April 27, 2026

Via Electronic Mail

Sebastian R. Astrada
Deputy Comptrollers for Chartering, Organization & Structure
Office of the Comptroller of the Currency
400 7th St., SW
Washington, DC 20219

Re: EDX Trust, National Association Charter Application (2026-Charter-345391)

Dear Mr. Astrada:

The Bank Policy Institute[1] respectfully submits this comment in opposition to the application submitted by EDX Trust, National Association ("Trust Bank") on March 25, 2026 (the "Application") to the Office of the Comptroller of the Currency seeking approval for a national trust bank charter.[2] As we describe in detail below, we have deep concerns that approval of the Application, whether alone or in conjunction with the similar applications recently filed, would: (i) exceed the scope of the OCC's authority under 12 U.S.C. 27(a), which limits national trust bank charters to institutions predominantly engaged in trust and fiduciary activities; (ii) permit the national trust bank charter to be used in a new and untested manner that could significantly increase risks to the U.S. financial system; (iii) create an unlevel playing field that would harm traditional federal- and state-chartered banks and inhibit their ability to serve the credit needs of their communities; and (iv) potentially open the door to the national trust bank charter being used as a direct substitute for broker-dealer registration with the U.S. Securities and Exchange Commission ("SEC") in a way that undermines the Gramm-Leach-Bliley Act and the Dodd-Frank Act.

[1] The Bank Policy Institute is a nonpartisan public policy, research and advocacy group that represents universal banks, regional banks, and the major foreign banks doing business in the United States. The Institute produces academic research and analysis on regulatory and monetary policy topics, analyzes and comments on proposed regulations, and represents the financial services industry with respect to cybersecurity, fraud, and other information security issues.

[2] The Application largely mirrors numerous other applications recently filed by affiliates of entities engaged primarily in activities related to digital assets, in response to which we have submitted similar comments.

We also note that the public's ability to meaningfully comment on the Application is significantly limited by the fact that the portions of the Application that the OCC has made public include only a cursory and superficial description of the Trust Bank and its proposed activities – literally no more than a few sentences. We filed a Freedom of Information Act request for the Application and all exhibits. As of the date of this letter, we have not received a response to our request. While we submit this comment based on the information available, we note that neither the Applicant nor the OCC has provided the public with adequate information for the public to meaningfully assess or fully comment on Trust Bank's proposed activities or business plan or to consider any relevant legal or policy issues that may be presented by such activities. While the Application refers to a confidential business plan appended to the Application which would provide helpful information, this information remains hidden from the public. This lack of transparency is wholly inconsistent with the present administration's explicit commitment to this principle.[3]

As discussed in more detail below, the Application raises a host of important legal, regulatory, and policy questions and concerns that we urge the OCC to carefully evaluate and ensure are appropriately answered and addressed before any action is taken on the Application. In particular, we recommend that the OCC:

- Confirm that Trust Bank will not itself issue stablecoins;
- Confirm that Trust Bank will actually engage in fiduciary activities within the meaning of the relevant provisions of the National Bank Act;
- Confirm that other than trust deposits,[4] Trust Bank will not hold customer funds as deposit liabilities on its balance sheet;
- Confirm that Trust Bank will not receive, hold, or use customer funds in a custodial capacity as a means to indirectly engage in deposit taking, payments, or lending activities;
- Confirm that Trust Bank will not accept, hold in its name, or commingle with its own accounts (including in any master account it may maintain at a Federal Reserve Bank) the cash component of any stablecoin reserves for which it may act as trustee or custodian or any trust deposits it may accept;
- Confirm that Trust Bank will maintain sufficient capital (for example, by maintaining capital on at least a one-to-one basis with any funds it places with an insured depository institution ("IDI"));
- Consider whether Trust Bank's parent can adequately provide capital and liquidity support to Trust Bank, especially as it appears that Trust Bank's services will be concentrated within a single financial market segment and may be provided predominantly to affiliates, on which Trust Bank will be dependent for its revenues and profitability;

[3] Approving the Application without affording the public visibility into Trust Bank's proposed activities would contravene President Trump's express mandates regarding transparency in government. As described in a White House announcement, "President Trump campaigned on a promise to return power back to the American people by 'cleaning out the Deep State.'" https://www.whitehouse.gov/priorities/doge/. Without greater transparency and solicitation of public input regarding the Application and the OCC's interpretation of its chartering authority, President Trump's promise would remain unfulfilled. Accordingly, we ask the OCC to release additional information to the public on Trust Bank's business plans, with only strictly necessary redactions, to provide the public the ability to scrutinize such information.

[4] Trust deposits must be received and maintained consistent with the limitations and requirements pursuant to 12 U.S.C. 92a and 12 CFR Part 9.

- Consider whether the OCC's procedures for resolving uninsured national trust banks provided in 12 CFR Part 51 would be adequate to protect customers, consumers, and the banking system in the event of Trust Bank's failure;
- Consider the extent to which Trust Bank will engage in transactions with its affiliates and whether those proposed activities are consistent with Sections 23A and 23B of the Federal Reserve Act and their implementing regulation, Regulation W; and
- Confirm that Trust Bank will, if necessary, register with the U.S. Securities and Exchange Commission as a broker-dealer or conform its activities to those permissible under the narrow exceptions permitted by Regulation R.[5]

I. Paradigm for Evaluating the Charter Application

Evaluating the Application is complicated by the numerous and acute legal ambiguities presented by digital asset-related activities. It is sometimes suggested that digital assets in general, and stablecoins in particular, are novel or unique financial instruments. But it may be more accurate to say that digital assets and stablecoins in many cases are simply traditional assets – depending on the digital asset, they may be analogous to bonds, debentures, deposits, money orders, traveler's checks, money market mutual funds, derivatives, precious metals, or baseball cards – the ownership of which is recorded through a distributed ledger recordkeeping system rather than a centralized ledger or other means.[6] The system of recording the ownership of an asset does not fundamentally alter the character or risk of the asset, and the OCC rightly addresses its chartering and prudential regulation to the substantive risks of a particular asset, product or service may pose to institutions and the broader banking system, and not merely their form.[7]

This is especially true with respect to national trust banks, which by law are distinct from commercial banks – their permissible remit is limited to fiduciary and certain related activities and does not include the wider range of permissible banking activities permitted under section 24(Seventh) of Title 12, which codifies some sections of the National Bank Act ("NBA"). The fact that the assets involved in a particular activity are subject to a different recordkeeping technology should therefore not alter the OCC's fundamental legal analysis regarding whether and how national trust banks may engage in those activities.

[5] 12 CFR Part 247.

[6] The ownership of digital assets is evidenced on a distributed ledger system (commonly referred to as a "blockchain") in which a change in ownership is recorded on the ledger when multiple validators (that are "distributed") cryptographically agree to the validity of the change. To initiate a transaction (i.e., a change in ownership of a digital asset), the holder of the digital asset, which can either be an individual self-custodying the digital asset or a third-party custodian, uses a cryptographic mechanism – a "private key" – to broadcast the proposed change in ownership to the distributed ledger for validation. Changes in digital asset ownership are usually recorded on the distributed ledger without central trusted counterparty clearing and settlement, in contrast to traditional financial transactions which are typically effected through the assistance of a central trusted counterparty to clear and settle the transaction. This recordkeeping method does not rely on particularly novel technology. Public key/private key cryptography dates back many decades and has been used by financial institutions since the previous century.

