



# WHITE COLLAR SPOTLIGHT WITH MEGHAN SPILLANE

Meghan Spillane is a partner in Goodwin's Securities Litigation and White Collar Defense group, and a member of its Digital Currency + Blockchain Technology practice. She specializes in advising companies on regulations concerning blockchain technology and cryptocurrencies, and also in interfacing with regulators on behalf of our clients in the tech space. She has also defended clients in a number of high-profile white collar criminal cases. Spillane recently sat down to discuss some of the trends she's following, as well as her most memorable cases, what makes Goodwin different, and an interesting recent read by Abby Wambach, former captain of the U.S. Women's National Soccer Team.

## **What cases or trends are you following now and why are you paying attention to them?**

Over the past two years, I've become increasingly involved in our Digital Currency and Blockchain Technology practice. As this emerging technology has moved to the forefront of the regulatory landscape, it's been a natural transition for me, where much of my experience lies in government investigations concerning other related sectors. The practice has changed a lot since 2017, as the ICO boom led to increased scrutiny by the SEC's Division of Enforcement, which has since led many of our clients to consider interacting with the regulators on the front end of their projects.

I have helped several clients navigate the uncertainties of enforcement investigations, and I'm now regularly engaging with the SEC's Strategic Hub for Innovation and Financial Technology (FinHub), which is dedicated to working collaboratively with businesses in the FinTech sector to create business models that are compliant with the securities laws, as interpreted in the developing regulatory landscape. It's an area of practice that is constantly evolving with the benefit of new information, and a place where developing relationships with regulators truly stands to benefit our clients.

## **What are areas of the digital currency space that you believe the regulators have provided helpful guidance or direction?**

The SEC is utilizing several avenues to guide and develop the regulation of the space, providing some benchmarks and central tenants to encourage compliance, while emphasizing its desire to avoid quelling innovation or discouraging collaboration. Reasonable minds might differ as to how successful the SEC's efforts have been in this regard, but I view the SEC's messaging overall as consistent with a principals-based approach that allows for some flexibility based upon the facts and circumstances of a particular model, rather than a rigid "check the box" approach to compliance.

The Consent Orders that the SEC has entered into with blockchain-based companies over the past few years have set forth the SEC's settlement rubric for how unregistered offerings that occurred in the past can be resolved, emphasizing the benefits of self-reporting and early mitigation as minimizing penalties. The SEC also released a comprehensive Framework for "Investment Contract" Analysis of Digital Assets, which effectively distilled much of the guidance that has come in a variety of forms since the DAO Investigative Report

in July of 2017 in a practical and easily-digestible format. While some perceive the SEC's guidance as leaving many questions unanswered, I consider the SEC's efforts as important steps in the right direction.

Two recent No Action Letters issued by the SEC's Division of Corporation Finance also signal the SEC's willingness to approve some token models, with the recent Pocket of Quarters letter suggesting the SEC's openness to consider some models that are less traditional, including incorporating two classes of tokens, and allowing for some transferability of tokens, while incorporating checks and balances. I am encouraged by these developments, and remain hopeful that the SEC will offer additional guidance in the form of No Action relief in the coming months that further embraces the possibilities of this technology.

#### **What is it about digital currency and blockchain more broadly, that gave you your "aha" moment?**

My work in the blockchain space is truly standing on the shoulders of giants and underscores Goodwin's collaborative approach to emerging technologies. My partner Grant Fondo founded the Firm's practice in this area in 2015, and we have remained at the forefront of developments in this space under his leadership, in collaboration with Mitzi Chang as co-chair. It's exciting to be collaborating with my colleagues across offices, practice groups, and areas of expertise on cutting edge issues. This practice also dovetails with the Firm's broader focus on financial institutions and technology companies, which are two areas that I am passionate about. Blockchain technology has so many use cases that are very much divorced from the creation of the next cryptocurrency. That's really why I've leaned in. I believe in the technology. I love working with clients in the technology space, as I appreciate their entrepreneurial spirit, and also the partnership that we develop when translating their vision into language that the regulators can understand.

