



What you need to know: The President's Working Group Report on Strengthening American Leadership in Digital Financial Technology

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The Digital Assets Working Group's Report provides the administration's roadmap to position the US as the leader in blockchain and digital assets

On 23 January 2025, the **President's Working Group on Digital Asset Markets** was established through the Executive Order on Strengthening American Leadership in Digital Financial Technology (EO-14178).

The **Working Group's Report** (the Report) includes regulatory and legislative proposals that provide a roadmap aimed at realizing the Trump administration's aspirations to make America the **"crypto capital of the world."**¹



Key themes and objectives from the Report:

01

Facilitate unrestricted, lawful ownership: enact legislation that affirms digital asset self-custody, the use of public blockchains and participation in Decentralized Finance (DeFi)

02

Enable market depth and liquidity: support US digital asset markets through existing regulatory authority remits and new legislation to drive innovation

03

Develop risk management guidance: facilitate the ease of adoption of digital asset and blockchain opportunities, as well as access to banking services

04

Encourage USD-backed stablecoin adoption: advance US dollar dominance and prohibit the establishment, issuance or promotion of Central Bank Digital Currencies (CBDCs) in the US

05

Enable effective reduction of illicit activities: reinforce existing Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) requirements and encourage clarification of responsibilities for DeFi

06

Address substantive tax issues and reporting matters: enact legislation that clarifies uncertainties related to tax technicalities, taxpayer reporting and third-party information reporting

[1] Strengthening American Leadership in Digital Financial Technology, The White House, 2025, <https://www.whitehouse.gov/wp-content/uploads/2025/07/Digital-Assets-Report-EO14178.pdf>




The Report's pro-innovation policy agenda marks a significant shift and highlights where firms can anticipate additional guidance and requirements

Themes		Key recommended actions
Ecosystem	Freedom to lawfully own digital assets and use blockchain technologies	<ul style="list-style-type: none"> ▪ Self-custody permissibility: individuals may self-custody digital assets and engage in peer-to-peer transactions. ▪ BSA obligations: firms can expect clarity regarding obligations related to the control of assets. ▪ Financial Crimes Enforcement Network (FinCEN): this includes modifications to and incremental guidance on market obligations and their application
Markets framework	Enthusiastic backing to make US digital asset markets the deepest and most liquid in the world	<ul style="list-style-type: none"> ▪ Federal-level digital assets trading: this is facilitated through existing Securities and Exchange Commission (SEC) and Commodity Futures Trading Commission (CFTC) authorities ▪ Spot market regulation: spot market regulation grants the CFTC authority to monitor the non-security digital asset spot market. ▪ Decentralized finance: decentralized finance (DeFi) enables individuals and investors to use DeFi, subject to requirements.
Banking adoption	Banking opportunities afforded by digital assets and blockchain technologies	<ul style="list-style-type: none"> ▪ Additional clarity on permissibility: provide clarity on activities within and across charter types, considering when banks can engage in activities as principals ▪ Risk management guidance: provide risk-based technical and activity-specific guidance while preserving technology neutrality ▪ Prudential requirements: adopt capital requirements both domestically and internationally (i.e., Basel) that reflect the risks of the asset or activity and support innovation
Payments and stablecoins	USD stablecoin adoption and development of cross-border payments and market technologies	<ul style="list-style-type: none"> ▪ Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act¹: regulators need to enact rulemaking to meet the requirements ▪ Standards governing new payment technologies: advocate for international standards that foster US competitiveness and national security goals, with a prominent role for private sector entities ▪ Prohibition of US CBDC: commit to legislation prohibiting US CBDC to preserve the role of the private sector in payments
Disrupting illicit finance	Reinforces existing obligations and recommends clarity regarding DeFi obligations	<ul style="list-style-type: none"> ▪ Enhancing existing frameworks and guidance: update existing frameworks to more explicitly reflect digital asset considerations, with additional congressional legislation in targeted areas as necessary ▪ Standardizing AML and Countering the Financing of Terrorism (CFT) frameworks: promote the standardization of AML and CFT frameworks across jurisdictions to reduce jurisdictional arbitrage risk ▪ Transparency encouraged by The Treasury: increase private and public sector information sharing to more effectively target bad actors operating in the digital asset ecosystem, along with clarifications for AML and CFT obligations
Tax issues and reporting	Digital asset-specific federal tax policy guidance	<ul style="list-style-type: none"> ▪ Substantive tax issues: publish tax legislation on the corporate alternative minimum tax (CAMT), investment funds, wrapping, IRS frequently asked questions (FAQs), classification of digital assets as a new asset class, lending, mark-to-market, wash sales, charitable deductions and payment stablecoins ▪ Taxpayer and third-party information reporting: address de minimis receipts, staking and mining rewards, and US and global information reporting frameworks

