insights through [an Interview with the cofounder Robin Linus](#).

CRYPTO CRIMES

US sues Binance and Many Secrets are Revealed

The Commodity Futures Trading Commission (CFTC) has sued Binance, the world's largest cryptocurrency exchange, for allegedly violating US trading laws by allowing US-based investors to trade cryptocurrency derivatives without being registered with the CFTC. Binance could be barred from registering a derivatives exchange in the future....



CRYPTOCURRENCY

Latin America's Biggest Investment Bank Just Launched a Stablecoin on Polygon

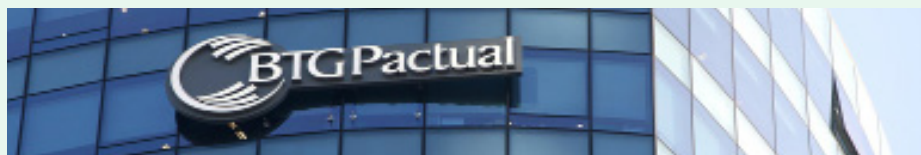
Prétat, Grégoire

The most significant Latin American investment bank, Brazil-based BTG Pactual, announced the creation of its own stablecoin on March 04. The BTG Dol token is now available for clients and pegged to the U.S. dollar.

This asset will run on the Polygon blockchain, which is compatible with Ethereum. And as the other stablecoin, it will simplify trading products in the DeFi space and the lives of many crypto traders who reside in markets where dollars are restricted or inaccessible. Since the failure of some stablecoins in the past, U.S. lawmakers have called for stablecoin issuers to be

regulated similarly to banks. BTG Pactual stated that this stablecoin would allow investors a "simple, efficient, and secure" way to invest in dollars.

Behind the U.S. and Canada, Brazil is the third-largest economy and the most active cryptocurrency market in Latin America. Where several prominent banks provide opportunities for investors to invest in digital assets. Additionally, Brazil boasts a higher number of Bitcoin exchange-traded funds (ETFs) compared to other nations in the region, and the clients will be able to stake as little as 100 reais (\$20) in this new stablecoin.



BTG Pactual, announced the creation of its own stablecoin

What Is Ethereum's Shanghai Upgrade?

Prétat, Grégoire

The Shapella upgrade, also referred to as Ethereum's Shanghai upgrade, is an important upgrade scheduled for April 12, 2023, that includes a significant advancement allowing stakers and validators to withdraw assets from the Beacon Chain. This has massive implications, since staked Ether accounts for about 16 million coins, representing a value of \$26 billion and a seventh of the token's total supply.

The allowance to withdraw staked token by validators constitute the most important development of this upgrade, which is technically known as Ethereum Improvement Proposal-4895, or EIP-4895.

As a means of fortifying the mechanism, validators have staked approximately 16 million ETH. They have played a crucial role on the Ethereum blockchain since the initiation of the Merge in September 2022. The purpose of the Merge was to shift the consensus mechanism from proof-of-work to proof-of-stake. Under the new post-Merge rules, validators are required to stake a minimum of 32 ETH in

the chain to participate in validating blocks, with the likelihood of receiving block reward increases with each staked ETH. Since the Beacon Chain was released in December 2020, which relies on proof-of-stake as a mechanism, validators have been staking ETH and locking up their rewards until a subsequent chain update.

However, even if this upgrade cancels the lock-in effect that validators were facing, analysts believe it is unlikely that they will withdraw their tokens due to Ethereum's strong staking yield and dominance in the DeFi space. Shanghai remains a relatively small upgrade, particularly compared to the Merge. But it will have the potential for a significant impact on those with staked ETH on the chain. And other upgrades to the Ethereum protocol are likely to come later in 2023, including some aiming to improve the Ethereum Virtual Machine and another hoping to split the Ethereum blockchain into several different "shards" to enhance scalability.

Bitcoin Reward Halving is Less than 400 Days Away

Wagner, Cendrine

Statistics have shown that Bitcoin's network is fewer less than 56'000 blocks away, which can be translated into less than 400 days from the next reward halving. This means that the block reward will be reduced to 50%, decreasing the current reward from 6.25 bitcoins to 3.125 bitcoins per block.

It takes approximately ten minutes to append a block onto Bitcoin's blockchain system. At this rate, the halving of Bitcoin's reward is scheduled to occur between April 21 – 28, 2024. However, depending on block time speeds, the approximate date may change.

Bitcoin is known for halving its block reward every 210'000 blocks mined, which occurs approximately every four years. The first halving took place on November 28, 2012, followed by the second one on July 9, 2016, and the third one on May 11, 2020.

Using BTC current exchange rate, the upcoming reward halving will be reduced from \$177'000 to \$88'500 per block. The halving of a blockchain reward typically results from a price increase of the token over time. It aims to prevent upscaling rewards, ultimately making Bitcoin more scarce and more valuable. This can be seen when inspecting Bitcoin's inflation rate. Its current inflation rate per annum is 1.71%; after the next halving event, it will sink to 0.8%.

The speculated value increase of the coin will positively affect BTC holders, thus making their Bitcoin wallets more profitable.



The block reward will be reduced to 50%.

ZeroSync Develops Zero-knowledge Proof for Bitcoin

Dang, Nadia; Triet, Robin

ZeroSync, a non-profit organization based in Switzerland, has recently developed a method to improve the privacy as well as the security of Bitcoin transactions. The company used a mechanism called "zero-knowledge proof" (ZK-proof) which allows transactions to be processed without needing to load the entire blockchain. Besides, the ZK-proof was created to check data transactions without relying too much on nodes. To do this, the company uses cryptographic proof. Additionally, developers were allowed to add their own proofs to the system through a toolkit. Through this process, they were able to disclose important data about their assets on trading platforms.

A zero-knowledge proof is a cryptographic protocol which allows one party (the prover), to prove that they have knowledge about certain information without revealing it. On the other side, there is a verifier who only knows that the prover has this information. The use of the zero-knowledge proof does not require a public key, which is why this method can be helpful for securing transactions. With the help of this mechanism, a transaction can be verified without leaking any private information (Sun et al., 2021).

This newly invented mechanism is still in the prototype phase, as it currently shows some underperformance in terms of security and speed. Besides, the ZK-proof does not have the ability to verify the digital signatures attached to each transaction on the Bitcoin blockchain. Robin Linus, one of the company's founders, stated, "The big vision is that you only have to download one megabyte of proofs, which is then as good as if you had loaded 500 gigabytes of data", meaning that ZeroSync aims to create a way to verify transactions without the need to download and process the entire blockchain. Instead, users would only need to download and process a small amount of proof data,

approximately 1 megabyte in size. This would allow mobile devices with limited capacities to be able to carry out data transactions.

In an Interview Robin Linus, one of the cofounders of ZeroSync, gave us some insights on ZeroSync, zero-knowledge proof, himself and his motivation. The interview was conducted on the 06.04.23 by Robin Triet:

Who is Robin Linus? What did you study, and how did you end up at ZeroSync?