[7] *See* 12 CFR Part 30.

Despite the potential for the recordkeeping technology underpinning digital assets to offer efficiencies with respect to certain types of transactions, Trust Bank does not propose to limit its activities to developing any such efficiencies or improving recordkeeping methods.

Rather, the Application states that EDX Markets Holding Company, Inc. ("EDX Holding") "wishes to establish [Trust Bank] to provide custody and asset management services, and to facilitate riskless principal trading services for its customers."

The Application further provides that "[c]ustody services are aimed at customers looking to trade digital assets, and would be provided on a fiduciary basis. EDX Trust would also provide asset management services on a fiduciary basis to customers upon request, including the investment of collateral held in custody and posted for trading, as well as investment of the proceeds of those trades. Custodied cash and stablecoins would be invested in highly liquid assets to generate a rate of return similar to the federal funds rate. Custodied digital assets could be staked or otherwise used in permissible yield-generating activities."

Trust Bank "would also facilitate customer trading, on a riskless principal basis, on EDX Markets' platform, over-the-counter, or on other liquidity venues integrated with EDX Trust. EDX Trust would provide a centralized platform for customers to risk manage their trading, with all spot trades settled at the end of each business day on a net basis. This riskless principal trading model should improve capital efficiency compared with vertically integrated platforms, which generally require trading to be pre-funded."

In addition, EDX Markets' press release announcing the application for an NTB states that

> [Trust Bank will] deliver regulated digital asset custody, trade clearing and settlement and risk management services . . . [and] is designed to address structural risks in digital asset markets, where vertically integrated platforms commonly combine brokerage, exchange and custody functions. By establishing a separate OCC-regulated trust entity, [Trust Bank] aims to introduce an operating model aligned with traditional financial market structure, enhancing transparency, reducing conflicts of interest and strengthening market resilience.
>
> If approved, [Trust Bank] would operate alongside EDX Markets and EDXM International's existing trading infrastructure, supporting custody and settlement workflows for both venues. The proposed trust bank would also provide a secure foundation for institutional participation, including segregated custody, robust operational controls and comprehensive risk management.[8]

[8] EDX Markets press release, "EDX Markets Files OCC Application to Establish Trust Bank, Delivering Regulated Custody and Settlement Infrastructure" (April 2, 2026), https://edxmarkets.com/edx-markets-files-occ-application-to-establish-trust-bank-delivering-regulated-custody-and-settlement-infrastructure/. We also note that the OCC has issued a proposed rule to implement the GENIUS Act regarding the issuance of payment stablecoins and certain related activities by entities subject to the OCC's jurisdiction. *See* OCC, "Implementing the Guiding and Establishing National Innovation for U.S. Stablecoins Act for the Issuance of Stablecoins by Entities Subject to the Jurisdiction of the Office of the Comptroller of the Currency," 99 Fed. Reg. 10202 (March 2, 2026). However, the OCC has not finalized that rulemaking and therefore Trust Bank's Application must still satisfy the statutory and regulatory requirements for a national bank charter to become a national trust bank. Moreover, Trust Bank's

Notwithstanding recent Congressional efforts to establish a framework to regulate stablecoins in the GENIUS Act, questions remain regarding the legal construct of stablecoins as concerns the Applications – questions the OCC must necessarily answer prior to considering granting a trust charter to an entity that would engage in stablecoin activities.[9] In particular, the OCC should consider how any managed stablecoins themselves will be issued, by whom and to whom the stablecoins may be issued, and what legal and other relationships will exist between the stablecoin holder, stablecoin reserves holder, stablecoin issuer, and Trust Bank.

These relationships will depend upon, and ultimately be defined by, what the stablecoin purports to be and the role Trust Bank will take in holding or managing the stablecoin reserves. Broadly speaking, there are two possibilities that may be used in issuing stablecoins. First, like shares in a money market mutual fund ("MMMF"), a stablecoin can evidence a holder's claim for an undivided interest in a pool of assets maintained by or for the issuer, which typically is done by a trust. Second, akin to prepaid cards, money orders, or traveler's checks, a stablecoin can evidence a holder's claim directly against the issuer, with reserves merely ensuring the solvency of the issuer in the face of redemptions.

To better establish the legal and regulatory implications of the Application, we suggest the OCC seek and make public the answers to the following questions, among others:

1. With respect to any stablecoin reserves that Trust Bank may manage or custody, will the relevant stablecoins be issued by a trust and represent a holder's undivided interest in the stablecoin reserves, or will they be issued by a non-trust entity against which holders have a claim as creditor, such that the stablecoin reserves are property of the non-trust issuer itself?
2. If stablecoin reserves managed by Trust Bank pay a return to underlying stablecoin holders, do the reserves constitute a MMMF subject to SEC-registration requirements?
3. To the extent that Trust Bank supports/manages stablecoins, will those stablecoins be issued by affiliated parties, third-party issued stablecoins, or both?
4. In what capacity will Trust Bank hold reserves – as a non-fiduciary, directed custodian, as a trustee, or as custodian with investment discretion?
5. Will Trust Bank support the issuance, custody, or trading of securities?
6. In what capacity will Trust Bank hold digital assets – as a non-fiduciary, directed custodian, as a trustee, or as a custodian with investment discretion?

II. Trust Bank's Proposed Activities Appear Inconsistent with a National Trust Bank Charter under the National Bank Act and OCC Regulations

Section 27(a) of the NBA empowers the OCC to charter national banks whose activities are "limited to those of a trust company and activities related thereto."[10] Traditionally, national trust companies have differed from commercial banks in that they generally do not and may not perform

Application cannot be evaluated for compliance with the GENIUS Act because no implementing framework has yet been adopted.

[9] Again, we stress that the OCC has not finalized any regulations implementing the GENIUS Act.

[10] 12 U.S.C. 27(a).

traditional banking functions, such as accepting demand deposits or making commercial loans.[11] Rather, the primary role of a trust company has always been to "take and administer trusts

The scope and extent of trust and fiduciary activities under the NBA are clearly articulated in both statute and the OCC's regulations. 12 U.S.C. 92a permits the OCC to grant "trust powers" to national banks and national trust banks and sets forth certain general requirements which are implemented in detail through 12 CFR Part 9. It is instructive that Section 92a is entitled "Trust Powers" yet refers to "fiduciary capacity," expressly linking the concepts of "trust" and "fiduciary." Under Part 9, national banks are authorized to act as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian, assignee, receiver, or custodian under a uniform gifts to minors act; investment adviser, if the bank receives a fee for its investment advice; any capacity in which the bank possesses investment discretion on behalf of another; or any other similar capacity that the OCC authorizes pursuant to Section 92a.