[1] "S.1582 - GENIUS Act", *Guiding and Establishing National Innovation for U.S. Stablecoins Act or the GENIUS Act*, <https://www.congress.gov/bills/119th/congress/senate-bill/1582>

Next steps will depend on regulatory agency or legislative action or both, with the SEC already outlining its priorities through 'Project Crypto'

Institutions can expect Congress and regulators to **continue their push on key priorities**, with the Report outlining several near-term and long-term recommendations (examples below).¹ Regulators may use their **existing authority** and leverage **current guidance** to develop fit-for-purpose guidance for digital asset innovation and use.

 CFTC COMMODITY FUTURES TRADING COMMISSION	 Congress	 Commerce	 SEC
<ul style="list-style-type: none"> Commodity Exchange Act: Advance numerous market structure initiatives 	<ul style="list-style-type: none"> Market structure bill: address the regulatory treatment of digital asset commodities and digital asset securities 	<ul style="list-style-type: none"> Risk management principles: Support banks and supervisors, along with FRB, FDIC and OCC 	<ul style="list-style-type: none"> Signaled planned actions: indicate plans under existing regulatory authority through several Project Crypto initiatives (Chairman Atkins).²
 FRB	 FDIC FEDERAL DEPOSIT INSURANCE CORPORATION	 OCC OFFICE OF THE COMPTROLLER OF THE CURRENCY	 Treasury
<ul style="list-style-type: none"> Clarity and guidance for banking: provide guidance for sound risk management activities, clarify banking service provision, adopt and calibrate capital requirements for digital asset activities based on performance and risk, and utilize permissionless blockchain for crypto assets Stablecoins and payments: implement GENIUS Act and discourage or prohibit US use of CBDC 			<ul style="list-style-type: none"> Illicit finance: identify areas of uncertainty for AML and CFT Taxation and reporting: publish tax and reporting guidance
 NCUA NATIONAL CREDIT UNION ADMINISTRATION	 FHFA FEDERAL HOUSING FINANCE AGENCY	 FASB FINANCIAL ACCOUNTING STANDARDS BOARD	 IRS
<ul style="list-style-type: none"> Cyber: develop standards for digital asset firms and their activities Payments: promote new payment technologies. 	<ul style="list-style-type: none"> Illicit finance: identify areas of uncertainty for traditional finance (TradFi) interacting with digital asset services and customers 	<ul style="list-style-type: none"> Accounting for digital asset transactions: consult on recognition and derecognition, as well as issuer accounting 	<ul style="list-style-type: none"> IRS FAQs: provide guidance on substantive tax issues Reporting: propose regulations for third-party reporting

SEC Project Crypto highlights

Crypto asset distributions

- Provide clear guidelines to determine the category and treatment of crypto assets
- Prioritize distributions of tokenized securities

Custody and trading

- Facilitate crypto asset custody by leveraging existing regimes
- Modernize custody requirements for RIAs

Facilitation of super applications

- Establish a trade framework for security and non-security crypto assets on SEC platforms
- Evaluate state-licensed crypto platforms

Embrace on-chain

- Set requirements to embrace on-chain software systems in US securities markets
- Conduct further evaluation of Regulation NMS

Innovation exemption

- Define principles-based conditions to achieve core policy objectives (periodic SEC reporting, verified pool functionality and restrictions)

[1] **Working Group members:** Commodity Futures Trading Commission (CFTC), Commerce, Treasury, U.S. Department of Justice (DOJ), Securities and Exchange Commission (SEC); **Consulted:** Federal Deposit Insurance Corporation (FDIC), Board of Governors of the Federal Reserve System (FRB), Office of the Comptroller of the Currency (OCC), National Credit Union Administration (NCUA), **Other impacted regulators:** Financial Accounting Standards Board (FASB), Federal Housing Finance Agency (FHFA), Internal Revenue Service (IRS);

[2] Atkins, Paul S., "American Leadership in the Digital Finance Revolution", *The Securities and Exchange Commission website*, 31 July 2025

01

Additional details on the Report's recommendations and the SEC's Project Crypto

The Report's view of the growth and evolution of the digital ecosystem due to the introduction of new technologies, assets, products and services

The industry and future growth are reliant upon regulatory authorities to provide a clear regulatory framework for crypto assets that will continue to foster the growth of digital assets here in the US.

Market size and trends

The ecosystem has grown from bitcoin to include other cryptocurrencies, stablecoins, non-fungible tokens (NFTs), DeFi and more:

- The cryptocurrency ecosystem **has grown to support trillions of dollars** in payments and trades.
- Institutions are **taking various paths toward involvement**, such as financial investment in native assets and protocols, venture investment in companies, and in-house solution development.
- Digital asset **technology** has **enabled a largely borderless market environment**.
- Digital asset activity varies globally, with **differing jurisdictional requirements and levels of adoption**.

Participants

The digital asset ecosystem consists of a variety of market participants:

- **Issuers** are individuals, organizations or entities responsible for creating and issuing tokens on blockchains.
- **Retail** participants are individuals and a driving force behind growth in the market.
- **Institutional investors** include hedge funds, venture capital firms and asset managers.
- Market participants primarily use **centralized trading platforms** to enter the ecosystem.
- **Development teams** drive innovation in technologies, such as wallets, smart contracts and new blockchains.
- Various actors (e.g., miners, stakers and validators) support the underlying blockchain network.

Key regulators

Federal and state regulators are creating new regulatory frameworks that foster growth:

- **The SEC and CFTC** are the **primary federal regulators** of secondary digital asset markets.
- **The FRB, OCC, FDIC and NCUA** are the **primary federal depository institution regulators**.
- Within the **Department of the Treasury, FinCEN, OFAC and the IRS** administer and enforce existing regulations to safeguard the financial system from illicit activities.
- In many cases, state financial agencies have applied **existing money transmitter laws** to digital asset custodians and platforms; other states have established bespoke regulatory regimes.

Market activities

Digital asset market activities have evolved over time:

- **Issuance:** a token is issued and offered to investors.
- **Trading:** this involves spot markets, futures, perpetual contracts and options trading of digital assets.
- **Custody and wallets:** this refers to the holding and safekeeping of private keys (self-custody or via a custodian).
- **Clearance and settlement:** this involves instantaneous on-chain settlement, netting and confirmation through a clearing agency.
- **Lending, borrowing and collateral:** this involves lending and borrowing with digital assets or other assets as collateral.
- **Commercial applications:** this refers to the use of blockchains for nonfinancial activities.

The Report seeks to enable the evolution of the digital asset market structure through taxonomy alignment, trading modernization and regulatory frameworks

The Working Group's proposal for fit-for-purpose market structure regulations includes the need for **clear asset classification**, **regulated trading infrastructure** and **durable frameworks** that promote innovation, protect consumers and reinforce US leadership in financial technology.

Establishing a taxonomy for digital assets

Tailor regulations by digital asset classifications (securities, commodities or payment instruments):

- **Introduce bright-line tests to determine asset type**, including investment contracts, security tokens, tokenized securities and commodity tokens
- **Presume most tokens are not securities**, reversing prior ambiguity and encouraging broader innovation
- **Enable fit-for-purpose disclosure regimes for token issuance**, such as simplified filings for staking rewards, airdrops and initial coin offerings (ICOs)
- **Support tokenized securities with modern compliance pathways**, allowing firms to issue and trade digital representations of traditional assets like stocks and bonds
- **Encourage digital transfer agents to use blockchain for ownership tracking**, improving transparency, reducing settlement times and lowering operational risk