I studied computer science at a German University and was very interested in start-ups at that time. I started my first project at university. In hindsight I would not call them start-ups – back then they felt like start-ups but what do you do when there is a 19-year-old that does not know anything? After some years I started my first real start-up with a professor. We created an e-learning start-up with the idea of creating software for interactive learning videos. We started selling the licenses to Universities like ETH and Humboldt University in Berlin, but it was a tough business as people were not ready to spend a lot of money on e-learning software in 2015. I guess it changed a lot during Covid. However, back then we accepted the fact, that we will not make a living with it and decided to move on. I engaged in a couple of other small projects which got quite big. My first big success was Snapdrop. which is a simple app for file sharing.

A bit later I got into Bitcoin. I was in a small village in Costa Rica, and they only had one ATM and it closed at 10. People had the problem, that they went out for drinks and after 10 o'clock their wallet was empty, and they could not withdraw money anymore. I started researching alternative payment methods and stumbled upon Bitcoin. I quickly realized that using Bitcoin for payment was inefficient because of the high fees and therefore I got into altcoins, hoping that I will find a simple solution to the fee problem. After two years of research, it became apparent that it is not easy to solve. At that time the lightning network of Bitcoin came out, which got me excited to get back to Bitcoin again. Since then, I have been working on Bitcoin in various ways. I started building user interfaces and

applying them to Bitcoin around 2017 when the user experience was way poorer than it was today, and I am happy to have contributed to this improvement. In the last years, I switched more to the cryptography side of things.

What brought you to ZeroSync, why did you find it?

I have been looking into zero-knowledge proof since 2018. I started digging into the topic, but it was a bit too early, as the research was not advanced, and the application would have been too early. Maybe, I should explain what a zero-knowledge proof is.

I think we can say that Zero-knowledge proof is the biggest topic in cryptocurrencies these days. The reason for it is that they offer pretty magical ways of compression. The security of decentralized currencies stems from everybody having to verify everything. Because if everybody verifies everything then everybody can be certain that nobody cheated. That is the fundamental idea behind cryptocurrencies, but it also affects the fundamental scalability of cryptocurrencies because if everybody must verify everything, this would be a lot of work. For example, an average computer cannot verify 500 gigabytes of the Bitcoin blockchain. It would be possible if you let them compute for half a year, but nobody would do that. That is the fundamental scalability problem of bitcoin and all cryptocurrencies that in theory, everybody must verify everything, but in practice it is not possible that everybody does. This is where zero-knowledge proof comes into play. They offer a great possibility to compress the blockchain into a very small proof of around 1 megabyte, that is verifiable instantly even on a mobile phone. This is absolutely groundbreaking for the whole industry and that is why Ethereum, and all the major altcoins are working on that. I would say that many of the crypto Ph.D.'s of fancy Universities like Stanford and ETH are working on proof systems these days because it is just so magical, groundbreaking, and certainly it will be the future of cryptocurrencies. I think in 10 years from now zero-knowledge proofs will be used in all cryptocurrencies.

Are there currencies that already adopted zero-knowledge proofs?

Yes, on Ethereum for example Starkware is already using zero-knowledge proof systems on the second layer. For now, zero-knowledge proofs are layer 2 systems that are not on the base layers, but my prediction is that all cryptocurrencies will use it on their base layer. There are also other protocols, for example the CODA protocol. They are building a so-called constant-sized blockchain, so they are compressing layer one into a small proof. ZeroSync wants to do the same for the Bitcoin blockchain.

What are the main advantages of zero-knowledge proofs?

The main one is scalability. Currently the Bitcoin blockchain does not

scale very well, because it keeps growing constantly and it is getting harder to verify it. That problem, in theory, would be completely solved with zero-knowledge proofs. The proof would stay a constant small size, in our vision, less than 1 megabyte.

What are the challenges that zero-knowledge proofs are facing?

The complexity. The way that Bitcoin is interconnected is relatively simple in comparison to complex proof systems. The technology that Bitcoin relies on is simple, well known and it has been out there for decades, and everybody would be surprised if there was a problem with this fundamental technology. Therefore, Bitcoin can be considered very secure, the way it is. Zero-knowledge proofs are bleeding

very sceptical of new things; they do not want to change the secure main layer. On the other hand, we have to say that there is a consensus among cryptographers and crypto enthusiasts that it would be incredibly awesome to have zero-knowledge proof. The question is also which particular version is used.

Regarding your first mission statement, you just recently published a prototype on your website. What stage are you in exactly?

It is all very early stage. The prototype that we have built is an indication of feasibility and shows that it is possible to build such a chain proof on Bitcoin and to compress the whole Bitcoin chain and apply this technology. Also, we have learned how to apply this technology, but it is not ready for production yet.

What is your business model at ZeroSync?

There is no business model at all. Our approach is that we think that this technology is very viable for the Bitcoin ecosystem in general and we think that all wallet apps respectively Bitcoin apps can profit from it. The problem is that there is no obvious way to make a business model out of it and monetize it. But many other blockchain projects had this concern and they still got sponsored. For now, we just want to show our work to the community and see if it is viable. If people think it is worth it, we will get sponsors and if it is worthless, people should not sponsor it and we should stop working on it.

Lots of blockchain enthusiasts are financially motivated, since you do not seem to be driven by money, what is your motivation?

My Motivation is that I think being able to use money and participate in trade is a human right that everybody should have. Furthermore, I think that society is on the verge of creating technology that will exclude a lot of people. In particular, I am talking about central bank digital currencies. This is a huge topic that currently many central banks are talking about. On the one hand, it obviously makes sense to digitalize money but there are reasons why central bank digital



Robin Linus, Co-founder ZeroSync

edge technology; it was invented 5 years ago, and all the tuning is very new. In cryptography, you want as much time and as many eyeballs as possible on the technology to really make it secure. Therefore, it will take some time to match the security to the current standards.

Something one must keep in mind is that cryptography is a hard field. If you finish programming a computer game 99 %, it can already be a lot of fun to play it and can be useful to people. If you finish cryptography by 99%, it is completely useless, because the attacker will attack the 1 % that is missing. That is why it is so hard to make cryptography work.

This also applies to our complex cryptographic system at ZeroSync.

What is the mission of ZeroSync?

At ZeroSync, our mission is to drive the use of proof systems in the Bitcoin

ecosystem to improve scalability, accessibility, and privacy. Our main activities are:

1. Creating a proof system to sync Bitcoin's chain state and a toolkit for developers to enhance existing protocols, applications, and services with ZKPs. "Bitcoin's Layer Zero."
2. Building a community around Bitcoin proofs by collaborating with other projects in the space and providing resources to educate and engage people.
3. Working towards the eventual integration of a ZKP verifier into the main layer of Bitcoin.

Which of these mission statements do you think will be the most challenging?

Point number 3, because Bitcoin is very hard to change. You basically must convince everyone, respectively all the nodes, that this particular solution has to be activated. People are

currencies are not a solution. Edward Snowden for example calls the central bank digital currencies "Crypto fascists currencies". They enable things and enable the exclusion of people in a way that, in my point of view, is against human rights. I do not think that there should be an instance that disallows people to participate in the economy respectively to trade and use money. That is why I believe that Bitcoin is very important to us.

Would you say that you are politically motivated?

I would say I am very politically motivated. I do not care about politics in terms of different parties to vote for, but I care about the design of money that we use. I think that is one of the most fundamental things in

society. I want to live in a society that raises everyone as an individual and offers everyone to live their free will to the extent that everyone has.