Bailee-bailor and debtor-creditor relationships, such as those created when a customer deposits funds with a bank, are not "trusts"[12] because they are not fiduciary in nature. Likewise, the OCC has previously recognized that escrow, safekeeping, and custody services are not fiduciary in nature and may be performed by a national bank without trust powers.[13]

The publicly available portion of the Application states that Trust Bank will provide custody and asset management services in a fiduciary capacity. However, little additional information is provided to substantiate Trust Bank's statement that it will conduct its activities in a fiduciary capacity. Nor does the Application indicate whether the fiduciary services would constitute Trust Bank's primary activities or make clear whether any proposed non-fiduciary activities would be related to those fiduciary activities. Therefore, it is possible that Trust Bank may be ineligible for the charter it is seeking under Section 27(a).[14]

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[11] National banks were originally prohibited from acting in a fiduciary capacity and such activities were reserved solely for trusts and trust corporations. Over time, national banks were granted more latitude with respect to engaging in trust capacities, and the traditional fiduciary activities enumerated in 12 U.S.C. 92a are grounded in historic state laws which aimed to uphold the restrictions on national banks and ensure national banks were not provided with an "unqualified privilege to exercise trust powers." Albert Levitt, The Trust Powers of National Banks, U. Penn. L. Rev. (May 1929). With the amendment of the Federal Reserve Act in 1918, Congress authorized the Federal Reserve Board to grant national banks the power to act in the same fiduciary capacities as state banks, trust companies, or other corporations which come into competition with national banks are permitted to act under the laws of the state where the national bank was located. This amendment also nullified prior state legislation which limited the exercise of trust activities by national banks.

[12] Comments to Restatement (Third) of Trusts, § 5.

[13] OCC Conditional Approval 267, at 19 (January 1998), https://www.occ.gov/topics/charters-and-licensing/interpretations-and-actions/1998/ca267.pdf.

[14] We recognize that, in 2021, the OCC issued an interpretive letter, No. 1176, which effectively concluded that whether or not an activity is fiduciary in nature for purposes of 12 U.S.C. 92a is a question to be determined by state fiduciary law. We continue to believe that the language in this statute rules out this approach to defining acting in a "fiduciary capacity." Nothing in Section 92a suggests that this term should be interpreted in accordance with state law, nor does it suggest that the OCC should construe federal law as though it did. Even if the statute were ambiguous in this relation, the question is a matter of federal law, over which the federal courts have ultimate say, *see Loper Bright*, 603 U.S. 369. A strong policy rationale also militates against the position the OCC takes in Interpretive Letter No. 1176 – if Section 92a authorizes any activity that a state law treats as fiduciary, no

III. Affiliate Issues

Based on the limited information made available publicly, it appears that Trust Bank's primary customers may be its affiliates or customers of its affiliates. This not only raises important questions around capital and liquidity management, but also necessitates careful consideration of, and potentially detailed planning around, the requirements of Sections 23A and 23B of the Federal Reserve Act, which apply to national trust banks.[15] The stated purpose of Sections 23A and 23B is "to reduce a bank's exposure to loss from affiliate relationships."[16] Pursuant to Regulation W, which implements Sections 23A and 23B, a bank is prohibited from entering a covered transaction with an affiliate if the aggregate amount of all covered transactions with that affiliate exceeds 10% of the capital stock and surplus of the bank,[17] or if the aggregate amount of covered transactions with affiliates exceeds 20% of the capital stock and surplus of the bank.[18] Moreover, a bank may enter into a covered transaction with an affiliate only on terms substantially the same as, or at least as favorable to the bank as, those prevailing for comparable transactions with unaffiliated parties.[19]

We believe the OCC should closely scrutinize the proposed business relationships between Trust Bank and its affiliates to ensure that any covered transactions comport with Regulation W's quantitative limits and market-terms requirement to help ensure that Trust Bank's affiliate relationships do not impede the purpose of Sections 23A and 23B. In particular, we suggest that the OCC closely monitor and scrutinize the relationships between Trust Bank and its affiliates, including the following arrangements:

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legal obstacle exists to prevent a state from expanding the scope of fiduciary activities to ones that have long been illegal for national banks. We also believe that such a consequential change in the interpretation of the statutory definition should have been subjected to notice-and-comment rulemaking. In a previous notice-and-comment rulemaking, the OCC refused to define "'fiduciary capacity' exclusively with reference to state law" in order to "foster[] consistent application … throughout the national banking system." 61 Fed. Reg. 68,543, 68,545 (adopting 12 C.F.R. 9.2(e)). To change that interpretation, the OCC was required to proceed through notice-and-comment rulemaking, both because the Administrative Procedure Act ("APA") "mandates that agencies use notice-and-comment procedures before issuing legislative rules," *Kisor v. Wilkie*, 588 U.S. 558, 583 (2019), and because "the APA mandate[s] that agencies use the same procedures when they amend or repeal a rule as they used to issue the rule in the first instance," *Perez v. Mortg. Bankers Ass'n*, 575 U.S. 92, 101 (2015). Therefore, the OCC must continue to base its assessment of whether Trust Bank's activities are in a "fiduciary capacity" within the meaning of 12 U.S.C. 92a and 12 C.F.R. 9.2 on an independent, federal-law determination of that term.

[15] 12 U.S.C. 371c and 12 U.S.C. 371c-1.

[16] *See* Federal Reserve Board, Transactions Between Member Banks and Their Affiliates, 67 Fed. Reg. 76,560, 76,560 (Dec. 12, 2002).

[17] 12 CFR 223.11.

[18] 12 CFR 223.12. In addition, under the "attribution rule," a bank must treat transactions with any person as a transaction with an affiliate for purposes of these limitations to the extent that the proceeds of the transaction are used for the benefit of, or transferred to, an affiliate. 12 CFR 223.16. Federal Reserve legal interpretations of Regulation W make clear that the attribution rule applies broadly to circumstances in which an affiliate benefits from the bank's extension of credit to another party. Federal Reserve Board, Frequently Asked Questions about Regulation W, 12 CFR 223.16, Q1 (last updated March 31, 2021), https://www.federalreserve.gov/supervisionreg/legalinterpretations/reg-w-frequently-asked-questions.htm.

[19] 12 CFR 223.51.

- Custody and safekeeping fees;
- Fee sharing arrangements related to deposit placements with third-party banks;
- Potential extensions of credit in favor of an affiliate related to transaction settlement or overdraft; and
- Advisory or management fees.

Should Trust Bank indeed intend to engage in a substantial volume of transactions with its affiliates or in transactions that would benefit one or more affiliates, the OCC should consider whether any further mitigation measures may be appropriate to manage such exposure and prevent the imprimatur of the federal financial safety net from unduly benefitting an unregulated entity.

