

# Blown to Bit(coin)s – How Crypto Has Fared in Chapter 11

## *42<sup>nd</sup> Annual Jay L. Westbrook Bankruptcy Conference*

Gregory Pesce, Layla Milligan, and Yesha Yadav

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## Speakers



**Gregory Pesce**

White & Case LLP, Chicago

Gregory Pesce is a partner in White & Case's Financial Restructuring and Insolvency group. His practice focuses on protecting and advancing the financial interests of corporate debtors and secured and unsecured creditors in the various transactional and litigation-related aspects of the debtor-creditor relationship. Gregory has played a principal role representing sophisticated corporate debtors, investors and other key parties in some of the most complex restructuring cases and transactions. Gregory has won a number of industry awards, including being selected for Bloomberg Law's 2023 They've Got Next: 40 Under 40, Global Restructuring Review's 2022 40 Under 40 and American Bankruptcy Institute's 2022 40 Under 40.



**Layla D. Milligan**

Office of the Attorney General, Austin

Layla D. Milligan is an Assistant Attorney General in the Bankruptcy & Collections Division of the Texas Attorney General's Office, and is the Managing Attorney of the Bankruptcy Regulatory Team. In her role on the Bankruptcy Regulatory Team, Layla represents state regulatory agencies in bankruptcy cases in Texas and across the United States. Layla has practiced law for over 23 years, with the majority of her practice focused exclusively in the area of bankruptcy law. Prior to joining the Attorney General's office, Layla was the Controller and Staff Attorney for the Chapter 13 Trustee in Austin, Texas.



**Yesha Yadav**

Vanderbilt University Law School, Nashville

Yesha Yadav's research interests lie in financial market regulation, securities regulation and corporate bankruptcy, focusing on market structure, exchange design, payments, digital asset regulation, distressed debt and restructuring. She has developed particular specialization in market microstructure, examining the regulation of trading ecosystems for various asset classes, notably, equity, U.S. Treasuries, corporate bonds and cryptocurrencies. Before joining Vanderbilt's Law faculty in 2011, Professor Yadav worked as a legal counsel with the World Bank in its finance, private-sector development and infrastructure unit, where she specialized in financial regulation and insolvency, and creditor-debtor rights.

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## Cryptocurrency as a Concept



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## What Makes Crypto Unique?

- There are several features that distinguish most types of crypto-assets:
  - Bearer asset (asset ownership typically recognized by the holder of the password that opens a crypto wallet).
  - Coins are issued and transferred on globally dispersed blockchains.
  - Users are not recognized by their real-world names.

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## Decentralization vs. Centralization

- ❑ Though crypto-assets are issued on decentralized blockchains, their everyday trading is enabled by centralized firms.
- ❑ Exchanges like Binance, Coinbase, Crypto.Com, and Kraken have allowed for crypto to become popularized.
- ❑ Firms have also evolved to provide lending services, investment, and custody—again, these firms are centralized. Examples: Celsius, BlockFi, and Prime Trust.

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