What would be a realistic timing to adopt zero-knowledge proofs on the main layer?

Well, it depends a lot on Simplicity. Blockstream, which is one of the biggest Bitcoin developer companies in the world, is working on something very interesting, which is a new smart contract language called Simplicity. If they manage to activate Simplicity on the main layer, it would be a by-product to also implement zero-knowledge proofs verifier in that language. This is the most realistic way that we see zero-knowledge proof coming into bitcoin's main layer. Bitcoin is already

activating Simplicity on their side chain called "Liquid" within the next few months.

Wow, that does not seem that far. Thank you for this interview. Do you want to add anything before we come to our last question?

Ohh...Buy Bitcoin. *laughs

Oh why Bitcoin? Are you hoping for yours to gain value by creating high demand?

No, I think it is good for you and for the society as a whole.

To end this interview, I want to ask you a fundamental question: What do you think was first, the egg or the chicken?

Well, there must have been some eggs there, right?

What's a Better Buy: Bitcoin or Ethereum?



Bitcoin is a safer and more reliable alternative to Ethereum.

Pontiggia, Céline

The debate about whether Bitcoin (BTC 0.50%) or Ethereum (ETH 0.48%) is a better investment has been going on for years in the cryptocurrency community. However, there are three key reasons why Bitcoin is considered a better investment. Firstly, Bitcoin has a much higher market capitalization than Ethereum, indicating higher adoption, less volatility and more confidence among investors. Secondly, the different supplies. Bitcoin has a hard cap of 21 million coins, which ensures that prices are maintained and rise due to a limited supply. Ethereum does not have a hard cap and is subject to unknown levels of inflation, which can reduce the value of each coin over time. Thirdly, Bitcoin has a more established and secure network than Ethereum, with thousands of nodes and miners around the world verifying transactions and helping to maintain

the network, making it less vulnerable to hacking or manipulation. Moreover, Bitcoin's decentralized nature implies that it is not subject to the same degree of centralization or regulation as Ethereum, which has received criticism for its close association with its founders and developers.

In conclusion, Bitcoin's value proposition is clear and easy to understand as a decentralized and secure digital store of value, while Ethereum's value proposition is more complex with its smart contract functionality and decentralized applications. Although this complexity may be appealing to certain investors, it also makes it more difficult to understand and evaluate Ethereum as an investment, as many of these use cases are in their early stages. For investors seeking simplicity and looking to invest in cryptocurrency, Bitcoin is a safer and more reliable alternative to Ethereum.

AI Chatbot for Blockchain Transactions Tracking

Dang, Nadia

On March 30, 2023, Blocktrace developed an AI chatbot that can track blockchain transactions and interact with the data stored on the Bitcoin blockchain. The company's CEO noted that users can ask for any specific information, which will be processed by the chatbot. As a result, the processing time of the blockchain technology can be seamlessly reduced.

Blockchain is a secure digital ledger that used to record transactions and track assets; however, this process is inefficient because there are millions of transactions that require a lot of time. As a result, the system needs longer to process all the transactions. Blocktrace, an American forensics and analytics startup company, recognized this as an opportunity to close this market gap through the development of an AI Chatbot called "Robbie". According to the CEO, MaGruder, the chatbot has already been trained to navigate the data model and can quickly fetch results for users. This AI project is expected to be finished later this year and will be introduced to the public after successfully testing the beta version.

CRYPTO CRIMES

FTX Founder Sam Bankman-Fried Pleads Not Guilty - Again.



Sam Bankman-Fried pleaded not guilty to five additional counts.

Triet, Robin

The disgraced cryptocurrency executive Sam Bankman-Fried pleaded not guilty on March 23, 2023, to an array of criminal charges, including committing bank fraud and bribing foreign officials. In total, Mr. Bankman-Fried collected 13 criminal charges. According to federal US prosecutors, he orchestrated vast fraud that led to the collapse of the FTX exchange and the misappropriation of billions of dollars in customer deposits.

In January, Bankman-Fried pleaded not guilty to the eight original criminal charges. However, prosecutors quickly expanded the case with five other charges against the former CEO. On March 28, the federal prosecutors filed a foreign bribery charge, accusing Bankman-Fried of arranging a \$40 million payment to at least one Chinese official in exchange for unfreezing \$1 billion in cryptocurrency funds belonging to his trading firm, Alameda Research.

Three days later, on March 03, Mr. Bankman-Fried's lawyer challenged the charges, saying, "My client pleads not guilty". In December, Mr. Bankman-Fried was released from prison with a \$250 million bond and has since been under house arrest at his parents' home with strict bail conditions. His trial is set to take place in October 2023.

In parallel with Bankman-Fried's lawsuits, former FTX investors filed a class action lawsuit against eleven athletes and celebrities, including top model Giselle Bundchen and her ex-

husband Tom Brady, who promoted FTX in advertisements and on social media. The class action members allege that FTX lured them to its yield-bearing accounts with the help of these influencers. The influencers played a key role in deceiving clients of FTX. The plaintiffs are referring to a similar case in 2017, where reality TV star Kim Kardashian was sentenced to pay \$1 million in damages because she did not explicitly reveal that she was paid to do an advertisement for a cryptocurrency company. This example shows that the lawsuit is to be taken seriously the importance of the lawsuit and should be taken seriously.

What is FTX?

FTX was one of the most important exchanges for cryptocurrencies and other digital financial products. The company was founded in 2019 and registered in the Bahamas, independent of banks and states. FTX made money with fees charged on transactions. FTX was happy to count big names as investors. They include Blackrock, Superbowl winner Tom Brady, top model Giselle Bundchen, tennis star Naomi Osaka and shark tank investor Kevin O'Leary. (Mathilde Augustin, The Globe and Mail, 2022). The value of FTX at its peak was a staggering 30 billion dollars, making its founder and biggest owner a young billionaire.

Who founded FTX?

Its CEO, Sam Bankman-Fried, an MIT graduate, founded FTX in 2019 after successfully founding Alameda Research in 2017. Alameda Research was a trading firm focusing on arbitrage possibilities between the different exchange rates of cryptocurrencies in Asia and the US. Sam Bankman-Fried appointed his alleged situation ship partner, Caroline Ellison, as CEO. Interestingly, one of the key players in the bankruptcy scandal, Binance, the biggest exchange for cryptocurrencies up to date, helped fund FTX in its founder stage. During its early stages, FTX received funding from Binance, the biggest exchange for cryptocurrencies. As FTX grew, the relationship grew

cold and Binance sold its shares in 2021 and got FTT (a FTX token) worth \$500 million as contractually agreed.

"In total, Mr. Bankman-fired collected 13 criminal charges"

What led to the bankruptcy of FTX?

The catalyst of the crash was a report by CoinDesk. According to CoinDesk's investigations, FTX misappropriated customers' funds by moving them to Alameda, who then entered risky financial bets with the money. All that, while Alameda's balance sheet was unusually full of FTT tokens issued by FTX, the sister of Alameda (CoinDesk). That means they were using their self-created tokens as collateral for financial bets. After the revelation on November 02, 2022, the trust in FTX and FTT began to sink. Within four days, on November 06, Binance announced the liquidation of \$530 million of Bankman-Fried's FTT token. By the next day, the clients of demanded \$6 billion in withdrawals from FTX, opening a liquidity crisis and resulting in a withdrawal pause.