#### **What has been your most memorable case?**

Earlier in my career, I was the lead associate on an SEC investigation where our client, an executive of a healthcare company, was alleged to have made knowingly false statements on a series of earnings calls and also allegedly traded stock while in possession of material, non-public information. Goodwin was retained after the investigation was well-underway, and it soon culminated in the SEC's issuance of a Wells Notice. The Staff signaled that

they were motivated to proceed against our client individually. Our team got up-to-speed on the facts quickly, drafted a comprehensive Wells submission, and prepared a presentation for a meeting with the supervisors in Washington D.C., where we argued persuasively that our client's statements were accurate, that his trading activity was in the ordinary course, and that the alleged non-public information was, in fact, not material. Shortly after our presentation, the Staff indicated its intention to close the investigation without bringing any charges.

This experience was obviously poignant for me as a young lawyer because we were able to achieve such a great result for our client. These kind of experiences truly emphasize what "success" looks like for a government investigations attorney—our best victories are often the ones that you never hear about. This case was also memorable for me because it is emblematic of what makes Goodwin such a special place to work. From the associate level, I was actively involved in the drafting of the Wells submission, the preparation of our in-person presentation with senior SEC Staff, and even in the meeting itself. The supervising partner, Rich Strassberg, made it clear that everyone on the team had something valuable to contribute. This is a perspective that I have brought to my practice, now that I have transitioned from associate to being a partner and supervisor myself. Working within a firm culture where all team members are considered essential and all perspectives matter leads not only to the high morale and investment among team members, but also ultimately the best client service.

#### **What do you think differentiates Goodwin from other firms?**

Goodwin really embodies its values of being innovative, collaborative, and partnering with clients to engage in outside-of-the-box thinking. I have lived these values through my work in Goodwin's blockchain practice and through my collaboration with my colleagues across the firm, who marry their subject matter expertise with a creative spirit open to all possibilities. This is the mindset that leads to success—Goodwin embodies an entrepreneurial spirit that is very much aimed at what the future has to offer and all that we can achieve in collaboration with our clients.

### How do you spend your time when you're not working at Goodwin?

I have fully embraced both the challenge and the joy of raising two children (ages 5 and 3) in New York City. I spend my free time exploring museums and parks, enjoying live music and theater, and trying food from around the world (we've embraced a "three bite rule" to encourage adventurous eating). While there are times that city living can be chaotic, and there are times that my kids might long for a swing set or a dog, there is truly no place I would rather have them experience childhood than in the City.

### What books are on your nightstand?

I recently devoured (no pun intended) "Wolfpack" by Abby Wambach, the former captain of the U.S. Women's National Soccer team. She is a two-time Olympic gold medalist, has scored more goals in professional soccer than any man or woman, and the list goes on. She wrote a book—which is a quick read and would fit perfectly in any commuter bag—based on a commencement speech that she delivered at Barnard College shortly after retiring from professional soccer. She premised her speech on a TED Talk about the reintroduction of the grey wolf into Yellowstone National Park, which resulted in overwhelmingly positive changes to the ecosystem. The wolves

ate some of deer, and the deer started to be more selective about where they grazed, which allowed the grass to grow, which allowed the streams to fill up again, which allowed the trees to grow, which allowed a multitude of indigenous species that had left Yellowstone to come back. Wambach draws an analogy between this "wolfpack" and the value of placing women in positions of influence, as having the power to disrupt the status quo, reinvigorate old ways of thinking, and ultimately improve any ecosystem. I have plans to buy a copy of this book for each member of my mentoring circle with Women@Goodwin, the internal affinity network that I co-lead in Goodwin's New York Office.

### Favorite vacation spot?

There are many places still on my bucket list, but one destination I'd love to revisit is San Sebastian. It is in the Basque region of Spain, with spectacular beaches framed by a waterfront promenade. It is a beautiful and cosmopolitan city, with several world-renowned restaurants that are Michelin-starred destinations. My favorite part of the city was the cobblestoned Parte Vieja, which is perfect for a lazy afternoon sipping local Txacoli while sampling bite-sized pintxos—each local bar has a specialty, and it is the best way to explore the culture and the people.

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