IV. Issues Arising Under the Securities and Exchange Act

As noted, the Application states that Trust Bank would "facilitate customer trading, on a riskless principal basis, on EDX Markets' platform, over-the-counter, or on other liquidity venues integrated with" Trust Bank and that Trust Bank "would provide a centralized platform for customers to risk manage their trading, with all spot trades settled at the end of each business day on a net basis." The Application also states that Trust Bank will invest custodied cash and stablecoins directly into instruments offering a rate of return commensurate with the federal funds rate – perhaps MMMF shares or similar assets. If these proposed digital asset services involve digital assets that are securities under the federal securities laws, Trust Bank would be subject to a registration requirement under the Securities Exchange Act of 1934 (the "Exchange Act") or require an exemption from registration.[20]

We note that under the Exchange Act a person may not "effect any transactions in, or induce or attempt to induce the purchase or sale of, any security" unless registered as a broker with the SEC.[21] Brokerage activities subject to Exchange Act registration requirements include participating in important parts of a transaction such as solicitation, negotiation or execution, or receiving compensation for participation in a transaction or compensation which depends on the outcome or size of a transaction.[22] Pursuant to SEC guidance, a person that operates or controls an electronic platform to trade securities or provide support services to registered brokers must typically register as a broker.[23]

Regulation R as adopted by the SEC and the Federal Reserve Board provides for limited exceptions from registration for "banks" engaged in certain securities brokerage and dealer activities. Regulation R may permit Trust Bank to perform services relating to third-party networking arrangements, trust and fiduciary activities, deposit "sweep" activities, and custody and safekeeping

[20] While Congress has been considering various versions of so-called "market structure" legislation that may address some of these issues, no legislation on these topics has yet become law. The Securities and Exchange Commission and Commodity Futures Trading Commission issued a joint interpretation regarding the application of the federal securities laws to certain types of crypto assets and transactions on March 17, 2026. Commodity Futures Trading Commission, "Application of the Federal Securities Laws to Certain Types of Crypto Assets and Certain Transactions Involving Crypto Assets," 91 Fed. Reg. 13,714 (Mar. 23, 2026).

[21] 15 U.S.C. 78o.

[22] *Id.*

[23] SEC, *Guide to Broker-Dealer Registration* (April 2008), https://www.sec.gov/about/divisions-offices/division-trading-markets/division-trading-markets-compliance-guides/guide-broker-dealer-registration.

activities without registering as a broker with the SEC, so long as the activities fit within the narrow exemptions.[24] Most saliently, Regulation R provides that a bank may:

- Under certain conditions, effect securities transactions in a trustee or fiduciary capacity (but only if a bank does "not publicly solicit brokerage business, other than by advertising that they effect transactions in securities in conjunction with advertising their other trust activities");
- Engage in a variety of securities activities in connection with their customary custody and safekeeping activities, such as, for example, clearing and settling securities transactions; exercising warrants and other rights associated with securities held in custody; effecting securities lending or borrowing transactions as part of its custodial services; holding pledged securities on behalf of a customer; and serving as a custodian or providing other related administrative services to certain accounts and benefit plans; or
- Effect transactions on behalf of customers in certain types of securities issued by MMMFs, subject to narrow limitations.

The OCC should evaluate whether any proposed trading platform of Trust Bank's satisfies the fiduciary and trust exception, which would require the OCC to consider first, whether Trust Bank proposes to act as a trustee or fiduciary for customers using the trading platform to exchange assets with one another, and second, whether Trust Bank would publicly advertise the trading platform as a feature of its services, which is prohibited under the exception.[25] The OCC also would have to consider whether any proposed trading platform activities would satisfy the custody and safekeeping exception as permitted "accommodation" trading. If the proposed custodial relationship did not satisfy the exception as accommodation trading, it would be essentially a disguised brokerage account.[26] We therefore suggest the OCC confirm that, if applicable, Trust Bank has developed and implemented adequate policies and procedures for complying with the federal securities laws.

The Application raises not only these specific questions under Regulation R but also implicates broader concerns regarding the use of a national trust bank charter as a substitute for registering with the SEC and the Financial Industry Regulatory Authority ("FINRA") as a broker-dealer. While the Exchange Act and Regulation R provide for limited exceptions from broker-dealer registration requirements for banks engaged in certain securities-related activities, the impetus was never to permit banks to offer full-scale broker-dealer services. We urge the OCC to closely scrutinize Trust Bank's Application and any similar future applications to prevent applicants from engaging in regulatory arbitrage to avoid the securities-laws-specific regulatory focus of the SEC and FINRA while engaging in the same activities as registered broker-dealers.

V. Granting Trust Bank's Application Would Expand the Traditional Scope of the National Trust Bank Charter and Increase Systemic Risk

[24] *See generally* 12 CFR 218.

[25] 15 U.S.C. 78c(a)(4)(B)(ii)(II). A bank will fulfill this condition if "advertisements by or on behalf of the bank do not advertise— (i) That the bank provides securities brokerage services for trust or fiduciary accounts except as part of advertising the bank's broader trust or fiduciary services; and (ii) The securities brokerage services provided by the bank to trust or fiduciary accounts more prominently than the other aspects of the trust or fiduciary services provided to such accounts." 17 C.F.R. 247.721(c)(1).

[26] *See* 15 U.S.C. 78c(a)(4)(B)(viii).

a. Asset Volatility

As noted, the most common types of fiduciary activities exercised by national trust banks are generally: (1) acting in a trustee or similar capacity – i.e., taking legal title to property for the benefit of others; (2) exercising investment discretion; or (3) providing investment advice for a fee. The OCC has developed a supervisory framework for trust banks and developed experience in supervising traditional trust banks over many years of such oversight.

The OCC has identified the volatility of assets held by national trust banks as a matter of key prudential supervision. Recognizing that most national trust banks are almost wholly dependent on fee income as their primary source of liquidity, and that this fee income is directly affected by the value of assets held or managed by a trust bank, the OCC has explained that "in periods of volatile or declining financial markets, a [trust bank] may face a decline in revenues and an increase in short-term liquidity needs."[27] In considering the Application, the OCC should carefully assess the volatility of the digital asset industry – which presents safety and soundness risks wholly different from the traditional fee-generating asset custody activities on which trust banks have historically relied – in determining whether the supervisory risks posed by such volatility are insuperable. The charts appended in Exhibit 1 compare the price volatility of the two most traded digital assets[28] with the S&P 500 and Gold illustrate this volatility.

Pronounced volatility is not limited to so-called "cryptocurrencies" such as BTC and ETH; the stablecoin market has also proved to be quite unstable. For example, the market capitalization for stablecoins increased from $6 billion in January 2020 to $180 billion in April 2022, declined to $130 billion by early 2023, only to rebound to more than $230 billion by February 2025. Each of the most traded stablecoins "broke the buck" on multiple occasions between 2019 and 2023, primarily as the result of the May 2022 collapse of TerraUSD, the November 2022 failure of FTX, and the March 2023 failure of Silicon Valley Bank ("SVB").[29]

SVB's failure is particularly relevant as it caused a significant run on USDC, a stablecoin issued by Circle.[30] Circle maintained a portion (around 8.25%) of its USDC reserves in deposit accounts at SVB in amounts exceeding the FDIC standard maximum deposit insurance amount ("SMDIA"). When SVB failed, USDC holders rushed to redeem their stablecoins for fear that Circle's reserves were uninsured and would be lost in SVB's failure. The value of USDC dropped to $0.88 and only rebounded when the FDIC promised to insure deposits exceeding the SMDIA. Only a federal bailout stemmed the bleeding.