Enabling the trading of digital assets at the federal level

Advance regulatory clarity and innovation for digital assets:

- **Establish exemptions and safe harbors:** create tailored exemptions for digital asset securities distributions and a safe harbor for partially functional digital assets and airdrops
- **Facilitate trading and enhance frameworks:** allow non-security digital assets tied to investment contracts to trade on non-privacy-enhancing cryptography (PEC) platforms post distribution and amend regulations to support their trading alongside securities
- **Clarify custody and compliance rules:** provide clarity on custody rules for digital assets held by investment companies and guide markets on leveraged digital asset transactions
- **Promote coordination and innovation:** coordinate rulemaking and consider a regulatory sandbox for digital assets to foster innovation while confirming compliance

Creating a lasting framework for digital asset market structure

A durable framework would support secure, scalable growth and US leadership in digital finance:

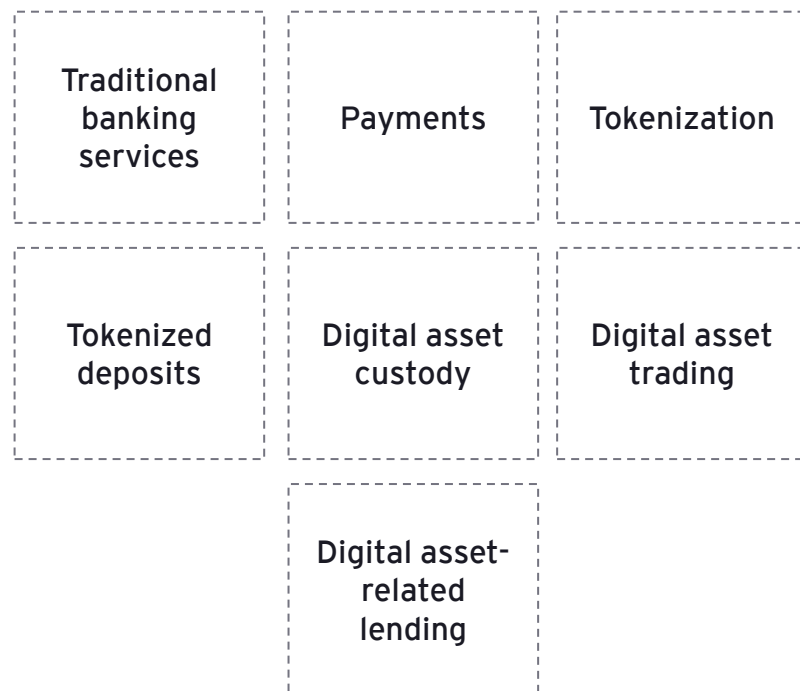
- **Clarify when banks can act as principals in digital asset activities**, helping financial institutions understand when they can directly issue, trade or hold digital assets
- **Provide risk-based, technology-neutral guidance for institutions**, focusing on the nature of the risk and encouraging innovation
- **Align prudential standards with domestic and Basel frameworks**, enabling consistency with global capital and liquidity requirements
- **Encourage capital and liquidity rules tailored to digital asset risks**, avoiding one-size-fits-all treatment and promoting proportional regulation
- **Support on-chain infrastructure for securities markets**, enabling blockchain-based trading and settlement of traditional securities
- **Highlight the SEC's commitment** to immediate action and safe and efficient execution, via Project Crypto

The Report's view on the need for further regulatory clarity regarding permissibility of products, services and supervisory expectations for digital assets in banking

The Report highlights the need for further regulatory clarity on permissible product and service offerings, supervisory expectations for risk management, licensing timelines and specific capital standards.

