Money, Payments & Crypto-Currencies in the Digital Age

Fall 2018

Course Director(s): Professor Benjamin Geva

NOT FOR PUBLICATION
OHLS, York University  
Toronto, Canada  
Fall 2018  

Seminar:  

**Money, Payments & Crypto-Currencies in the Digital Age** (3075.03)  

Instructor:  
**Professor Benjamin GEVA**  
Email: bgeva@osgoode.yorku.ca  

Fall: 3 credits; 2 hours;  
No prerequisites; no preferred courses.  

Seminar satisfies the Upper Year Research & Writing Requirement *(UYRWR)*; does not satisfy PRAXICUM requirements.  

**DESCRIPTION**  

A study on selected major legal aspects of money, payments, clearing and settlement in the digital age. Their evolution is addressed from a Canadian and international perspective. From the dawn of history payment in money has been the lifeblood of the exchange economy. Over the years, technology and socio-economics have played a major role in shaping means as well as methods of payments. As was highlighted in the recent Task Force Payment Systems Review in Canada, means and methods of payment keep undergoing revolutionary developments. They thus require constant adaptation and adjustment of platforms and laws. Against the background of ongoing innovation and emerging new technologies facilitating new developments such as mobile payments, Bitcoin, virtual currencies, digital cash and distributed ledger technology (DLT), the seminar addresses basic concepts of money and payment, digital assets and their regulation, the design and structure of the monetary and payment systems, and the various elements of the infrastructure designed to accommodate the payment and settlement of consumer, commercial and financial transactions.  

Specifically, the seminar covers topics such as:  

1. Money and Payment, Clearing & Settlement Systems  
2. Retail Payment Systems: Cards, E-Money Mobile Payments  
3. Large-value/global, Fast, and Time Sensitive Payments  
4. The Organization and Regulation of Payment Systems- Operation and Risks  
5. The Decentralized Distributed Ledger Technology (DTL): Bitcoin, Blockchain and Fintech  
6. Virtual Currencies: Crypto and Centralized -- Are they Money?  
7. Initial Coin Offering (ICO) and Securities Regulation  
8. Miscellaneous Digital Currency and DTL/blockchain Legal issues: Smart Contracts; Payment Law Issues (Finality, Irrevocability; Fraud); Regulation
9. Money and Virtual Currency Businesses: Regulation of Intermediaries and AML/ATF Compliance
10. Central Bank Digital Currencies (CBDC) in the Broader Context of Banking and Money in the Digital Age

Required Readings

1. Money and Payment, Clearing & Settlement Systems
   Bank of Canada: What is money? (July 2012), [1 page] online:
   “Cheques Still Play Leading Role in Clearings” and “A Cheque’s Travels”, CPA Forum, volume 9 no.3 September 1993 Pages 1-4
   Bank of Canada, “Canada’s Major Payments Systems”
   http://www.bankofcanada.ca/core-functions/financial-system/canada-major-payments-systems/

2. Retail Payment Systems: Cards, E-Money Mobile Payments
   Watson v. Bank of America 2014 BCSC 532 paras 14-21
   Available online: https://www.canada.ca/en/financial-consumer-agency/services/industry/laws-regulations/credit-debit-code-conduct.html
   CPSS, Security of Electronic Money (Basel: BIS, 1996) particularly at 5, online: <https://www.bis.org/cpml/publ/d18.pdf>, (64 pages)

Available online: http://www.torys.com/insights/publications/2012/06/mobile-payments-is-there-anything-new-under-the-sun
Blair W. Keefe Peter A. Aziz Ebad Rahman Steven Slavens, “Canada’s Banks and Credit Unions Introduce Guidelines for NFC Mobile Payments,” Torys, May 17, 2012
Available online: http://www.torys.com/insights/publications/2012/05/canadas-banks-and-credit-unions-introduce-guidelines-for-nfc-mobile-payments
Peter A. Aziz,” Canadian Code of Conduct to Be Extended to Mobile Payments,” Torys, September 20, 2012

3. Large-value/global, Fast, and Time Sensitive Payments

4. The Organization and Regulation of Payment Systems - Operation and Risks
   Benjamin Geva, “Central Banks and Payment System Risks: Comparative Study” in Peter Conti-Brown and Rosa M Lastra (eds), Research Handbook on Central Banking, (Edward Elgar, 2018)
   Department of Finance (Canada), Balancing Oversight and Innovation in the Ways We Pay: A Consultation Paper, 13. 4. 2015,
5. The Decentralized Distributed Ledger Technology (DTL): Bitcoin, Blockchain and Fintech

(UK) Government Office for Science, Distributed Ledger Technology: Beyond Block Chain, (2016) [87 pages]


6. Virtual Currencies: Crypto and Centralized -- Are they Money?

Benjamin Geva, Is Cryptocurrency Money and Why Does it Matter? June 06, 2018 online:

Saifedean Ammous, “Can cryptocurrencies fulfill the functions of money?” (August 2016), online:

7. Initial Coin Offering (ICO) and Securities Regulation

**Not available in Course Kit


8. Miscellaneous Digital Currency and DTL/blockchain Miscellaneous Legal issues:

Alexander Savelyev, Contract Law 2.0: “Smart” Contracts as the Beginning of the End of Classic Contract Law, National Research University Higher School of Economics, basic Research Program Working Papers, Series: Law WP BRP 71/Law/2016, 14 December 2016, online:


9. **Money and Virtual Currency Businesses: Regulation of Intermediaries and AML/ATF Compliance**

ULC, Money Services Act Summary

Prefatory Note, UNIFORM MONEY SERVICES ACT [US] (Last Revised or Amended in 2004) Drafted by the NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS and by it APPROVED AND RECOMMENDED FOR ENACTMENT IN ALL THE STATES at its ANNUAL CONFERENCE MEETING IN ITS ONE-HUNDRED-AND-NINTH YEAR ST. AUGUSTINE, FLORIDA JULY 28—AUGUST 4, 2000, pp. 1-13, online:

**Not available in Course Kit**


Benjamin Geva, The Substantive Reach of the URVCBA: Critical Analysis, Daft- June 15, 2018

Canada Gazette, Part I, Volume 152, Number 23: Regulations Amending Certain Regulations Made Under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, 2018


Concise overviews of PCMLTFA requirements

Financial entities [4pages]


Money services businesses (MSBs) [4pages]


Types of Sanctions [4pages]


10. **Central Bank Digital Currencies (CBDC) in the Broader Context of Banking and Money in the Digital Age**

Benjamin Geva, Central Bank Digital Currencies: The New Era of Modern-Day Banking April 23, 2018, online:
