

Our Mission is to be the organization of choice for in-house lawyers in the greater Charlotte region for their educational, career development, networking, advocacy, pro bono, and community service needs.



Welcome to ACC Charlotte's 4th Quarter Newsletter 2018

December 11, 2018

A Message from Chapter President John Buckley

2018 has been another growth year for the Charlotte Chapter of the ACC. I went back and I looked at some statistics (I was an engineer before I became a lawyer). The earliest all-chapter membership data currently on the ACC website is from January 1, 2013, and the most recent from September 30, 2018. In that time frame, US membership in the ACC grew from just under 29,000 to just under 35,000, or 21%. Of course one would expect that the Southeast US would be growing faster, and data from geographically nearby chapters confirms that. Georgia has grown by 28%, Tennessee by 48%, the RTP chapter has grown by 59% and South Carolina's chapter has grown by 69%. But Charlotte has outpaced them all by growing 95% during that period.



We've continued to grow since the end of September, and as I announced at our Annual Meeting, we now have 737 members. If we have one (1) more member join before January 1, 2019, we will have doubled in size in just 6 years. That sounds great, and it is great, but growing pains can accompany growth. In 2018 we saw more events "sell out" and exceed capacity of the venues. There are challenges the chapter will need to meet in the next year to serve the growing demand for services. Meeting those challenges - that's where you can help!

I encourage everyone to bring your ideas, find others who embrace them, and bring your efforts to implement them. Maybe we will need more events, maybe we will need bigger events, maybe we will need different events, different venues, and different locations. Maybe we will need to provide more services that aren't events.

I have ideas, but my ideas aren't always the best ideas. Maybe you have ideas; maybe they're not the best ideas either. But when we bring our ideas together and mix them, along with other people's ideas, we get better results.

So this is not a farewell message, although my time as president of the Charlotte Chapter is coming to a close. This organization brings together some of the best people, not just smart,

and not just talented, but some of the most giving of their skills and experiences people with whom I have ever worked. They say that you become the people that you hang out with - that their influence molds you. I've hung out in this organization for over 10 years, and the people who form this chapter have inspired me to provide better service to my clients and my peers, to be a better lawyer, and a better person.

I hope that you will tap into that opportunity, to connect, to involve yourself in a committee, to team with others on a project, to learn, to teach, to share. I intend to continue to work on committees and projects, and serve in my role as past president. I want to continue to grow and change for the better. We have well over 50 events set for next year for you to choose from and come together for a CLE, or a social activity, or a community service event a couple times a month. It's a handful of hours, but if you're engaged, it can energize you for days or weeks to drive yourself to be more than you would have been. Engaged members are good for each other.

What's good for our members is good for our chapter.

Platinum Sponsor: Nelson Mullins

Firm Profile

Nelson Mullins Riley & Scarborough LLP provides advice and counsel in litigation, corporate, securities, finance, intellectual property, employment, government relations, regulatory, and other needs of clients ranging from private individuals to large businesses, including many publicly held companies.

With more than 100 diversified practice areas, Nelson Mullins provides creative solutions to legal and business problems while offering value-added service to clients. Many Nelson Mullins clients-including growth companies, expanding local businesses, and major international companies-retain the Firm to provide all of their legal services. Other clients are national companies requiring assistance with specific regional or local legal matters. The Firm also has experience representing international companies interested in locating facilities in the Southeast. Start-up assistance for entrepreneurial endeavors, multi-action litigation defense, and representation of underwriters and investment bankers are only a few of the services that are provided by Nelson Mullins attorneys.

The Firm is large enough to ensure promptness of service, yet personal enough to maintain our established reputation for individual client attention.

Platinum Sponsor Feature Article

THE INTERSECTION OF CRYPTOCURRENCY, BLOCKCHAIN AND THE LAW

By Robert L. Lindholm

With prices of cryptocurrencies plummeting this year and crypto-related enforcement actions skyrocketing, cryptocurrency and blockchain have become front page news. But many attorneys are left wondering: What exactly is cryptocurrency and blockchain and what do I need to know about it?

What is it? Let's start with the basics: cryptocurrency only exists on computers - there are no coins or paper money. Cryptocurrency operates on a decentralized structure, which means there is no one computer or server that houses a cryptocurrency. Cryptocurrencies are passed from person to person online and users do not use any third parties, such as banks, to complete the transaction nor do they provide any personal information to own or use cryptocurrency. Each user of cryptocurrency has their own code (called cryptography) so that their

information cannot be accessed by others and is almost impossible to hack. A blockchain is a database of every transaction that has ever occurred for a particular cryptocurrency. Once information is added to the blockchain, it cannot be deleted or changed - it stays on the blockchain forever and is public.