While SVB exemplifies how a bank failure can roil crypto markets, the failures of Silvergate Bank and Signature Bank demonstrate how crypto volatility can destabilize individual banks, and as demonstrated by the Treasury Department's systemic risk determination under the FDI Act, the entire banking sector. At the time of its failure, 90% of deposits at Silvergate were tied to the crypto industry;

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[27] OCC Bulletin 2007-21, Supervision of National Trust Banks: Capital and Liquidity (June 26, 2007), Supervision of National Trust Banks: Revised Guidance: Capital and Liquidity | OCC.

[28] Data from Coindesk, https://www.coindesk.com/price/ (accessed Feb. 11, 2026).

[29] Arthur E. Wilmarth, Jr., "We Must Protect Investors and Our Banking System from the Crypto Industry," 101 Wash. Univ. L. Rev. 235, 252 (2023).

[30] *See* CoinMarketCap, Explaining the Silicon Valley Bank Fallout and USDC De-Peg, https://coinmarketcap.com/academy/article/explaining-the-silicon-valley-bank-fallout-and-usdc-de-peg (2024).

while a lower percentage than Silvergate, a still significant 20% of deposits at Signature Bank were crypto-related.[31] One study explained the causative mechanism:

> After reaching an all-time high of around $3 trillion in November 2021, crypto lost more than two-thirds of its market capitalization by December 2022 [partly explained by the failure of FTX]. As digital asset prices fell, centralized crypto platforms and stablecoin issuers experienced redemptions, likely causing them to draw down deposits held at these banks. To meet withdrawal demand, banks sold ostensibly safe securities for losses, affecting their liquidity and—in some cases—their solvency.[32]

While many other banks had exposure to the crypto industry, Silvergate and Signature were more dependent and less diversified, illustrating the serious concentration risk Trust Bank must manage.

Given this demonstrated volatility, we believe it is difficult over the long-term for a national trust bank entirely reliant on the digital asset market without diversified exposure to other economic sectors to operate in a safe and sound manner. This intrinsic volatility could threaten the long-term solvency of Trust Bank, particularly in the inevitable periods of stress, which may necessitate costly federal intervention to prevent consumer harm and contagion to the broader banking system. Just as the OCC should not (and we offer, never would) grant a national trust bank charter to an institution solely focused on, for example, the subprime mortgage market, the OCC should not grant a charter to an institution solely focused on the digital asset market.

b. Systemic Risks and Reduction in Main Street's Access to Bank Credit

Trust Bank's solvency, and the potential need for a federal bailout to prevent contagion, is a direct systemic risk. But the indirect systemic risks may in fact prove more pernicious. Bank deposits are currently the predominant "fully liquid" non-cash means of exchanging U.S. dollars. Stablecoin issuers have asserted that stablecoins serve the same role, except more efficiently.[33] Bank deposits, stablecoins, and shares of MMMFs all share the same feature of "liquidity transformation," meaning issuers of all three instruments "issue liabilities with a stable nominal value, but the collateral backing these claims can suddenly become illiquid."[34] Of the three, though, only bank deposits are insulated from runs caused by potential illiquidity (by FDIC deposit insurance), and only bank deposits can serve as an economic engine through money and credit creation.

There are at least two broad reasons why the potential rapid growth in stablecoins could pose risks to the financial system, which the OCC must weigh in considering chartering trusts that would support stablecoin issuance.

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[31] CRS, The Role of Cryptocurrency in the Failures of Silvergate, Silicon Valley, and Signature Banks, at 1, https://www.congress.gov/crs-product/IN12148 (April 25, 2023).

[32] *Id.* at 3.

[33] *See*, *e.g.*, https://www.circle.com/usdc; https://ripple.com/solutions/stablecoin/.

[34] Kenechukwu Anadu, *et al.*, Runs and Flights to Safety: Are Stablecoins the New Money Market Funds?, FRB of New York Staff Report No. 1073, https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr1073.pdf?sc_lang=en (Rev. Apr. 2024).

First, if backed by government securities, stablecoins could reduce demand for bank deposits and thus the supply of bank credit – in effect, bank depositors would transform from funders of economic growth to funders of government growth, assuming the predominant asset backing stablecoins was Treasury securities and reverse repos backed by Treasury securities. Second, if invested in uninsured deposits at banks, stablecoins could increase the risk of a financial crisis in the event that a run on stablecoins prompted issuers to withdraw their deposits. Thus, stablecoins put policymakers between a rock and a hard place.

The magnitude of the potential effects of stablecoin growth depends on a series of assumptions: first, how much stablecoins will grow; second, if backed by government securities, how much bank lending will decline; third, how much that growth would be amplified by the ability to pay (indirectly) interest; and fourth, what assets (government securities versus bank deposits) will back the stablecoin. If stablecoins are backed mostly by Treasury securities and reverse repos, there could be a substantial decline in deposits. In a worst-case scenario where all stablecoin growth came from deposits, it would be a 20 percent decline.[35] But even if some of the funding came from money market funds or other sources, a substantial decline in deposits would seem likely.

Alternatively, stablecoin issuers could maintain a material share of their reserves in bank deposits. While that would mitigate the decline in deposits, it would also result in serious financial stability risks. Given the size of the stablecoin market, these deposits may be so large as to be predominantly uninsured. Stablecoins could become a new vehicle for the propagation and amplification of systemic risk akin to prime money market funds in 2008. Stablecoin issuers would be at high risk of runs.[36] If a run on stablecoins were to happen, the issuers would pull their deposits out of banks, putting severe strain on the banking system. The issuers would also liquidate their other assets, putting pressure on the financial system more broadly. The resulting financial crisis is not hypothetical – such a buildup and collapse closely resembles the dynamics that led to the Global Financial Crisis.[37]

The historical example of MMMFs is also instructive. During a three-year stretch from 1979 to 1982, MMMF assets under management increased from three percent of aggregate bank deposits to 16.3%. Even after deposit interest rates were deregulated, MMMFs expanded from 13% of deposits in

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[35] *See* Jeff Hunther & Yikai Wang, How stablecoins could affect borrowing costs for the government, businesses and households, ABA Data Bank, https://bankingjournal.aba.com/2025/07/how-stablecoins-could-affect-borrowing-costs-for-the-government-businesses-and-households/ (July 14, 2025).

[36] During the March 2023 panic, USDC was exposed to SVB and suffered a 40 percent outflow in the ensuing weeks. *See* Ashley Capoot, CNBC, "Stablecoin USDC breaks dollar peg after firm reveals it has $3.3 billion in SVB exposure" (Mar. 11, 2023). https://www.cnbc.com/2023/03/11/stablecoin-usdc-breaks-dollar-peg-after-firm-reveals-it-has-3point3-billion-in-svb-exposure.html; *see also* Krisztian Sandor, CoinDesk, "Circle Confirms $3.3B of USDC's Cash Reserves Stuck at Failed Silicon Valley Bank" (May 9, 2023). https://www.coindesk.com/business/2023/03/11/circle-confirms-33b-of-usdcs-cash-reserves-stuck-at-failed-silicon-valley-bank.

