

## Rising Star: Latham's Stuart Davis

By Dean Seal

*Law360 (October 8, 2019, 3:32 PM EDT)* -- Latham & Watkins LLP's Stuart Davis has overseen some of the most significant transactions in the e-payments market, including Blackstone Group LP and CVC Capital Partner's £3 billion acquisition of Paysafe, he sits on the European Commission's Blockchain Observatory and advises some of the world's largest tech and crypto companies, landing him among fintech attorneys under age 40 honored by Law360 as Rising Stars.

### **HOW HE GOT INTO FINTECH:**

Davis said his first foray into fintech was a pro bono project in 2015 for a nonprofit organization that wanted to raise money for HIV research through the issuance of bonds that were backed by a blockchain infrastructure.

The idea was to make it easy for donors to purchase the bonds — which would only fetch a return if an HIV cure was found — on their phones and then receive the bonds in the form of a token that could be held in a digital wallet. As an adviser on the project, Davis was focused on the regulatory aspects surrounding blockchain, the distributed ledger on which the bonds would be tokenized.

"2015 was probably fairly early to be working on significant blockchain projects," Davis said. "But it just became very clear to me that technology is moving at a rapid pace, and it's going to change the way in which we do things today in relation to the financial markets."

By the time Davis came to Latham in 2017, the Bitcoin boom had scores of tech startups and banks interested in cryptocurrency and the technology underpinning it, clearing a path for him to build out Latham's fintech practice and establish himself as a leader in the space.

### **CHALLENGES OF WORKING IN THE SPACE:**

Latham is built to service a global market, Davis said, and the

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STAR**



**Stuart Davis**  
Latham & Watkins

**Age:** 33

**Home base:** London

**Position:** Senior Associate

**Law school:** University of Cambridge

**First job after law school:** Trainee

Solicitor at Linklaters LLP

clients he advises want to implement tech solutions on the same scale — which presents some challenges.

"If you want to service 100 markets, you tend to have to comply with 100 different sets of regulatory rules," he said.

Davis is regularly working with major financial regulators to ensure his clients' compliance in whatever jurisdiction is at play. He is currently retained by the London-based Nivaura, a blockchain startup focused on capital markets, to advise on the development of its platform for creating, clearing and settling tokenized equity using blockchain technology.

Tokenized equity is equal parts pioneering and problematical, and Davis' engagement with Nivaura has led him to grapple with a number of novel legal questions and interface with financial regulators in the U.K. and the EU.

"There's a lot of complexity, because the legislation that sits behind the way in which equity gets issued and held in the U.K. is quite old and relies on a number of traditional concepts," Davis said.

The engagement has already seen success. In April, Nivaura helped venture studio 20|30 complete what is regarded as the first live issuance in the U.K. of tokenized equity on a blockchain, all under the umbrella of the Financial Conduct Authority's regulatory sandbox.

#### ***WHAT MOTIVATES HIM:***

Just as Nivaura aims to revolutionize equity markets, many of the firms that Davis advises are hoping to change the world for the better, like StepEx, a digital platform that connects student borrowers to lenders with the goal of providing more affordable access to education.

To comply with the FCA, Davis put together a unique regulatory structuring in which StepEx was licensed as both an alternative investment manager and a consumer credit lender — the FCA itself told Latham that such a structure has never been done before.

Overseeing "firsts" like the StepEx structure or the 20|30 tokenized equity issuance are part and parcel of working in a space where innovation in financial technology is being used to benefit society, and, according to Davis, that "makes the job all the more fascinating and all the more worthwhile."

"You really feel like you're advising on something that's cutting edge, but that is also making things more efficient and making things get done better," Davis said. "That can only be a good thing."

#### ***HIS ADVICE TO YOUNGER LAWYERS:***

Lawyers have not traditionally been trained to grasp things like blockchain technology or digital assets, and given the in-depth understanding required to ensure that innovations are legally robust, the learning curve can be steep, Davis said.

But technology "is so pervasive" and continues to cut across all aspects of finance and disciplines of law, Davis said, so the next generation of attorneys would do well to start investigating fintech concepts as they're brought into the fold of daily life.

"I'd encourage any young lawyer to get involved, because it is the future, and I think the boundary between fintech and employment law or regulatory law or corporate law is blurring all the time,

because technology is present in practically everything you do or practically every piece of advice that you give," he said. "I think its necessary for lawyers to get up that curve."

— *As told to Dean Seal*

*Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2019 Rising Stars winners after reviewing more than 1,300 submissions. Attorneys had to be under 40 years old as of April 30, 2019, in order to be considered for this year's award. This interview has been edited and condensed.*