Binance, the former investor that later turned into a competitor, offered to help FTX but withdrew their offer after performing due diligence. Finally, due to the questionable business strategies, growing mistrust, the failed communication for help, and most notably, the bank run, FTX filed for bankruptcy on November 11, 2022. Bankman-Fried was forced to step down as CEO and was arrested in connection with multiple fraud charges involving FTX.



Sam Bankman-Fried pleaded not guilty.

North Korean Hacker Group Lauanders Stolen Crypto

Arnold, Luna

A North Korean government-linked hacking group known as "APT43" has allegedly been laundering cryptocurrency via cloud mining services, according to a recent report by Google-owned cybersecurity firm Mandiant.

APT43 is a "moderately-sophisticated cyber operator" that has been observed by Mandiant since 2018 because of its cyber espionage activities. One of the primary activities consists of collecting strategic information at high speed for the nuclear objectives of the North Korean Regime. Mandiant defined its main targets as South Korea or the U.S., especially regarding information about the government or "education/research/think tanks focused on geopolitical and nuclear policy". However, there are smaller focus areas, such as in Japan or Europe.

The North Korean hackers have additionally been stealing cryptocurrency from credentials by creating fake crypto exchanges, search engines, or other online services. After acquiring stolen cryptocurrency through this "phishing" method, the group used hash rentals and cloud mining services to convert it into clean money with rented computer systems, which cannot be traced back to its original payment method, the report said. Through Mandiant's tracking, they also found that in 2021, APT43's espionage had an abrupt change of focus toward healthcare and pharmaceutical companies due to the COVID-19 global pandemic. This shows that the hacking group is also capable of sudden and temporary adaptations that were triggered by the regime's interests or geopolitical developments.

The resulting profits would mainly be used for financing its operations regarding the primary mission mentioned above. This makes North Korea's Regime more and more dependent on the cyber capabilities of APT 43, which was stated by Mandiant as an outlook.

SafeMoon Crypto Project Loses \$8.9 Million Due to Hacking

Wagner, Cendrine

On March 30, 2023, Blocktrace developed an AI chatbot that can track blockchain transactions and interact with the data stored on the Bitcoin blockchain. The company's CEO noted that users can ask for any specific information, which will be processed by the chatbot. As a result, the processing time of the blockchain technology can be seamlessly reduced.

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The hacker's attack consequently resulted in a wipeout of the remaining wBNB (wrapped BNB, which is the standard that allows any tokens on Binance Smart Chain to be used by other applications) in the pool leading to a 30% decrease in

SFM's token value. Currently, SFM is trading at around \$0.000167, affecting nearly 2.9 million holders. However, a couple of hours after the attack, the supposed hackers released a message in the transaction stating: "Hey relax, we are accidentally frontrun an attack against you, we would like to return the fund, setup secure communication channel, lets talk." They reportedly have already sent 4'000 BNB back which is worth \$1.2 million.

What is SafeMoon?

SafeMoon presents itself as a community driven DeFi protocol that uses SFM as a deflationary utility token. It operates on the BEP-20 token standard, built on the Binance Smart Chain, and was endorsed by many high-profile celebrities and influencers such as Soulja Boy and Jake Paul.

Hack or Intentional?

Due to SafeMoon's countless scandals and legal issues recently, spectators have been questioning the legitimacy of the attack. While SafeMoon depicts the incident as a hack, many speculate that the bug was intentionally left on SafeMoon's smart contracts to enable the theft. These theories are due to misconduct on the project's part. A lawsuit was filed in February 2022 against musicians such as Nick Carter, Soulja Boy, Lil Yachty, Youtuber Jake



Spectators have been questioning the legitimacy of the attack on SafeMoon.

Paul, and Ben Phillips for allegedly mimicking Ponzi schemes by misleading investors to purchase SFM tokens under the pretext of unrealistic profits.

The founder, lead developer, and CEO of SafeMoon, who is known as Kyle, has also come under fire. Apparently, Kyle and the leadership team had used funds intended for SafeMoon's liquidity pool to enrich themselves. By analyzing SafeMoon's wallets and blockchain activity, it became apparent that the founder had been slowly rug-pulling funds since the

start of the project in 2021. This led to the initial founder stepping aside and Lead Dev Thomas "Papa" Smith taking over as the project's leader. However, he has also been accused of taking \$143 million of SafeMoon's liquidity pool across 18 transactions.

As for the SafeMoon team, its CEO John Karony stated that they got a chain forensic consultant involved who located the issue and supposedly solved it. The CEO added that their team is conducting a "thorough investigation" and "will bounce back stronger."

INTERNATIONAL

US Sues Binance and Many Secrets are Revealed



Ion, Sarah

On Monday 27th March, the Commodity Futures Trading Commission (CFTC) has sued Binance, the world's largest cryptocurrency exchange, for allegedly violating US trading laws by allowing US-based investors to trade cryptocurrency derivatives without being registered with the CFTC. The commission alleges that Binance instructed its employees and customers to circumvent compliance controls in to maximise corporate profits. Binance has argued that it is not subject to US law because it does not have a physical location in America and CZ, the CEO, claims that the company's headquarters is wherever it is at any given time. The CFTC's legal action is not great news for Binance or cryptocurrencies in general, but it is not as significant as other recent events in the cryptocurrency market, such as the FTX collapse or the Earth/Moon collapse. Bitcoin and Ethereum prices fell more than 3% on Monday, as good a day as any for trading virtual currencies.

According to a cryptocurrency compliance and regulatory expert, the likely outcome is that Binance will end up paying „hundreds of millions of dollars“ in fines and be barred from registering a derivatives exchange in the future. The lawsuit

claims that US users account for 16% of Binance's derivatives product revenue, meaning the lawsuit will be a significant blow to Binance's revenue. Monday's news adds another layer of regulatory scrutiny on major cryptocurrency operators. The Internal Revenue Service and the Securities and Exchange Commission are also reportedly investigating Binance, while Coinbase, the largest listed cryptocurrency exchange in the US, received a Wells notice from the SEC last week for possible securities law violations. Earlier this month, the cryptocurrency industry lost two of its biggest links to the world of traditional finance, Silvergate and Signature Bank. Overall, it was not a great month for the industry, which is has struggled to maintain credibility even when it is hot.

In the mean time in Australia

The Australian securities regulator decided to cancel Binance Australia Derivatives' licence to offer over-the-counter derivatives products to Australian users. The cancellation comes after Binance chose to close its derivatives business and focus on its spot trading product. Derivatives traders will have to close existing positions by 21 April 2023. The cancellation follows a targeted review of Binance that began in February, during which 500 user positions were liquidated after being mislabelled as wholesale investors. The CFTC has also filed a lawsuit against Binance for multiple trading violations.

SEC Chairman Gary Gensler Argues that Regulation of the Cryptocurrency Markets „already exists“

Prétat, Grégoire

On April 01, 2023, Gary Gensler, Chairman of the US Securities and Exchange Commission (SEC), reiterated the existence of rules for the cryptocurrency market. According to him, this sector already has both precise and clear rules, but non-compliance with them is still widespread. On Wednesday, the SEC boss reaffirmed his point of view in his testimony before the House Financial Services and General Government Subcommittee. According to him, currencies and tokens in the crypto space are classified as securities.