[37] *See* Yiming Ma, *et al.*, National Bureau of Economic Research, No. w33882, Stablecoin runs and the centralization of arbitrage, https://www.nber.org/papers/w33882 (May 2025); *see also* Kenechukwu Anadu, *et al.*, FRB of Boston Supervisory Research & Analysis Unit Working Paper No. SRA: 23-02, Runs and flights to safety: Are stablecoins the new money market funds?, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5314284 (June 2025).

1983 to 22% in 1993.[38] Numerous commentators have observed the direct and indirect role the proliferation of MMMFs (especially checkable MMMFs) played in the savings and loan crisis in the 1980s and early 1990s.[39]

VI. Deposit-Taking Considerations

Trust Bank does not expressly propose to accept deposits. However, the FDI Act takes a broad view of what constitutes a deposit. For example, escrow funds are arguably more akin to funds held by a bank as a bailee, but the FDI Act nonetheless expressly defines them as "deposits."

The FDI Act provides in part that a "deposit" is:

> (1) the unpaid balance of money or its equivalent received or held by a bank … and for which it has given or is obligated to give credit ….
> (2) trust funds … received or held by such bank …, whether held in the trust department or held or deposited in any other department of such bank ....
> (3) money received or held by a bank …, or the credit given for money or its equivalent received or held by a bank …, in the usual course of business for a special or specific purpose, regardless of the legal relationship thereby established, including without being limited to, escrow funds ....
> (4) an outstanding draft (including advice or authorization to charge a bank's … balance in another bank …), cashier's check, money order, or other officer's check issued in the usual course of business for any

[38] Mark Flannery, "How the Rise of Stablecoins Could Threaten Traditional Banks' Lending Capacity," at 5-6 (Jan. 17, 2023) (concluding that the "introduction [of stablecoins] will reduce the size and lending capacity of the traditional banking system"), https://ssrn.com/abstract=4320945.

[39] *See generally* Catherine England, Lessons from the Savings Loan Debacle: The Case for Further Financial Deregulation, Cato Rev. of Bus. & Govt., at 37, https://www.cato.org/sites/cato.org/files/serials/files/regulation/1992/7/v15n3-5.pdf; Congressional Budget Office, The Economic Effects of the Savings & Loan Crisis, at 7, https://www.cbo.gov/sites/default/files/102nd-congress-1991-1992/reports/1992_01_theeconeffectsofthesavings.pdf (Jan. 1992). Alan Blinder, former Vice Chair of the Federal Reserve Board from 1994-1997 described his view about the substitution of bank deposits with MMMF shares:

> We were concerned as bank regulators with the eroding competitive position of banks, which of course would threaten ultimately their safety and soundness, due to the competition they were getting from a variety of nonbanks—and these were mainly Wall Street firms, that were taking deposits from them, and getting into the loan business to some extent. So, yeah, it was a concern; you could see a downward trend in the share of banking assets to financial assets.

The Financial Crisis Inquiry Report: Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States, at 31, https://www.govinfo.gov/content/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf (Jan. 2011).

> purpose, including without being limited to those issued in payment for services, dividends, or purchases …[40]

Pursuant to subsection (2) of the FDI Act definition of deposit, a bank's holding of customers' funds in a trust capacity also creates a liability treated as a deposit if held anywhere within the bank. Consistent with that definition, since Trust Bank does not intend to accept deposits (and thus not treat any customer funds it may manage as its own liabilities on its balance sheet), the OCC should confirm that Trust Bank will not hold customer funds in its name or commingle such funds with its own accounts (including in a master account at a Federal Reserve Bank[41]), as the latter would constitute impermissible deposit-taking.[42] Instead, consistent with its characterization as a non-deposit-taking institution, Trust Bank should hold customer funds in deposit accounts at insured depository institutions as fiduciary custodian for the benefit of the customer. In that case, Trust Bank should be required to maintain appropriate capital. New York law, for instance, imposes an appropriately robust standard on its state-chartered trust companies and provides that a trust company may not deposit funds at a bank in an amount exceeding 100% of its capital, surplus, and undivided profits.[43]

Under the National Bank Act, a national trust bank that accepts deposits in a trust or fiduciary capacity must segregate such deposits and cannot use them in its business unless the deposits are collateralized.[44] Unlike traditional demand deposits accepted by banks operating under full-service charters, bona fide trust deposits cannot be placed in accounts held by a national trust bank in its own name (and not for the benefit of customers) at a depository institution or Federal Reserve Bank. Nor can those deposits be used for the trust bank's own business purposes, including making loans, paying expenses, or settling its own transactions or those of its customers, unless the trust bank sets aside bank-permissible securities as collateral.

Furthermore, under the National Bank Act, a national trust bank may not provide deposit accounts as a trustee or fiduciary through which the underlying customer can transact. Specifically, the National Bank Act provides that "[n]o national bank shall receive in its trust department deposits of current funds subject to check or the deposit of checks, drafts, bills of exchange, or other items for

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[40] 12 U.S.C. 1813(l).

[41] We note that, except with respect to certain correspondent banking relationships, nothing in the Federal Reserve Act permits an institution to hold funds in a master account as custodian for the benefit of a third-party. We note further that pursuant to the Federal Reserve Act, the Federal Reserve Banks have the authority to grant master account access to eligible institutions. *See* 12 U.S.C. 342; *see also* Board of Governors of the Federal Reserve System, Final Guidance: "Guidelines for Evaluating Account and Services Requests" (Aug. 15, 2022), https://www.federalreserve.gov/newsevents/pressreleases/files/other20220815a1.pdf.

[42] If Trust Bank's activities result in the acceptance of deposits, numerous regulatory requirements would apply. Please see BPI's comment to the application of Wise National Trust seeking a national trust bank charter for additional discussion.

[43] N.Y. Banking Law § 106(1).

[44] 12 U.S.C. 92a(d)-(e). See also 12 CFR 9.10(b). "Funds deposited or held in trust by the bank awaiting investment shall be carried in a separate account and shall not be used by the bank in the conduct of its business *unless* it shall first set aside in the trust department United States bonds or other securities approved by the Comptroller of the Currency. . . . In the event of the failure of such bank the owners of the funds held in trust for investment shall have a lien on the bonds or other securities so set apart in addition to their claim against the estate of the bank." 12 U.S.C. 92a(d)-(e) (emphasis added).

collection or exchange purposes."[45] Recent OCC guidance classifies the issuance of debit cards or engaging in other means of facilitating electronic payments as the "modern equivalent of paying checks."[46] Accordingly, an account that may be accessed by a third party via debit card or other electronic means must be received and accepted as an ordinary deposit, not as a trust deposit. Thus, any bona fide trust deposits received by Trust Bank cannot include any such transaction feature.

The OCC should determine whether Trust Bank plans to receive, hold, or use customer liabilities on its balance sheet and thereby engage in deposit taking and be required to apply for deposit insurance or whether Trust Bank will limit itself to taking bona fide trust deposits that conform with the requirements and limitations applicable to such deposits. In addition, even if Trust Bank does not intend to receive and hold customer liabilities on its balance sheet, the OCC should confirm that Trust Bank does not intend to receive, hold, or use customer funds in a custodial capacity as a means to indirectly engage in deposit taking, payments, or lending activities and thereby circumvent the limitations on the trust charter while evading the requirements that would apply to a full service bank.

