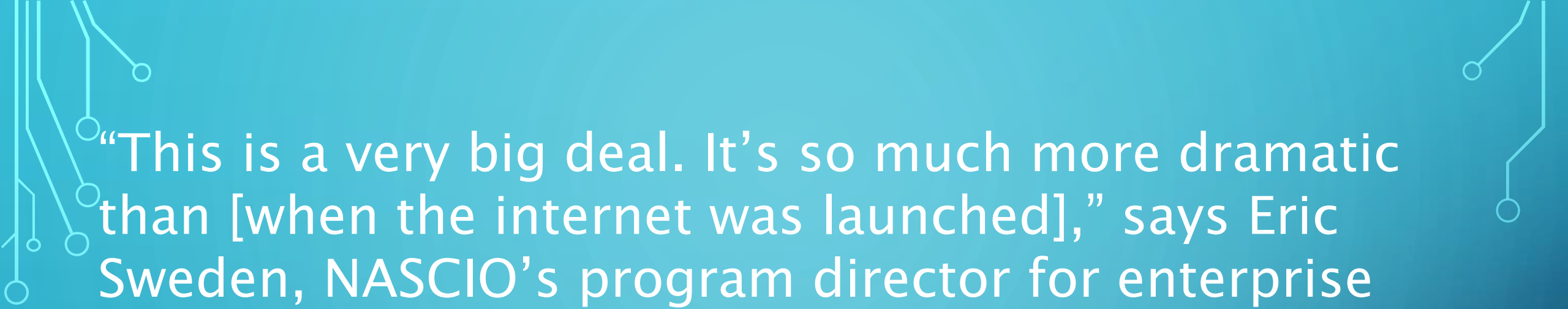




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**BLOCKCHAIN:  
TRANSFORMATIVE,  
DISRUPTIVE, INEXORABLE  
REGULATING IN THE ERA OF CHANGE**



“This is a very big deal. It’s so much more dramatic than [when the internet was launched],” says Eric Sweden, NASCIO’s program director for enterprise architecture and governance. “It’s going to have a huge impact on how we do business, accounting, auditing – anything that has a data lineage to it.” National Assoc. State Chief Info Officers



“In a digital world, the way we regulate and maintain administrative control has to change.” Harvard Business Review

# INSURANCE REGULATORS MAIN CONCERNS

## COMMERCIAL vs. PERSONAL

### CAPITAL ADEQUACY

Funds sufficient to pay claims as they come due

- Statutory minimum capital
- Surplus/reserves sufficient based on risk insured
- Appropriate Investments
- Admitted v. Non-admitted



INCEPTION: Corporate Structure

### BUSINESS CONDUCT

- Consumer Protection
- Proper marketing, sales, contracts, rates, claims processing, accounting and reporting.

# IAIS

Most nations' insurance regulatory authorities are members. Meet to develop Model Laws (best practices). Won't become law unless adopted into law by a nation.

# NAIC

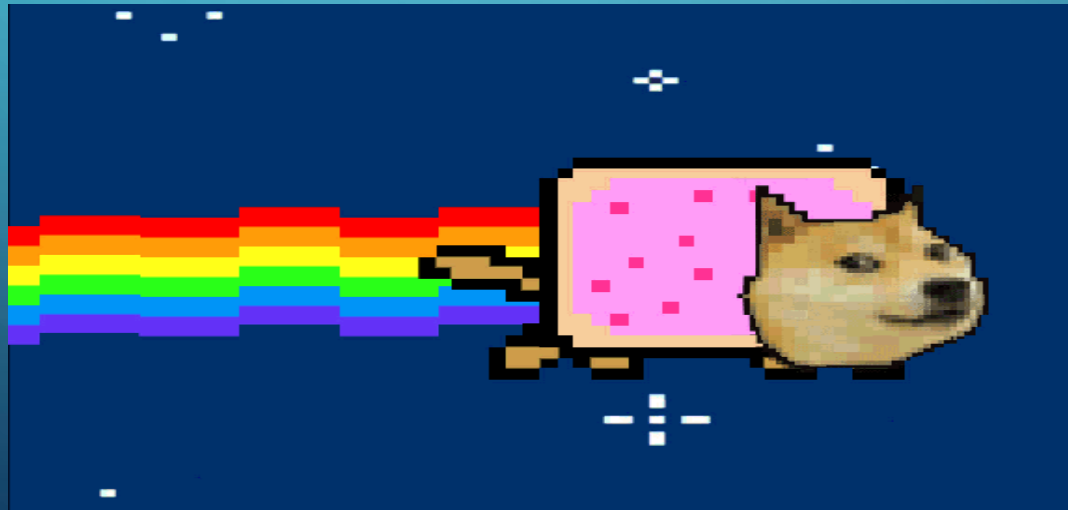
In USA, each state regulates insurance. States' Insurance Commissioners meet to draft Model Laws.

# UNIFORM LAW COMMISSION

Model Regulation of Virtual Currency Act, July 19, 2017

Regulators can do nothing,  
Watch and Wait, or  
Learn and Collaborate

Blockchain tech is moving faster  
than many can imagine.



# WAITING AND WATCHING

PEER TO PEER

SMALL START UPS

IGNORED MARKETS

NEW PRODUCTS

PARAMETRIC INSURANCE

Simpler easier to regulate

PRIVATE INTERNAL  
PROCESSES

USUALLY LESS

REGULATED

# EDUCATION AND COLLABORATION

## SAND BOXES

FCA London,  
France Unicorn,  
Arizona, Singapore,  
Canada, Abu Dhabi  
many more...

## CRITERIA

Projects compete to  
join  
Limit scale  
Waivers or modify  
regs  
No Action letters  
Guidance on regs

# GOVERNMENT PROJECTS

US – DHS (Security),  
GSA (Gov Contract Awards)  
Navy (Manufacturing)  
Delaware – Corporate Docs  
Illinois – RE Transfers, NRG Credits  
UK – Cross Border Pmts, Digital Health  
Japan – Gov. Contracts, Digital ID's  
Dubai – Cheques, Shipping etc  
UN – Food Program, Refugee ID's



# EDUCATION & COLLABERATION

Developing Gov. Uses  
Developing Sandbox Programs  
Working w/ Intrn'l Assoc.  
Working w/ Regulated Companies in  
Business Consortia  
Allow smaller start ups Serving  
the Underserved, Unique Products  
and Structures