According to him, cryptocurrencies are securities.

Congressman Sanford Bishop (D-GA) asked Gensler whether the SEC plans to issue a standard for defining the application of securities laws to digital assets. The question echoes a recurring refrain in the cryptocurrency industry, which has been calling for „clearer regulation“ for years. Gensler, in his usual style, did not deviate from his position and said that nothing could be clearer when it comes to cryptocurrency regulation. The SEC chairman said:

„The regulatory texts already exist, sir. This is securities regulation, and there are disclosure rules that apply whenever someone is trying to raise money from the public.“ In the past, Gensler has repeatedly stated that most digital assets, except for Bitcoin, the world's largest and oldest crypto, are subject to securities law. To this end, he stated:

„Cryptocurrencies, with respect to most of them, can be considered as a group of entrepreneurs each with a Twitter account, a website and staff. Moreover, I can bet that most of them are not subject to decentralised and non-existent management.“

SEC cleans up the cryptocurrency industry

Observers of the crypto industry call the SEC's approach „regulation by enforcement“. This involves cracking down on companies and projects that offer what the regulator considers to be unregistered securities. In justifying the Commission's action, Mr Gensler said:

„We have witnessed the Wild West of the cryptocurrency markets, plagued by non-compliance“. He added that standards have already been put in place to ensure consumer protection. Asked by MP Bishop about how cryptocurrencies are regulated, Gensler continued:

„Quite frankly, of the ten or twelve thousand tokens, there are few that don't have a group of entrepreneurs in them that the public trusts. They are securities under the securities laws.“ This year, the SEC is now focusing on some of the largest cryptocurrency platforms. Indeed, its crackdown was redoubled last November, following the rapid and unexpected collapse of the digital asset exchange FTX. In January, Genesis and Gemini were prosecuted for failing to register the securities they offered. Last month, the Commission fined the US platform Kraken \$30 million. Kraken was accused of violating securities laws. In addition, last week the Commission issued a Wells Notice to Coinbase, the largest publicly traded US

crypto-currency platform. According to the SEC, the San Francisco-based platform's staking products would constitute unregistered securities. The Wells Notice implies that Coinbase is likely to face legal action soon.

SEC seeks more funds to continue its action against illegal cryptocurrency platforms

On March 29, Gary Gensler asked the Congress for \$2.4 billion to strengthen the agency's crackdown on cryptocurrency misconduct. On Wednesday, Gensler appeared before the Subcommittee on Financial Services and General Government to discuss the budget request for the agency's 2024 financial year. This marks Gensler's initial official statement since the recent string of regulatory measures taken against cryptocurrency companies. The increase in funding will allow the SEC to increase its capacity and equip them with better technology to monitor the fast-growing cryptocurrency market. The SEC has been regulating cryptocurrency activities for a few years, but with the emergence of DeFi platforms and NFTs, Gensler has requested these additional resources to maintain market transparency. If Congress approves the funding request, the SEC plans to establish a new division focused on digital assets, with a particular focus on DeFi and NFT markets.

Citi Says Mass Adoption of Crypto Will Be Driven by CBDCs, Tokenization

Prétat, Grégoire

According to analysts at Citi, a well-known investment bank, the world of crypto is reaching a critical turning point as tokenization and the adoption of central bank digital currencies (CBDCs) continue to gain momentum globally.

On the March 30, Citi claims that the industry is finally „close to an inflexion point“ and that blockchain technology will soon see „billions of users and trillions of dollars in value“. In its latest report, „Money, Tokens, and Games: Blockchain's Next Billion Users and Trillions in Value“, analysts at Citi suggest that the next influx of crypto-currency adoption will be driven primarily by the rise of central bank digital currencies (CBDCs) and the tokenisation of real-world assets.

CBDCs are alternatives to cryptocurrencies like Bitcoin or Ethereum. According to current trials, CBDCs would be pegged to a fiat currency, such as the dollar or the pound, but still exists in digital form and be controlled by the central bank of the issuing currency. At a panel discussion today at the Citi Digital Money Symposium, which coincided with the report's release, Ronit Ghose, head of the bank's future of finance, suggested that \$5 trillion would be circulating in the economy in the form of CBDCs „by the end of the decade“.

However, he added that „most of these transactions will not be blockchain-based, but some will have interoperability with blockchain or will be DLT-specific“. DLT refers to distributed ledger technology, which does not necessarily include the use of a blockchain. According to the report, this rapid adoption is due to the many benefits it offers, including an interoperable payment instrument and the general enthusiasm of developing economies.

However, there are obvious risks, including user privacy and users transferring deposits from small commercial banks to a CBDC.

Another key factor in the mass



Gary Gensler, Chair of the SEC

adoption of cryptocurrencies will be tokenisation or the integration of traditional financial assets into the blockchain. Citi said this „could be the most important use case“ for blockchain technologies, estimating that tokenisation could „grow by a factor of 80 in private markets and reach a value of nearly \$4 trillion by 2030“. The Efficiencies of such a revolution include disintermediation within financial markets, composability with crypto-currencies and, ultimately, a „shared ‚gold source‘ infrastructure“ on which different asset classes could exist on the same network. Of course, there are obvious obstacles on the way to this ‚gold‘ standard. Regulatory clarity is perhaps the biggest obstacle, as few jurisdictions offer a clear framework for the adoption of traditional assets on the blockchain. According to Citi, financial industry players may also be reluctant, as the disintermediation offered by these technologies could make their work obsolete.

NFTs : New Fashion Trends for Big Brands

Pontiggia ,Céline

In the last edition of „The SCL Times,“ we presented an article on Sony Files and their patent for NFTs to allow transfers between games and consoles. In the meantime, more and more articles emerge of major players starting to use NFTs in their

businesses. Luxury fashion brands such as Louis Vuitton, Burberry, Dolce & Gabbana and, Gucci are indeed now stepping into the NFT scene.

Non-fungible tokens (NFTs) are becoming increasingly popular among major companies in various industries, such as sports, consumer goods, music, gaming, and fashion. In particular, Fashion NFT brands are gaining popularity with the rise of Metaverses like Decentraland. People are willing to spend money on NFT apparel, known as „wearables“ to make a statement or show their status in the virtual world.

What are NFTs?

NFTs are unique blockchain-based digital assets linked to real-world assets, and they verify the ownership, access, or provenance of these assets. Unlike cryptocurrencies, NFTs cannot be duplicated, making them authenticated and special, thus becoming indivisible assets. This gives the buyer a deed of ownership and access to a multitude of services and opportunities, depending on the nature of the NFT. NFTs can be used for various purposes, including art, tokenization of real assets, collectibles, loyalty and advertising, and gaming. The NFT market has proliferated, reaching an estimated value of \$22 billion in 2023. Despite a total market collapse in 2021, with sales dropping as much as 90%, the NFT market growth forecast is projected to reach \$80 billion by 2025, thanks to projected investments in the Web3 world.