VII. Supervision and Resolution Planning Issues

Trust Bank's Application implicates numerous supervision and planning concerns.[47] Trust Bank's proposed activities with respect to volatile digital assets heighten the need for additional prudential consideration of capital, liquidity, and resolution planning issues. These issues are even more acute given that Trust Bank's primary customers may be its affiliates or customers of its affiliates, based on the limited information available in the public file. As with all national banks, Trust Bank must develop a contingency funding plan forecasting funding needs and sources under adverse scenarios.[48] With its business model entirely dependent on fees generated based on the market value of digital assets, such an adverse scenario would necessarily entail asset price decreases of 50% or more, with concomitant losses of revenue to Trust Bank. As observed in the recent "Crypto Winter" lasting from 2022-24, these adverse scenarios may persist for long periods.

Diverse exposure to other economic sectors and asset classes could ordinarily be expected to mitigate such exogenous shocks to a bank's liquidity. Likewise, a broad customer base consisting of a large number of customers would ordinarily assist a bank in managing the risk of losses from any particular sector or asset class. Finally, consolidation under a holding company structure subject to prudential supervision of the parent company by the Federal Reserve Board might also provide important protections.

However, none of these risk mitigants are applicable to Trust Bank: its exposure to the digital asset market is unhedged, it may be dependent on customers of affiliates to support its business, and it is not backstopped by a parent subject to consolidated supervision. Additionally, most currently operating national trust banks focus on providing trustee and fiduciary services and are therefore not ordinarily subject to bank runs because beneficiaries do not (or cannot) withdraw assets during stressed

[45] 12 U.S.C. 92a(d).

[46] *See* OCC, *Exploring Special Purpose National Bank Charters for Fintech Companies*, p. 4 (Dec. 2016).

[47] These concerns would also be implicated in any application by (i) Trust Bank's parent to become a BHC, or (ii) Trust Bank to obtain a Federal Reserve Bank master account.

[48] *See* OCC, Supervision of National Trust Banks: Revised Guidance: Capital and Liquidity.

liquidity scenarios. However, the assets held in custody by Trust Bank may effectively function as cash substitutes and may in fact run: should stablecoin holders seek to redeem their stablecoins, stablecoin issuers would have to liquidate the reserves backing the stablecoins, which may include uninsured deposits held at banks. These factors militate in favor of the OCC imposing increased capital and liquidity requirements for Trust Bank relative to other national trust banks.

Contingent sources of liquidity usually consist of a combination of (1) unencumbered balance sheet cash or highly liquid investments, (2) irrevocable letters of credit from third parties, and (3) financial support from a parent. The OCC should consider whether this third source is a reliable component of Trust Bank's contingency funding plan, especially because Trust Bank's parent companies are also exposed to the digital asset sector. Moreover, since Trust Bank's affiliates (or the affiliates' customers) may constitute its primary business relationships, if Trust Bank is experiencing an adverse scenario, its parent company may also be stressed and therefore not positioned to offer substantial support. If financial support from its parent is unreliable, the OCC should consider whether it is necessary to offset this missing source of support with increased balance sheet requirements or irrevocable letters of credit from unaffiliated sources. Alternatively, as noted, the OCC could consider requiring Trust Bank's parent company to elect to be treated as a bank holding company and submit to consolidated supervision to ensure that it can act as a source of strength to Trust Bank.

The same factors that would affect Trust Bank's liquidity would also affect Trust Bank's solvency in a stressed scenario. The OCC has stated that national trust banks "generally, are chartered with a condition specifying a minimum dollar amount of capital" but that the OCC "expects that capital in all [national trust banks] will increase beyond the initial minimum capital requirement as the size, complexity, and corresponding risks of the business offered by the NTB evolve. When determining capital needs beyond the initial level, management should assess the quantity of risk associated with the NTB's fiduciary and related activities and the quality of the bank's risk management systems in place."[49]

In addition, the OCC has previously conditioned trust charter approvals on the applicant's entering an Operating Agreement, "a written agreement between the OCC and a bank that sets forth specific requirements the bank must adhere to" that "typically include minimum capital and liquidity levels, prior notice of significant changes to a bank's business plan, and board and committee independence standards."[50] The OCC also has previously required trust charter applicants to establish a written Capital Assurance and Liquidity Maintenance Agreement (CALMA) and/or a written Capital and Liquidity Support Agreement (CSA).[51] However, the recent conditional approvals of trust charter applications by affiliates of entities engaged primarily in activities related to digital assets have not included such requirements.[52] The OCC should therefore consider whether Trust Bank's safety and

[49] *See* OCC, Supervision of National Trust Banks: Revised Guidance: Capital and Liquidity.

[50] *See* Comptroller's Licensing Manual, Charters, p. 10.

[51] *See, e.g.*, OCC Conditional Approval No. 1266 (April 23, 2021) (preliminary conditional approval of application by Paxos National Trust). A CALMA is a written agreement between a bank and its parent company that requires the parent company to provide financial support if the bank cannot meet its capital or liquidity minimums as required in an operating agreement, while a CSA is similar to a CALMA and is used in addition to the CALMA when the parent company is not a bank or savings and loan holding company regulated by the FRB. *See* OCC, Comptroller's Licensing Manual, Charters, pp.9-10.

[52] *See* conditional approvals of trust charter applications for First National Digital Currency Bank (Circle); Ripple National Trust Bank; BitGo Bank & Trust, National Association; Fidelity Digital Assets, National Association; Paxos

soundness needs to be further supported by additional capital requirements in light of its size, complexity and business risks, including whether Trust Bank should be required to enter a CALMA and CSA or similar agreements and/or commitments. In the absence of adequate capital and liquidity requirements, the Federal Reserve or Treasury Department may need to provide support to Trust Bank and similar applicants, much as they did to support MMMFs, commercial paper, and short term repurchase agreements in the 2008 Global Financial Crisis and COVID disruptions.[53]

Furthermore, consolidated supervision of Trust Bank and its parent by the Federal Reserve Board under the Bank Holding Company Act could effectively mitigate these prudential concerns. Consistent with the impetus of the Dodd-Frank Act's post-financial crisis reforms, such supervision could better enhance the resiliency of Trust Bank to the specific risks arising out of its exposure to the digital assets sector and reduce the impact on the financial system and broader economy that could be posed by Trust Bank's failure or material weakness. As suggested previously, the OCC should thus consider requiring Trust Bank and similar applicants to agree with the Federal Reserve to be supervised and regulated as a bank holding company.