What do I need to know about it? Simply put, companies all over the world, big and small, are using or experimenting with blockchain and cryptocurrencies. In an article published this summer, Forbes noted that each of the ten largest companies in the world are all in various stages of exploring blockchain technology. You might have heard of some of them: Berkshire Hathaway (certain subsidiaries are exploring blockchain to streamline their supply chains); Bank of America (working to automate the process of creating letters of credit using the ethereum blockchain); and Wells Fargo (helping to build a simpler way to track securitized home mortgages).



Because cryptocurrencies and blockchain are so new, companies and attorneys are still grappling with the legal risks. Among others, there are data privacy, jurisdiction and dispute resolution, and discovery concerns. But maybe most prominent in the news these days, there are significant regulatory risks. One regulatory risk that has received a lot of press recently is the risk surrounding initial coin offerings ("ICOs"), which are an alternative fundraising mechanism in which blockchain startups issue their own crypto tokens and sell them in exchange for Bitcoin and Ether (two popular cryptocurrencies). Users can then spend the digital tokens on the platform or sell them later on exchanges. Although aggregate statistics vary, some websites report that there have been nearly 1000 ICOs this year and that they have raised over \$22 billion.

The problem for many companies that have started or completed ICOs is that the SEC has taken the position this year that almost every ICO they have seen is a security. The Securities Act of 1933 and the Securities Exchange Act of 1934 generally require that all issuers of securities must register those securities with the SEC, unless an exemption applies. This is problematic because very few companies registered their ICO or filed for an exemption with the SEC. The SEC first waded into the crypto/ICO space in July 2017 when it published The DAO Report, which concluded that DAO tokens, distributed during an ICO, were securities after analyzing the facts of the case under the U.S. Supreme Court's 1946 decision in *S.E.C. v. W.J. Howey Co.* The SEC followed that up with published decisions in *In the Matter of Munchee, Inc.* (Dec. 11, 2017) and *In the Matter of Tomahawk Exploration LLC* (Aug. 14, 2018). It is believed that the SEC has issued hundreds of subpoenas in the past year to companies suspected of violating securities laws in conducting ICOs.

In addition to SEC enforcement, the DOJ has filed criminal charges against some of the individuals behind the ICOs and state regulators have brought actions to halt ICOs. For example, the North Carolina Secretary of State web page details a handful of enforcement actions the Secretary of State has taken in 2018.

While the future of ICOs is murky in light of the regulatory hurdles companies face, cryptocurrency and blockchain appear to be here to stay for at least the near future. It's worth understanding the basics so that you are not caught unprepared should your company start exploring cryptocurrency or blockchain technology.

Membership News

Welcome New ACC Charlotte Members!

Moraya Baker, Associate Counsel at Compass Group USA, Inc.

James Buchanan, Legal Compliance Supervisor at Compass Group USA, Inc.

Erica Bullard, Brighthouse Financial

Robert Cameron, Senior Counsel at Wells Fargo Law Department

Alysja Carlisle, Director - Legal Counsel at Wells Fargo

Shantia Coley, Counsel at Wells Fargo Law Department

Michael Cowart, Director at Barings

David Easwaran, Senior Patent Counsel at Wells Fargo

Erin Frazer-Schardt, Assistant General Counsel at AmWINS Group, Inc.

Felicia Gardner, Assistant General Counsel at Bank of America

Mark Good, VP - Legal at New Forum, Inc.

Daniel Gude, AVP Regulatory Exams & Inquiries at LPL Financial

Amber Hall, Vice President, Senior Counsel and Assistant Secretary at Wells Fargo Law Department

Steve Johnson, Counsel at Barings

Glenn Ketner, Litigation Counsel at Campbell Soup Company

Christopher King, Counsel at Duke Energy Corporation

Haley Lahmeyer, Director and Counsel at Barings

Judith Laliberte, Assistant Vice President and Associate Counsel, Compliance, Legal & Risk at LPL Financial

Will Lashley, Commercial/M&A at SABIC

Kyle Murphy, Senior License Negotiator at EPRI

Andrew Parker, Legal Counsel at Wood

Ashley Pearson, Sr. General Counsel at Atrium Health

Sasha Robinson, Assistant General Counsel at Bank of America, N.A.

Patrick Rogers, Vice President, Assistant General Counsel at 3D Systems Corporation

Tiffany Scheppers, Assistant General Counsel at Syneos Health

Marc Silverstein, General Counsel at Gorelick Brothers Capital, LLC

Robert Sullivan, Senior Vice President & General Counsel at The Springs Company

Anna Verderame, Associate General Counsel at Polypore International, Inc.