Top brands interest

Big corporate giants are showing a growing interest in implementing Web 3.0 solutions, and NFTs are seen as an exciting new opportunity to bridge the online and offline worlds. Big brands, including major tech companies (Amazon, Apple, Spotify, Meta, eBay, Sony, and Twitter), are all curious to explore the potential of NFTs. Creators of NFTs and large companies share a common interest in converging towards new partnerships and interconnections: both can gain tremendous potential gain, given commercial advantages, public interest, and the creative insights of this world. NFTs can be used in industries of all kinds. In sports, for example, the Australian Open has become the first Grand Slam event to embrace NFTs and Web3 by launching AO Art Ball NFTs that offer live match data linkages. On the other hand, we also find their successful use in the beverage industry. In November 2021, Budweiser launched its first NFT collection, the Heritage Collection, featuring digital beer cans representations. The collection sold out within an hour, generating \$5.88 million in total NFT revenue, with 75% of the items resold on NFT marketplaces. This successful launch has encouraged Budweiser to invest in NFT startup VaynerNFT and explore further NFT opportunities, indicating an innovative approach to boost brand image and engage customers.

NFTs and Fashion Brands

Metaverse fashion has become as im-



Metaverse fashion has become as important as real-life fashion in 2023

portant as real-life fashion in 2023, as millions of users want to showcase their personalities, hobbies, and financial gains in the virtual world. Fashion giants like Nike, Adidas, Dolce & Gabbana, Louis Vuitton, and Burberry recognized this opportunity and entered the NFT market. Through the creation of events such as Decentraland's Metaverse Fashion Week, luxury brands in this world improve their reputation and popularity, boosting their sales. Metaverse stores and physical NFTs are other two reasons why many fashion brands are joining the NFT market. The first physical luxury fashion house to release an NFT collection was Dolce & Gabbana. This Collezione Genesi 2021 NFT collection, which was linked to physical items, was auctioned for \$5.7 million. Another fashion brand that is particularly fond of physical NFTs is Prada. Prada launched its first NFT collection in September 2022, where users had to buy physical merchandise to claim a digital asset, and continued to release several Timecapsule NFTs throughout the year, with a current floor price of 0.41 ETH. However, it is not only about collections but also fashion games. During the NFT boom in August 2021, also Louis Vuitton entered the Web3 space by releasing a game app featuring their mascot Vivienne on a Parisian journey, where players had to collect NFTs created by Beeple, one of the top-selling NFT artists.

Last week, Gucci announced a multi-year collaboration with Yuga Labs, the creators of the famous NFT Bored Ape Yacht Club collections. This collaboration aims to strengthen the relationship between the communities of both companies and promote the convergence of the fashion and entertainment industries in the Otherside metaverse of Yuga Labs and its 10KTF collection. This is not the first time Gucci has ventured into cryptocurrencies. At the beginning of 2022, Gucci opened its store, VAULT, in The Sandbox, showcasing its rarest vintage apparel. In June 2022, it purchased \$25'000 worth of native NFT Super-Rare market tokens to participate in the DAO and open a digital art vault. NFTs have the potential to disrupt traditional business models and represent any unique item. Consumer attention to brands such as Dolce &

Gabbana, Prada, Louis Vuitton, and Gucci, their prowess in creating the right hype, their know-how in marketing campaigns and new product creation may shed new light on the digital fashion market, bringing excitement back to consumers and competing companies, enticing them to join the fight to conquer the metaverse. The potential for NFTs is vast and unexpected, and large corporations can benefit from them in the future, as this is just the beginning.

Huge Bitcoin Logo is Projected on the ECB Headquarters

Ion, Sarah

On the night of March 29, a huge Bitcoin logo was projected on the European Central Bank (ECB) headquarters in Frankfurt, in an anonymous action attributed to „Bitman“. This event could be a reaction to the recent regulatory measures concerning the cryptocurrency world or the crisis of the traditional financial system. The projection of the logo has been reported by several newspapers, and although it may appear to be a goliardic action, it could conceal future goals.

Bitman's initiative is a clandestine event, which first affected the Eurotower and then the Deutsche Bank headquarters. The projection of Bitcoin's logo on the ECB can be seen as a protest against financial institutions and as a warning to call the crypto community to unity. Indeed, the parties involved seem to be becoming more and more divided over time, as evidenced by the fact that only a few weeks ago, the ECB called Bitcoin „on the road to irrelevance“.

Although it is unknown who is involved in the operation, Bitman has issued a call to Bitcoiners by projecting the symbol in the sky, inviting them to unite and defend their cause. It is not yet clear whether this action represents only a single event or whether it is a prelude to future similar events. In any case, the projection of Bitcoin's logo onto the ECB was an event that attracted media attention and could represent a turning point in the struggle between the crypto community and traditional financial institutions.

Sustainable Blockchain Platform Set to Revolutionize Industry

Wagner, Cendrine

A launch was announced by two banks from Sweden and France of a new digital bond platform that is built on blockchain technology on April 3, 2023. The innovation will allow users to issue, trade, and settle bonds digitally, which will provide a more environmentally friendly, efficient, and safe way of processing compared to traditional methods.

The platform is called "so | bond" and was created by the Skandinaviska Enskilda Banken (SEB) and Credit Agricole Bank as a joint project. Its main goal is to minimize its environmental footprint by utilizing a validation Protocol named "Proof of Climate awaReness." The Proof of Climate awaReness protocol will revolutionize the industry by minimizing energy consumption at a level that is comparable to non-blockchain systems and incentivizing interdependent nodes to decrease the environmental footprint of their infrastructure. Consequently, the reward received for appending a block to the platform will be directly linked to its climate impact: the lower the environmental impact, the larger the reward.

Romarc Roletti, the head of innovation and digital transformation at Credit Agricole stated: "The platform's innovative approach, both to the blockchain infrastructure and to the securities market, is coupled with the strong commitment to green and sustainable finance that is at the centre of our Societal Project." The platform is to be part of a larger project for the future of the bank's digital transformation.

However, the joint project is only one of many efforts to revolutionize the use of blockchain, smart contracts, and the internet with the goal of being less harmful to the environment. For instance, the Bank for International Settlements, the Hong Kong Monetary Authority, and the United Nations Climate Change Global Innovation Hub introduced two prototypes from their Genesis 2.0 initiative of tokenized green bonds in October 2022.

Polkadot's new Social Media Platform?

Arnold, Luna

On March 03, 2023, Polkadot has filed a Trademark called "Polkadot Converse" what sounded like a blockchain-based communication platform, according to a new filing at the United States Patent and Trademark Office (USPTO).

Polkadot was founded by Ethereum co-founder Gavin Wood, Peter Czaban, and Robert Habermeier, and

refers to a Swiss Foundation that is mainly known for its effort to improve infrastructure-related improvements for decentralized applications. Their goal is to create a network amongst several blockchain ecosystems through specialized blockchains called parachains, which are validated through a proof-of-stake consensus algorithm.

The trademark stated wordings like "Software for social networking..." or "...software for creating, software for sending and receiving electronic messages, graphics, images, audio content", which sounds like a Web3 Media platform. However, Coindesk reported, that Pol-

kadot still needs to give a public statement about the recent filing.



Polkadot's ecosystem across chains.

SWITZERLAND

PostFinance Offering Crypto Services to their 2.5 Million Customers

Dang, Nadia

On April 5, 2023, Postfinance, a government-owned Swiss Bank, announced that they will soon provide their customers access to trade cryptocurrencies such as Bitcoin or Ether. This is made possible through a collaboration with their partner Sygnum Bank which is a Swiss Bank focusing on digital asset services. With this partnership, PostFinance will be able to provide even better services for its 2.5 million customers in the future.

The Chief Investment Officer of PostFinance Philipp Merkt stated that "Digital assets have become an integral part of the financial world, and our customers want access to this market at PostFinance, their trusted principal bank." With this argument, he highlighted the growing importance of

digital assets such as cryptocurrencies in the financial sector. With this new service provided by PostFinance and Sygnum Bank, they hope to meet the demands of the customers and catch up with blockchain technology and the trend of digitalization. The reason behind offering access to the crypto world is partly due to a population investing in cryptocurrencies and other digital assets, resulting in an increased outflow from retail banks. Chief B2B officer of Sygnum Bank Fritz Jost stated that they saw this trend as an opportunity to create an additional source of income. In addition, Switzerland has a favourable environment for cryptocurrency investments because of the strong regulation of digital assets.



Postfinance offering crypto services.

Sky Mavis' New Web3 Gaming Empire

Arnold, Luna

Sky Mavis will generate announced their development of the new blockchain-based video games on the Ronin ecosystem, a sidechain on Ethereum created by Sky Mavis for its own Web3 game Axie Infinity to reduce fees and transaction delays. According to Sky Mavis, the breakout first-generation Web3 game Axie Infinity has had a total revenue of over \$1.3 billion since its launch in 2018 and is one of the first "play-to-earn" games. Players can earn crypto via blockchain by participating in turn-based battles with their collected NFT-monsters.

The Ronin network is going to expand for four game studios: Bali Games, Directive Games, Tribes Studio, and Bowled.io. This occurs approximately one year after they were severely attacked by hackers that gained access to four out of nine validators using "hacked private keys," causing them to lose \$622 million. To make Ronin's system more decentralized and less vulnerable to such attacks, they also upgraded the consensus mechanism from "proof-of-authority" to "delegated proof-of-stake". Sky Mavis stated that this upgrade should improve the blockchain with optimized efficiency and security, making the expansion of its gaming empire more feasible.

A Crypto Made Out of Gold, the Out-of-the-box Idea Made in Switzerland

Ion, Sarah

The Crypto Vreneli is a new hybrid gold coin created by a Swiss collaboration that combines tradition and innovation. The coin features an NFC chip that allows gives access to a digital asset value in a blockchain via a smartphone app. The coin represents a revolutionary innovation in investment categories, as it combines the physical value of

gold with blockchain technology. The uniqueness of each Crypto Vreneli is manifested in an 8-bit graphic that shows the classic Vreneli motif in numerous variations, the bust of a young woman representing Helvetia. This makes each coin unique and collectable for technology enthusiasts and art collectors.

Crypto Vreneli uses the principle of 'non-fungible tokens' (NFT) to create a unique and immutable digital value that cannot be changed or exchanged. However, the combination of physical and digital value makes this coin an unprecedented 'phygital' innovation.

The first limited edition of the hybrid coin is available in 100 pieces from 31 March 2023. The coin

consists of 31.1 grams of pure gold (one ounce) and is sold at a starting price of CHF 7'999. The coin can be purchased in Philoro's online shops with delivery in Switzerland, Austria and Germany, as well as in Philoro's physical shops in Switzerland.

In summary, the Crypto Vreneli represents a revolutionary innovation in cryptocurrencies and physical gold. The fusion of tradition and innovation creates a unique investment opportunity for those who wish to own a unique and immutable gold coin. The combination of physical and digital value makes this coin unique and will surely attract the interest of many investors, technology enthusiasts and art collectors.

UBS Implements Blockchain Technology in its Intraday Repo Deal

Dang, Nadia

On April 4, 2023, UBS revealed that they made a big progress by implementing blockchain in its first cross-border intraday repo deal. With the help of a US company called Broadridge Financial Solutions, UBS was able to complete the repo transaction with a global Asian bank through a blockchain-based system called distributed ledger repo (DLR).

The use of this blockchain technology provides more efficiency and flexibility in executing financial transactions. Horacio Barakat, head of digital innovation of Broadridge, stated "We are empowering leading financial institutions like UBS with the ability to dramatically lower risk and operating costs and see enhanced liquidity". With this argument, he believes that using the DLR can reduce the risks of financial transactions and also increase the liquidity of the market.

An intraday repurchase agreement, also known as an intraday repo deal, is a financial transaction between two parties and is mostly used by banks to manage their liquidity. The first party, usually a bank, sells securities such as

government bonds to the second party with an agreement that the first party will buy the asset back in the future at a specific date. When times comes, the asset must be bought back by the first party, however at a higher cost.



UBS implements blockchain technology.

CRYPTO MARKET

Crypto Market Analysis

Prétat, Grégoire

Current top Cryptocurrency and Oracles Tokens by Market Capitalisation.

	Price	30d change	Trading Volume 24h	Marketcap	Market Share
Bitcoin	\$ 30'220.10	+ 49.17%	\$ 24'716 Mio.	\$ 584'557 Mio.	47.1958%
Etherum	\$ 1'915.30	+ 32.76%	\$ 10'148 Mio.	\$ 230'712 Mio.	18.6155%
Tether	\$ 1.00	- 1.04%	\$ 35'522 Mio.	\$ 80'500 Mio.	6.4984%
BNB	\$ 329.46	+ 19.84%	\$ 916 Mio.	\$ 52'018 Mio.	4.1977%
USD Coin	\$ 0.9999	+ 8.50%	\$ 4'753 Mio.	\$ 32'356 Mio.	2.6111%
Chainlink	\$ 7.39	+ 22.96%	\$ 221 Mio.	\$ 3'824 Mio.	0.3082%
Band Protocol	\$ 1.93	+ 35.69%	\$ 23 Mio.	\$ 241 Mio.	0.0194%
UMA	\$ 2.11	+ 21.62%	\$ 8 Mio.	\$ 146 Mio.	0.0117%
iExec RLC	\$ 1.75	+ 41.73%	\$ 7 Mio.	\$ 141Mio.	0.0114%

SCL NOW

Erik Schiess, an Aspiring Coding Talent

Wagner, Cendrine; Pontiggia, Céline

Hello and welcome to our first interview for SCL Times! Tell us a little about yourself.

My name is Erik Schiess, I am 22, and I come originally from Germany. I am currently doing my Bachelor's in Banking and Finance.

What function and group are you in?

I am in the Operations team as my function and in the Accounting team as my group.

Describe yourself in three words.

Open, Outgoing, and German.

Describe your Accounting team in three words.

Ambitious, Fun, and Italian.

What were your motivations for joining SCL?

I heard really positive feedback from a few friends of mine that had previously joined BCP. I mean, the concept sounds amazing: you get to work as a team on a project, and you get to gain so much valuable knowledge for the future. As blockchain was fairly new to me, I was eager to learn more from it, and this was the perfect setting for that. It is, overall, simply a win-win situation.

How do you see blockchain technology impacting the world in the future?

