

# Mayfair 101

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## Security tokens can open up ICO market to institutions, believes Mayfair 101

Goldman Sachs' announcement in May that it was involved in a crypto-currency or token launch marked a major about-turn by the US investment bank.

Only last year, Lloyd Blankfein, the bank's chief executive, had dismissed the bitcoin craze, but now it has heavily backed Circle, a blockchain-based peer-to-peer trading network.

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Goldman has built its reputation among other things for being ahead of the curve and some commentators see its decision as a significant signpost towards the widespread adoption of blockchain and digital currencies.

James Mawhinney, managing director of boutique merchant bank Mayfair 101, believes Goldman's call is a major step forward for digital currencies and will herald a surge in their use by other corporations.

If ICOs provide an investment product that pensions funds, investment banks and others understand, that is when huge sums of money will enter this space, he told Proactive.

Circle's security token is pegged to the dollar (a stable token) and it is this form of ICO that will have the greatest appeal to institutional investors, he believes.

"A security token model incorporating fractional ownership of an asset might be sufficient to attract institutional investors."

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Security tokens give the holder a financial reward such as a revenue stream or a portion of an asset unlike utility tokens, where owners get access to a service or product.

Because of this financial element, security tokens are regulated and investors need to be accredited.

Some argue if you are getting a stream of income from a token or it has claim over a company asset, why is it any the different from a traditional share.

Mawhinney sees the similarities but says shares are effectively bits of paper whereas a token in part of the blockchain.

**Payment flexibility**

That gives a lot more flexibility over timing of payments and more importantly the transparency of the transactions.

To all intents and purposes, that means everyone can see what people are holding in digital wallets, he says.

### Share Information

**Code:** MAYF

**Listing:** PRIVATE-UK

**Sector:** Financial

**Website:** [www.mayfair101.com](http://www.mayfair101.com)

### Company Synopsis:

*An International Investment & Corporate Advisory Group*

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*□ Mayfair 101 is an international, privately owned investment and corporate advisory group that thrives on helping companies reach their full potential whilst providing consistent investor returns.*

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Mawhinney predicts a huge increase in the number of companies going down this route.

Mayfair101 is itself looking to raise £1bn for its clients through ICOs over the next 12 months.

He says the next staging post will be the development of a secondary market for security tokens.

US firm tzero is planning to launch such an exchange later this year and from then on Mawhinney can see hundreds of companies preparing security tokens.

"Timing for this is very much right."

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