Lisa Waggoner, Corporate Counsel at TriNet USA, Inc.

Luciona Wiley, Senior Counsel at Wells Fargo

Legal Notes

Featured Article

FYI: CFM International Antitrust Settlement

Bottom Line Up Front:

Companies which may have a strong position in their relevant market should closely evaluate whether 1) the business is likely to be considered dominant; 2) any of their practices could be viewed as restricting or foreclosing competition; and 3) any legitimate business justifications exists for such

practices. Engaging with counsel early and often in these discussions may prevent time consuming and costly investigations.

Background

In 2016, the International Air Transportation Association (IATA) became a complainant in an investigation being conducted by the European Commission into alleged abuses of dominant positions by manufacturers of aviation equipment. CFM International Jet Engines (CFMI) was one of the manufacturers under investigation. On July 31, 2018, IATA and CFMI announced a settlement, and IATA dropped its complaint against the company.

What is monopolization?

To find a valid abuse of dominance claim, the competition authorities would have to find that a party (1) had dominance in a relevant market; (2) engaged in anticompetitive conduct; and (3) acted without a legitimate business justification.

How did CFMI address IATA's concerns?

CFMI publicly released formalized aftermarket policies called Conduct Policies in exchange for IATA withdrawing its complaint. CFMI stated it would, among other things, affirmatively undertake the following measures[1]:

- (1) License maintenance, repair, and overhaul (MRO) manuals for its engines to companies even if those companies use non-CFMI parts in the repair;
- (2) Grant the right to use MRO manuals without a separate license fee;
- (3) Honor warranty claims, even where CFMI found non-CFMI parts in the engine as a part of the repair; and
- (4) Enter into service agreements without requiring exclusivity.

In the case of CFMI, the European Commission did not conclude its investigation into whether CFMI violated any competition laws; however, IATA expects that this settlement will be an example for other aerospace manufacturers.

[1] <https://www.cfmaeroengines.com/cfm-conduct-policies-implementing-measures/>

Charlotte Community Spotlight

Upcoming Charlotte Holiday Events

EVENTS AROUND TOWN

Welcome to the second ACC Charlotte Newsletter calendar of events! Hopefully you saw some good shows and events last year, so let's give it another try.

Perhaps you're faced with finding the perfect gift for that person who has one of everything or you need to figure out what to do with family and friends. If you're stumped and pressed for time, we've assembled a short sampling of some local arts events and organizations in Charlotte, seasonal activities and a brief description of some of our community's key arts organizations.

Blumenthal Performing Arts

Blumenthal Performing Arts is home to many of the local arts organizations, including Charlotte Symphony Orchestra and the Charlotte Ballet. They also bring touring companies of top Broadway shows through Charlotte through the PNC Broadway Lights program. Select upcoming performances are listed in the calendar below, and a full calendar of events can be found at <http://www.blumenthalarts.org/events-performances/coming-performances> and holiday-specific events can be found at <https://www.blumenthalarts.org/events->

Charlotte Symphony Orchestra

The Charlotte Symphony, led by internationally renowned Music Director Christopher Warren-Green, offers a variety of musical programming throughout the year. CSO's core season runs from September through May and includes "classical, pops, eddy altsounds, and family-focused Lollipops series, among other special performances with notable soloists." CSO delights audiences during the holiday season with annual favorite "Magic of Christmas" and has special ticket packages available now. A calendar of select events is below. CSO's full calendar as well as ticket information are available

[performances/holiday-shows-2018/](#) .

online at: <http://www.charlottesymphony.org/>

December 2017

Through 23 - The Best Christmas Pageant Ever: The Musical (the Children's Theatre of Charlotte's most popular show of all time. Adapted from Barbara Robinson's classic story)

12-January 6 - Holiday on Ice (400 E. Martin Luther King Blvd.) (skate in the heart of Uptown Charlotte. Tickets to skate are good all day and there will be various special events)

14-23 - Magic of Christmas (Symphony) (featuring a world premiere Christmas carol plus songs you know and love for sing alongs, Santa and other festive characters)

6-26 - Gingerbread Lane at Ballantyne Hotel and Lodge (10000 Ballantyne Commons Parkway) (Gingerbread Lane will be an enchanting display of gingerbread creations that you can view along with the family. The charming display will be free to view and open to the public. You can vote for your favorite creation with a minimum \$1 donation per vote, which will benefit Levine Children's Hospital.)