Actually, in the beginning, I was not too much of a fan of blockchain. I did not really understand it and thus did not see how it could be helpful for future issues. However, thanks to SCL, my knowledge of blockchain grew, and it has completely changed my opinion on this matter. I do now truly believe that the technology has the impact to change the world. I especially see this potential in finance and accounting.

What dangers do you see in blockchain?

We have all heard of the negative effects that the consensus mechanism has on the environment, which should definitely be addressed. I do, however, believe that this problem

can be handled quite easily. Additionally, as blockchain is quite technical, it can be hard to understand for someone who does not know much about coding. I can see this mismatch in information being problematic.

Now we'll move on to the more specific project questions: We know you're in the Accounting team. Can you explain to us in more detail the goals and objectives of this team? What are you guys working on?

Yeah of course. Our main goal is to connect accounting software like Banana with Blockchain technology, in our case Mumbai, Polygon testnet. We want to record transactions on the blockchain in the accounting software, creating a sort of fully automated interface. Since the project is really new, we are looking at the previous thesis. For example, if I remember right, from Andrea Giambonini and working with what they have done previously in BCP. I think that this could be very useful for a lot of companies and could bring a positive breakthrough in the accounting landscape.

(Ah interesting!) So where are you standing at the moment?

We have just started writing the research proposal. Obviously, we're also doing background research, learning technical details and understanding the three different languages (JavaScript, Python, Solidity) that could be used in the research. Because the approach has never been done before, it's not straightforward for us to implement the technical aspects of the project, particularly since none of us has much coding experience. So, this is going to be quite a challenge but also fun. We started to understand the current situation and the theoretical background and then we will try to add this extra value.

What are the next steps?

The next step is really focusing on the coding part. We scheduled a meeting with Florian, who will hope-



Our motivated Erik Schiess.

fully give us more new insights on how to proceed with this project.

So, is your project mainly a research-focused one or does it have an experimental, a practical side as well where you're going to actually code the solution?

We focus on the practical, on the hands-on side. We really try to come out with something which is "handlich", as I would say in German. The practical part of the connection is going to be the most useful for companies. So not just theory. But of course, we have to start from the previous research and understand the standards and the problems of today's accounting environment. And then coming up with a technical solution which actually could be implemented.

We know that it's kind of complicated to assess. But maybe you have an idea of how your project differentiates itself from other blockchain solutions in the market.

The most important thing to me is that it's really targeted. We deliver a specific solution for a specific problem. It is going to be precisely made for accounting systems and this could be very valuable.

Although it is a smaller percentage of your work, we know that you are also part of the Operations function. What is the main goal of this function? Can you tell us about your role in Operations?
Yeah of course. I'm involved in the

onboarding process. So, we are responsible for the management and organization of the onboarding week. To really get in touch with the new students in this first week and introduce them to the whole concept of SCL. My specific role is to set up the Olat course, for example, and I also prepared the new exam. This is currently my main task. Basically, the general goal of the function is to deliver a good and interesting experience for the newcomers.

What is the most interesting or unique aspect of your Accounting topic and of the whole SCL project?

It's for sure the coding. If everything goes well, we not only establish a totally new approach to accounting but also learn the programming language. "Zwei Fliegen mit einer Klappe", I would say in German.

So, we are reaching the end of this long interview. To conclude, what are you gaining from this project / this experience in writing your thesis with the SCL project?

I would say the working experience, working in groups and also the research activity. The most interesting thing to me is really getting in touch with new people and having the opportunity of working on something new. And yes, in general having a great time here.

Do you have any further recommendations for the SCL project? Anything that could be improved?

The only thing that comes to my mind is really to have a clear vision and direction. That would clearly help, especially for us from the operations team and the onboarding week team. It would help to better explain what the project really is to new students.

Congratulations to our New Leader of the Leaders: Roman Willi!



Pontiggia, Céline

We are pleased to announce that last week the already leader of the management function Roman Willi reached another important milestone: he became the leader of the function team leaders. In addition to his clear dedication to the project, Roman has already demonstrated great professionalism and organisational skills to his colleagues. We wish him the best in this new adventure!

SCL-Crossword

Pontiggia, Céline; Dang, Nadia

First read the news and try to complete our SCL crossword puzzle! Send us the solutions to gregoire.pretat@uzh.ch and you could be drawn to win a free beer at bQm next Wednesday! Good luck !

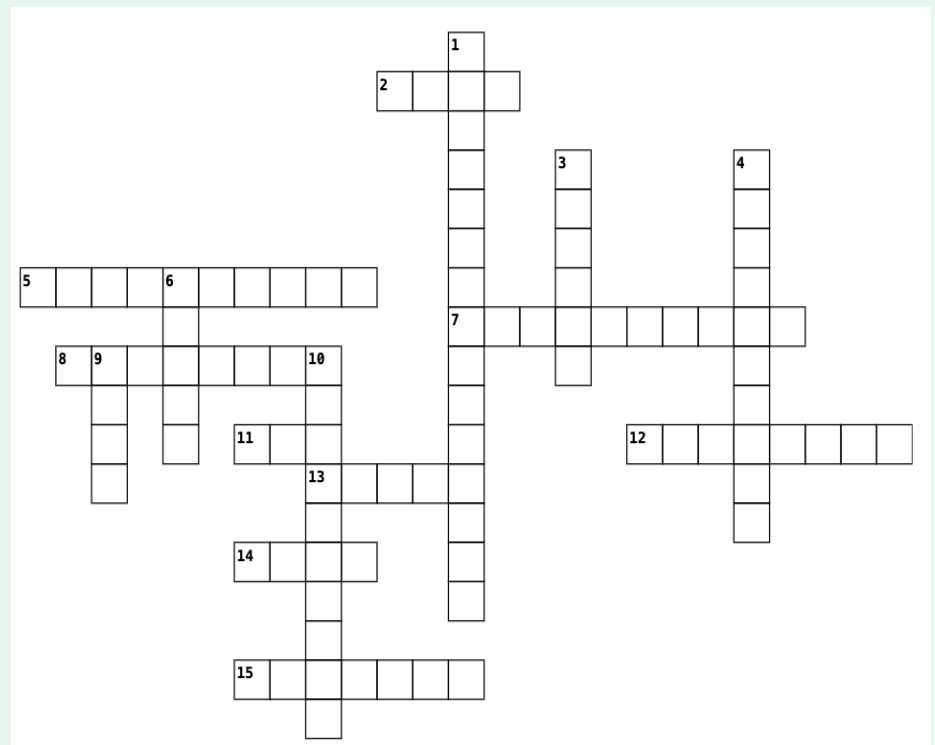
Down

1. A trading firm focusing on arbitrage possibilities
3. Name of AI Chatbot for blockchain transactions tracking
4. Partner of PostFinance
6. Who is SCL's leader of the leaders?
9. CEO of SafeMoon
10. A smart contract language

Across

2. Crypto Vreneli is made of
5. Cryptocurrencies are classified as:
7. Cofounder of ZeroSync
8. Game development company
11. SafeMoon uses it as a deflationary utility token
12. Gucci announced a multi-year collaboration with

13. Which company launched its first NFT collection in September 2022?
14. SCL's German coding lover
15. What's the better buy? Bitcoin or Ethereum?



Impressum

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