Should Trust Bank's capital and liquidity support prove insufficient, resolution would be required under 12 CFR Part 51, pursuant to which the OCC would be required to close Trust Bank and appoint a receiver to administer the resolution. Pursuant to Part 51, Trust Bank's resolution would not automatically be administered under the FDIC or SIPC resolution processes or the Bankruptcy Code, each of which provides detailed procedures and established resolution funds (the FDIC Deposit Insurance Fund, or "DIF," and the SIPC Fund) that have proven to efficiently wind-up failed entities. If Trust Bank fails, the OCC may need to appoint the FDIC as receiver, which may then need to seek emergency funding from the Federal Reserve to resolve Trust Bank. This would effectively socialize the losses of Trust Bank's failure. Without adequate resolution planning and management, the failure of Trust Bank may produce a deadweight loss across the banking industry. In addition, the potential complexities arising out of resolving Trust Bank in the event it fails militate in favor of advance planning to prevent customer harm and possible contagion, and we urge the OCC to consider mandating such an exercise for Trust Bank.

Trust Company, National Association; National Digital Trust Company (Protego); Foris DAX National Trust Bank (crypto.com); Coinbase National Trust Company. Bridge National Trust Bank also recently obtained a conditional approval for a national trust charter. Bridge's conditional approval includes a requirement that the trust bank "must develop and implement an appropriate Capital Adequacy and Liquidity Management Policy (CALM) that will be adopted by the Bank prior to the effective date of commencing operations as detailed in the Application." The conditional approvals provide no explanation as to what would constitute an "appropriate" CALM or why Bridge is required to establish such a policy and why the other recent entities obtaining trust charters are not.

[53] *See* Wilmarth, *supra* note 21, at 3.

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We would welcome the opportunity to discuss this request with you further. Please contact Paige Paridon at (703) 887-5229 or paige.paridon@bpi.com to schedule time to discuss or with any questions.

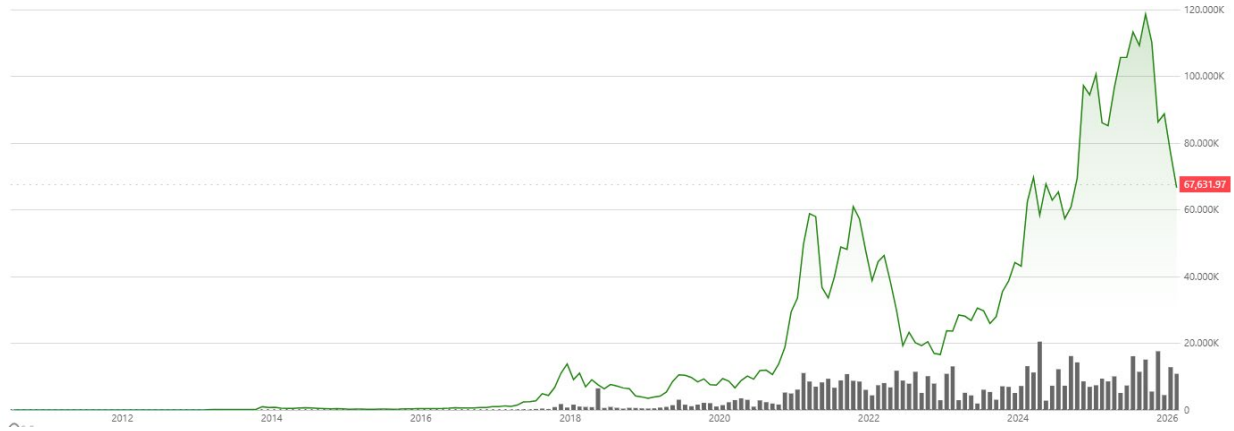
Respectfully submitted,

/s/ Paige Pidano Paridon

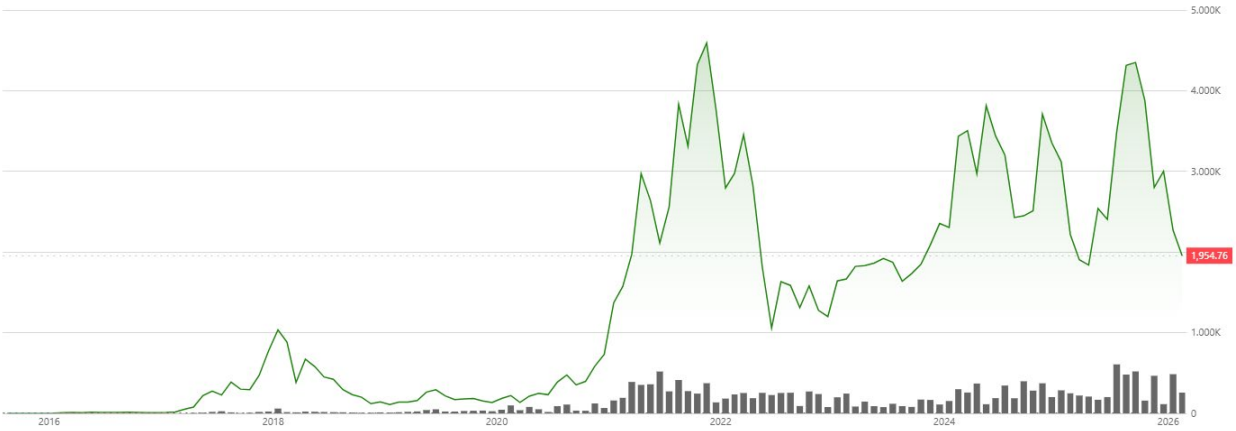
Paige Pidano Paridon
EVP, Senior Associate General Counsel &
Co-Head of Regulatory Affairs
Bank Policy Institute

Exhibit 1

Bitcoin



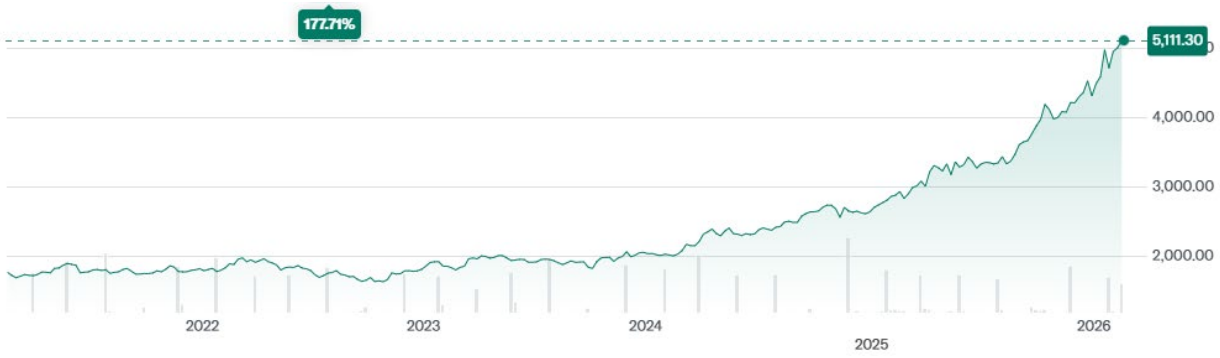
Ethereum



S&P 500[54]

[54] Data from Yahoo! Finance, https://finance.yahoo.com/quote/%5EGSPC/ (accessed Feb. 11, 2026).

Gold[55]



[55] Data from Yahoo! Finance, https://finance.yahoo.com/quote/GC%3DF/ (accessed Feb. 11, 2026).