

Summary: Regulatory & Risk Profile

Classification	Volatility	Regulatory Clarity	Key Risk
Cryptocurrencies	High	Improving (Commodity-like)	Market Volatility
Stablecoins	Low	High (Banking-grade)	Reserve Transparency
Security Tokens	Moderate	Very High (Securities Law)	Liquidity
Utility Tokens	High	Moderate (Consumer Law)	Project Failure
NFTs	Extreme	Emerging (IP Law)	Speculative Bubble

The regulatory landscape has shifted from "voluntary compliance" to a **mandatory licensing** environment. Operating without the correct authorization now carries significant legal and financial penalties, particularly under frameworks like **MiCA in the EU** and the **GENIUS Act in the US**.

1. Payment Assets (Cryptocurrencies)

Asset Type	Primary Purpose	Key Examples	Business Use Case
Store of Value	Long-term digital "gold"; censorship-resistant.	Bitcoin (BTC)	Corporate Treasury: Companies like MicroStrategy hold BTC on balance sheets as a hedge against fiat inflation.
Protocol Native	Used to pay "gas" fees for network operations.	Ethereum (ETH), Solana (SOL)	Operational Infrastructure: Paying for the execution of smart contracts or decentralized applications (dApps).
Privacy Coins	Obfuscates transaction details for anonymity.	Monero (XMR), Zcash (ZEC)	Confidential B2B: Private settlements where transaction amounts must be hidden from competitors.

If your business provides exchange services, custodial wallets, or order transmission for assets like Bitcoin, Ethereum, or Utility Tokens, you must hold a **Virtual Asset Service Provider (VASP)** license or if it's in the EU, a **Crypto-Asset Service Provider (CASP)** license.

2. Stablecoins & CBDCs

Fiat-Backed:	Reserves held in traditional bank accounts (e.g., USDC, USDT).
Central Bank Digital Currencies (CBDCs):	Government-issued digital versions of fiat (e.g., Digital Yuan/e-CNY).
Algorithmic/Crypto-Backed:	Value maintained via smart contracts and collateral (e.g., DAI).

Business Use Case: Cross-Border Remittance

A company in London can pay a vendor in Singapore using USDC. The transaction settles in minutes rather than days, with fees significantly lower than SWIFT.

4. Utility Tokens

Governance	Allows voting on the future of a protocol.
Service Access	Required to use a specific decentralized service.
Loyalty/Rewards	Tokens earned through brand engagement.

Tokens that grant the holder access to a specific product or service within a blockchain ecosystem. They are not intended as investments but as "digital coupons" or "keys."

Business Use Case: Decentralized Storage

A company can pay in FIL to store encrypted backups across a global network of providers, ensuring no single point of failure (unlike AWS or Google Cloud).

3. RWAs / Security Tokens

Equity Tokens: Digital shares of a private or public company.

Debt/Bond Tokens: Digital representations of corporate or government debt.

Fractionalized Real Estate: Owning 1/1000th of a commercial building.

These represent digital ownership of a tangible or traditional financial asset. Under 2026 regulations (like MiCA in the EU), these are often treated similarly to traditional securities.

Business Use Case: Capital Raising

A mid-sized real estate developer can "tokenize a real world assets" (RWAs) like a new apartment complex, allowing 500 small investors to buy in, rather than seeking one massive loan from a bank.

5. Non-Fungible Tokens (NFTs)

Collectibles & Art: Digital provenance for high-value media.

Digital Identity/SBTs: Soulbound Tokens (SBTs) that represent non-transferable credentials (e.g., a university degree).

Supply Chain/Phygitals: A digital twin of a luxury handbag used to verify authenticity.

Unlike the assets above (which are "fungible" or interchangeable), NFTs are unique. They represent a specific, one-of-a-kind item or right.

Business Use Case: Supply Chain Transparency

A luxury watchmaker mints an NFT for every watch sold. The owner has a digital "birth certificate" that proves authenticity and tracks the repair history on-chain, increasing resale value.

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