Apple Ordered To Allow in-App Purchases, Is This a Win for Crypto?

The long legal struggle between Apple and Epic Games, the creators of Fortnite, is finally over. The court argument was over how Apple's App Store handled in-game purchases for games. Whenever you make a purchase on the App Store, Apple deducts 30%, and it deducts 30% if you make a purchase of game-related merchandise. Apple enforced this by requiring in-game transactions to be made through the App Store rather than through the game’s payment system. For example, if you wanted to buy a character skin in Fortnite for mobile, you’d have to use the store’s associated payment system. While not necessarily monopolistic, the judge recognized that it was anti-competitive activity. Apple was then barred from requiring developers to utilize the App Store’s payment mechanism in the future, enabling them to use any payment system they want. Where previously payments on apps had to be done with fiat currency as they needed to go through Apple’s system, developers could now choose to use alternatives like cryptocurrency. Plenty of companies like Newegg, Overstock, Sotheby’s, Starbucks and more all accept cryptocurrency and have applications on these stores. This change may allow them to begin accepting crypto directly within their mobile applications. Additionally, smaller developers will now have the freedom of choice to take direct payments within their application of dollars, crypto or otherwise. This freedom of choice could help to bolster cryptocurrency adoption and even help to scale payment systems like Bitcoin’s lightning network.
Regulatory and privacy concerns trail SEC’s threat to Coinbase

Crypto lending products have come under scrutiny from security regulators in some jurisdictions across the United States. While these enforcement actions have come from agencies at the state level, there have been indications that the Securities and Exchange Commission (SEC) was also set to go on the offensive. Thus, it was perhaps unsurprising to see the SEC ask Coinbase to halt its proposed crypto lending program titled “Lend.” Coinbase CEO Brian Armstrong took to Twitter to express dissatisfaction with the SEC’s behavior, stating that the Commission was not forthcoming with useful guidance despite public assurances to the contrary. Critics of the SEC’s enforcement actions directed at the U.S. crypto space warn that America risks falling behind in the emerging digital economy if suitable regulatory sandboxes are not created. However, the SEC has maintained that the size and growth potential of the cryptocurrency space makes it necessary for the industry to operate within the ambit of existing laws and guidelines. The SEC recently threatened Coinbase with legal action if the exchange giant brings its crypto lending product to market. As part of the Twitter thread, Armstrong countered the SEC’s argument that lending is a security. However, America’s established securities law classifies lending as a security with some notable exceptions, for example, banks. Over the summer months, crypto lending outfit BlockFi received a few cease and desist orders from state securities regulators including New Jersey and Alabama.

Ukraine passes legislation to recognize and regulate crypto

The Ukrainian Parliament has adopted legislation regulating foreign and domestic cryptocurrency exchanges operating from within the country. On Wednesday, the Ukrainian Parliament adopted the draft law “On Virtual Assets,” legally recognizing cryptocurrency in the country for the first time. The legislation is based on the existing standards developed by the intergovernmental policy-making organization, Financial Action Task Force on Money Laundering (FATF). Ukraine’s Ministry of Digital Transformation will be tasked with overseeing the implementation of the new digital asset regulation and guiding the industry’s growth in adherence to international standards. Anastasia Bratko of the Ministry of Digital Transformation said the law allows companies to launch digital asset markets in Ukraine and enables banks to “open accounts for crypto companies.” “Ukrainians will also be able to declare their income in virtual assets,” she said, adding that the law “guarantees judicial protection of the rights to virtual asset owners.” Virtual asset service providers (VASPs) “must have an impeccable business reputation” and will be required to disclose their ownership structure to identify their ultimate beneficial owners. Internal Anti-Money-Laundering measures must also be maintained by VASPs. Last month, Mykhailo Fedorov, Ukraine’s deputy prime minister and the head of the country’s Ministry of Digital Transformation, revealed that his ministry was exploring using a central bank digital currency to make salary payments in an early pilot of the technology.
ADA price drops 10% following long-awaited smart contracts rollout

The price of Cardano (ADA) fell on Monday in line with the other top cryptocurrencies despite the completion of its hard fork upgrade dubbed “Alonzo,” which introduced smart contract functionality. The ADA/USD exchange rate dropped 10.67% to reach its intraday low of $2.30, partly due to profit-taking sentiment among traders following the pair’s 1,200%-plus price rally this year. Additionally, the intraday sell-off also surfaced in the period of an overall crypto market decline, with top tokens Bitcoin (BTC) and Ether (ETH) falling 4% and 6.97%, respectively.

Cardano’s drop appeared when its core foundation rolled out a long-awaited smart contracts feature on its public blockchain for the first time. The launch expects to tap the booming decentralized finance (DeFi) and nonfungible token (NFT) sector as they grapple with slower and costlier transaction fees on the leading smart contracts platform Ethereum. As a result, anticipation for an extended upside boom in the ADA markets was high, with The Value Trend, a financial analyst at Seeking Alpha, expecting the Cardano native token to hit $10 should it flip Ethereum to become the leading smart contracts platform. Overall, the belief helped ADA/USD deliver strong profits in the days approaching the Alonzo upgrade. On July 20, the pair was trading for as low as $1. Later, on Sept. 2, its value rose to a record high of $3.16, a 200% rebound.

El Salvador purchases first 200 BTC, then buys the dip, President Bukele confirms

El Salvador President Nayib Bukele revealed Monday that the government had snapped up 200 BTC in preparation for the Bitcoin Law going live on Tuesday. The law recognizes digital gold as legal tender. While the BTC price crashed following the major news event, Bukele was unfazed as the government “bought the dip” by purchasing another 150 BTC during the depths of the mass sell-off that saw the price dip below $43,000. Regarding the Bitcoin Law, Javier Argueta, the legal counsel to the Presidential House of El Salvador, reportedly clarified the obligations of businesses a day before it went into effect. Argueta stated that businesses are mandated to hold a crypto wallet and accept BTC from customers — but they are also able to choose whether they will receive BTC or USD once the transaction is settled. Journalist Aaron van Wirdum tweeted about his adventure to a Salvadoran McDonald’s on Tuesday to see if he could make a purchase with BTC and, to his surprise, he was able to load up on the breakfast menu using the newly recognized legal tender. In June of this year, El Salvador became the first country in the world to recognize Bitcoin as legal tender. Although the decision was met with praise by the Bitcoin community, detractors from the World Bank and International Monetary Fund warned that the new strategy isn’t a good idea. More recently, internal opposition saw hundreds across the country protest against the new Bitcoin Law.
In the coming years, many more nation-states will use crypto as part of their monetary policy, either as reserves in their central banks or using cryptocurrency rails for central bank settlements, [...] or potentially just simply taking a cryptocurrency — as El Salvador has done — and make it the national currency.

Charles Hoskinson, founder of Cardano