Tuesday through Sunday through December 24 (open Monday, December 24) - Charlotte Christmas Village at 7th and Tryon (406 N. Tryon) (European-inspired Christmas market; opens at 11 am, closing time varies. Visit <http://www.cltchristmasvillage.com/> for details)

26-29 - The Hip Hop Nutcracker (Blumenthal/Theater) (contemporary work set to Tchaikovsky's music after sold out performances last December)

New Year's Eve and New Year's Day

Aerial New Year's Eve (Cirque du Southend) (spend a whimsical New Year's Eve in South End with thrilling aerial acts from Aerial CLT)

CLT New Year's Eve: Charlotte's official New Year's Eve celebration takes place at Romare Bearden Park. Free and family-friendly, with fireworks at midnight and an earlier countdown at noon for kids.

Brew Year's Eve Celebration (Sycamore Brewing) (Food trucks, live music, champagne and pitches of beer under a heated tent. No ticket required.)

Charlotte's NYE 2019 Affair (The Ritz-Carlton Charlotte, 201 East Trade Street, Charlotte) (semi-formal; tickets are \$30 to \$85 per person and can be purchased in advance at <http://www.cltnye.com/>)

Recent Chapter Events

Charlotte Chapter Wins ACC Best Partnership Award



Our ACC Charlotte Chapter was awarded a "Best Partnership Award" at our Annual ACC Conference in Austin, TX for the Advanced Management Program with UNC Charlotte Belk College of Business. We were selected as the winner in this category among all ACC Chapters. This innovative joint program was designed to give in-house counsel background and resources in order to develop a more in depth understanding of key corporate functions and recognition of various stakeholders thereby enhancing business acumen and providing an edge to the programs participants to improve client communications and improve their client's performance in the business environment.



The program, based on MBA program coursework and taught by UNC Charlotte Belk College of Business faculty, is delivered over 9 half-day immersion Sessions at UNC Charlotte City Center and set into 3 distinct Modules over a 7-month period. The 9 half-day Sessions cover Finance and Accounting, Leadership, Ethics and Strategic Management and Marketing. The program began in September 2017 and is now running a second cohort in September 2018 with over 30 participants in each session.

The next time you see Tim Nohr or Richard Sedory, please thank them for working so hard to implement this important program for our members.

International Affinity Group Roundtable - Discussion of Current Global Challenges



On October 11, 2018, our International Affinity Group held roundtable discussion about finding some solutions to problems you face as you do business overseas. Everyone thoroughly enjoyed the topic and discussion and the group continued the discussions with heavy hors d'oeuvres and cocktails at the lovely Morehead Inn in Charlotte.

Thank you to our sponsor, **Ogletree Deakins**.

Women's Event: Mixing, Mingling & Making a Difference for Local Students



On October 23, 2018, our Women's group along with Parker Poe were able to participate in building kits for local students who are served by Classroom Central, a nonprofit in our community. The group was divided into 5 groups who competed against each other by time in building the kits. Our members also enjoyed cocktails and hors d'oeuvres which were provided throughout the event.

Thank you to our generous sponsor, **Parker Poe**, for a great evening.

Community Service Event: Holiday Stocking Stuffing Event



On November 15, 2018, our Chapter members along with sponsor members from Moore & Van Allen volunteered their time to help stuff over 250 holiday stockings for mothers of babies and young children. Bright Blessings is a local nonprofit charity benefiting local homeless children. Our sponsors provided a lovely holiday luncheon in their offices for all to enjoy as well.

Thank you to our generous sponsor, **Moore & Van Allen**.

Second Annual ACC Charlotte Sponsorship Reception

On November 27, 2018, we held our Second Annual ACC Sponsorship Reception at the New Legion Brewery located Piedmont Row in South Park wherein over 60 members and sponsors attended. This was a social event to thank our 2018 sponsors and show them how much we appreciate their efforts and sponsorship support by providing outstanding programming and events for our members. A special thank you to the Sponsorship & Programming Committee who worked on this event and to Julie Szeker, VP of Sponsorship and Programming, who thanked our sponsors during a brief presentation.



Did you miss an event? Presentation materials from past events are available on the ACC Charlotte website [here](#).

**View Our Calendar of
Upcoming Events**

ACC Charlotte Chapter, P.O. Box 2964, Huntersville, NC 28070
704-999-0814, email: charlotte@accglobal.com

The contents of this new sletter are intended to convey general information only and not to provide legal advice or opinions. The contents of this new sletter should not be relied upon for, legal or tax advice in any particular circumstance or fact situation. The information presented may not reflect the most current legal developments. No action should be taken in reliance on the information and we disclaim all liability in respect to actions taken or not taken based on any or all of the contents of this site to the fullest extent permitted by law . An attorney should be contacted for advice on specific legal issues.

STAY CONNECTED:
Check out our recent and upcoming events and CLE opportunities at:

