

Fintech and Financial Services



HIGHLIGHTS

- A Nationally Recognized and Ranked Fintech Practice**
Wilson Sonsini is recognized as a leading firm for fintech by *Chambers FinTech* and noted for its strong regulatory practice and ability to advise early-stage fintech companies on a wide range of transactional and financing issues.
- End-to-End Legal Guidance for Fintech Innovators**
Wilson Sonsini provides extensive and cutting-edge corporate, regulatory, intellectual property, and litigation legal services for innovative companies across the fintech and financial services industries. We specialize in helping clients with pioneering financial platforms and products comply with existing law.
- Leading Law Firm to Technology Companies**
Our wide-ranging expertise and broad market perspective contribute to our clients' success. As counsel to over 1,000 fintech companies, our clients include:
 - 69 fintech unicorns
 - 13 of the Forbes Fintech 50
 - 4 of the 10 largest fintech companies by valuation
- Comprehensive Regulatory Experience**
At the heart of our work is regulatory compliance. We advise companies with financial products and services on legal and regulatory requirements under statutes such as the Investment Company Act of 1940 ('40 Act), the Investment Advisers Act of 1940, the Securities Exchange Act of 1934, the Securities Act of 1933, the Commodity Exchange Act, and the Bank Holding Company Act; the rules of self-regulatory organizations such as the Financial Industry Regulatory Authority (FINRA) and the National Futures Association (NFA); and state laws such as money transmission and trust company statutes. Wilson Sonsini provides clients with strategic counseling designed to align with their business objectives.

OVERVIEW

Recognized among industry leaders in the 2024 *Chambers* *FinTech Guide*:

***"The team at Wilson Sonsini
are entrepreneurial and
responsive."***



At the forefront of innovation, Wilson Sonsini's Fintech and Financial Services Group provides creative and compliant solutions to resolve complex regulatory and transactional issues faced by innovative companies in the financial services sector. As the leading law firm for technology enterprises, our support extends to a wide range of companies: innovators in disruptive technologies such as artificial intelligence, machine learning, or blockchain; alternative investment platforms; robo-advisers; peer-lending platforms; and innovative payment systems. The Fintech and Financial Services Group guides clients through the complex and shifting legal and regulatory landscape, providing practical counsel to help our clients pursue innovative business lines with a sound legal framework.

Guiding Companies Through Complex Legal and Regulatory Regimes

At the heart of our work is regulatory counseling. We advise companies with financial products and services on legal and regulatory requirements under statutes such as the Securities Act of 1933, Securities Exchange Act of 1934, Investment Company Act of 1940 ('40 Act), the Investment Advisers Act of 1940, the Commodity Exchange Act, and the Bank Holding Company Act; the rules of self-regulatory organizations such as the Financial Industry Regulatory Authority (FINRA) and the National Futures Association (NFA); and state laws such as money transmission and trust company statutes.

Beyond Regulatory Counseling: A Comprehensive Legal Partner

Wilson Sonsini supports the unique needs of each fintech client throughout its lifetime. Our corporate attorneys have deep expertise in guiding fintechs from founding and early-stage seed rounds through public offerings and beyond. Our technology transactions, intellectual property, tax, national security, privacy, and other specialist teams take a creative and practical approach to addressing the unique issues that fintech clients face. We are best-in-class in commercial negotiations and contracting for regulated financial services clients. Working together on a comprehensive basis, we help companies avoid foot faults that can lead to future problems and point them toward success.

Broad Expertise

Our attorneys have extensive experience across all fintech and financial services sub-sectors, including the following:

- **Crowdfunding and alternative investment platforms**, including those offering investments in diverse asset classes such as movie development, gaming, collectibles, real estate, drug and medical devices, and others; broker-dealers and funding portals facilitating Regulation Crowdfunding offerings; and peer-lending platforms offering payment-dependent notes or other investments in consumer, mortgage, or small business loans, publicly or privately.
- **Payments and banking providers**, including neo-banks, virtual credit card issuers, online personal finance platforms, open banking apps, and innovative money services businesses and money transmitters.
- **Investment advisers, broker-dealers, alternative trading systems, and other intermediaries**, including robo-advisers, social media investment platforms, renewable energy asset trading facilities, and private securities, among others.
- **Blockchain and digital currency-related businesses**, including Web 3.0 projects and blockchain-based gaming platforms, blockchain-based securities and settlement platforms, and decentralized finance platforms.

COMPREHENSIVE SERVICES

Wilson Sonsini provides the comprehensive and integrated corporate, regulatory, intellectual property, and litigation services that fintech companies need to thrive in today's legal and regulatory environment.

Our attorneys understand a company's entire scope of needs, enabling them to deliver impactful, innovative, compliant, and customized solutions. In other words, Wilson Sonsini provides the comprehensive and integrated corporate, regulatory, intellectual property, and litigation services that fintech companies need.

Our fintech and financial services expertise includes the following:

Regulatory

In the highly regulated fintech industry, regulatory compliance is key. We specialize in guiding fintech companies through the complexities of compliance with federal and state securities, commodities, payments, and other financial services laws, to creatively craft legal frameworks in a manner designed to streamline compliance as much as possible—particularly where there is legal or regulatory uncertainty.

- **Counseling fintech businesses** on structuring and strategies to comply with applicable law while achieving their companies' business goals
- **Seeking no-action letters, exemptive orders, and other regulatory relief** related to fintech legal issues that pose new questions
- **Pursuing informal discussions with regulators** regarding new technologies and business models to address regulatory uncertainty
- **Forming and registering regulated entities**, including investment advisers, broker-dealers, funding portals, money services businesses, and money transmitters; developing compliance programs; and providing ongoing compliance advice for these entities
- **Drafting legal opinions and memoranda** regarding the status of certain assets as securities; the status of a business as a broker-dealer, investment adviser, investment company, money services business, or money transmitter; and/or the compliance of a client's business activities with federal and state securities, commodities, and/or payments laws

Corporate

Wilson Sonsini assists fintech companies in obtaining financing through all stages of their development, representing more companies that receive venture financing than any other U.S. law firm.

- **Initial structuring and financings**, including SAFEs, SAFTs, convertible notes, token warrants, and other arrangements
- **Forming private funds** to facilitate the delivery of fintech products and services, including venture capital and private equity funds, and developing necessary disclosure and operating documents
- **IPO advisory services** and negotiating the full suite of capital markets offerings, with experience in the United States, Hong Kong, and Chinese markets
- **Mergers and acquisitions**, with decades-long experience participating in landmark deals
- **Tax analysis and mitigation strategies** for corporate structures
- **Guidance for foreign companies entering U.S. markets**, including launch, fundraising, partnerships, M&A, and IP services

Intellectual Property

Wilson Sonsini's intellectual property team provides technology transactions guidance and patents and innovations assistance to strengthen our fintech clients' brands and ensure that our clients' fintech innovations are protected.

- **Patents and innovations assistance**, including patent portfolio management, patent applications, licensing, due diligence, litigation, and interference and re-examination proceedings
- **Technology transactions guidance**, including strategic alliances, partnerships, joint ventures, asset sales, collaborations and co-development arrangements, reseller agreements, manufacturing agreements, and global outsourcing transactions, among others

Litigation

Wilson Sonsini's litigation team is skilled at representing clients in disputes involving complex technologies and novel issues of law.

- **Wide-ranging litigation services**, including trade secrets, commercial, consumer, corporate, patent, securities, and trademark litigation, among other specialties

These are just a portion of our commonly used legal services. Given our extensive experience in related practices, such as intellectual property, cybersecurity, and financial regulation, our firm also has substantial resources to represent a fintech or financial services company facing business disputes in critical areas like antitrust, privacy, and securities litigation.

RELATIONSHIPS WITH REGULATORS

Wilson Sonsini's attorneys have represented thousands of start-ups and fintech and financial services clients. They are thoroughly familiar with the latest developments in the fintech and financial services industries, enabling them to respond quickly to industry shifts. Further, because they have longstanding relationships with regulators and in-depth knowledge of regulatory requirements, they have insight into how fintech and financial services business models will be viewed by the relevant agencies. In fact, several members of our team were formerly with the Securities and Exchange Commission (SEC) or the Federal Reserve.

Our extensive network streamlines compliance with regulatory bodies within the United States, such as the:

- Consumer Financial Protection Bureau
- Federal Reserve Board of Governors
- Federal Deposit Insurance Corporation
- Financial Crimes Enforcement Network
- Securities and Exchange Commission
- Commodity Futures Trading Commission
- Financial Industry Regulatory Authority

CLIENT SUCCESSES

Clients consider our
fintech attorneys to be

*"Super responsive, very
practical and amazing
value for money."*

- 2024 Chambers FinTech Guide

Chambers
AND PARTNERS

Wilson Sonsini's Fintech and Financial Services Group represents an expansive list of companies in the financial services sector. Recent client successes include the following:

Corporate:

- Enable's \$119 million Series D financing
- Ledger Investing's \$75 million Series B financing
- com's \$1 billion Series D Financing
- Brex's \$300 million Series D financing
- Paxos' \$300 million Series D financing
- Paymentus' \$210 million IPO
- Upstart's \$240 million IPO
- Pismo's \$1 billion acquisition by Visa Inc.
- Bakkt's \$155 million acquisition of Apex Crypto
- Marqueta's \$275 million acquisition of Power Finance
- Altruist's acquisition of Shareholders Service Group

Regulatory:

- **Cutting-Edge Crowdfunding and Alternative Investment Platforms:** We have worked with clients such as CrowdStreet, Vauban, and Mintus to ensure regulatory compliance while achieving business goals.
- **Innovative Asset Classes:** We have helped structure offerings in innovative asset classes, such as carbon credits and other renewable energy assets, for Ever.Green and the Northern California Land Trust.
- **Payments Industry:** We work with a range of clients in the payments industry, including CloudWalk, RTGS.global, and Modern Treasury, on innovative payment solutions that leverage bank partnerships, card networks, ACH, funds transfers, and instant payment systems.
- **Emerging Payment Solutions:** We advise clients on digital wallets and peer-to-peer payment solutions, emerging payment products and services such as stablecoins, tokenized deposits, and blockchain-based payment systems.

- **Technology-Driven Payment Services:** We work with clients on technology-driven ancillary services, such as token vaults, AI-based fraud detection, and programmable money.
- **Investment Advisers, Broker-Dealers, Exchanges, Alternative Trading Systems, and Other Intermediaries:** Wilson Sonsini advises diverse clients such as CrowdStreet, Oportun, Figure, Public, and Crypto.com on regulatory questions arising from innovative business models and transactions.
- **Strategic Bank Partnerships, Neo-Banks, and Banking-as-a-Service:** Wilson Sonsini advises companies that provide seamless, more user-friendly access to banking and other financial services, including Meow and Mosaic Software, providing sophisticated, creative advice that is attuned to the evolving regulatory landscape and designed to suit our clients' strategic business needs.
- **Blockchain Innovators:** Working with companies like Figure, Block, Prometheus, Microstrategy, Bitwise, and Flexa, Wilson Sonsini has provided crucial legal guidance on digital currencies and blockchain technology.