Background and recommendations

Current products and services



01

Permissibility

- **Permissibility to offer digital asset services:** expand or provide additional clarity where necessary
- **Foster parity of permissibility:** enable consistency across legal entities (e.g., depository institutions and bank holding companies) where appropriate

02

Licensing and federal master accounts

- **Transparency regarding bank charter and master account applications:** Include processing timelines and recommend that approval timelines be codified in legislation from banking agencies
- **Clarity on digital asset activity eligibility:** banking agencies should clarify that digital asset activities do not prohibit otherwise eligible institutions from receiving a charter or master account

03

Risk management and compliance expectations

- **Safety and soundness expectations:** clarify expectations regarding practices that protect consumers, consistent with laws, rules and regulations
- **Leading practices guidance:** call for the issuance of principles-based, technology-neutral supervisory and technical guidance in specific areas (e.g., custody)
- **Focus on illicit activities:** recommend that guidance regarding illicit finance be updated or revised to better reflect digital asset risks

04

Prudential capital and liquidity treatment

- **Risk-based capital and liquidity framework:** The US should develop a framework that explicitly considers digital asset risk and provides consistent treatment of digital assets and their underliers where appropriate
- **International Basel capital standards:** advocate for standards that align with the US framework, reflect digital asset risks and consider current industry maturity

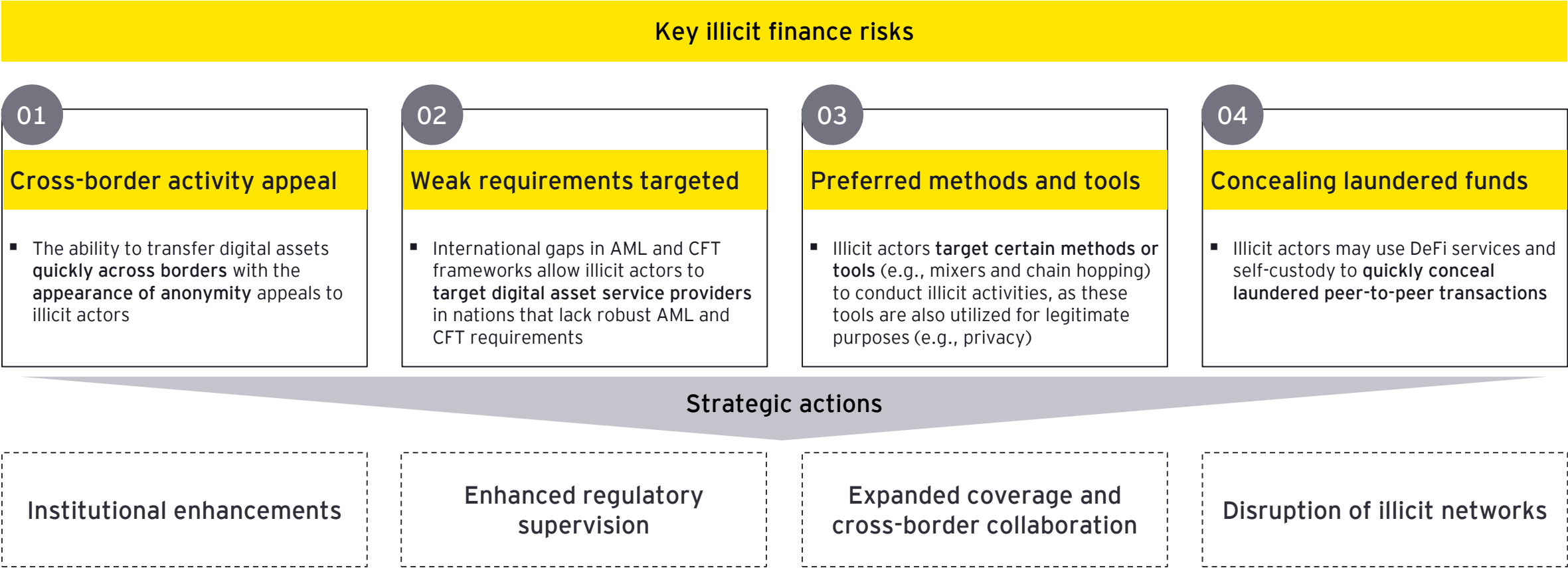
The Report's view on stablecoin and CBDC utilization within payment systems and implications for US financial industry strategic competitiveness

The Report underscores that with the enactment of the GENIUS Act into law, there is now a **legal framework to govern digital assets** that can foster global near-instantaneous payments using blockchain-based payment rails. The GENIUS Act aims to **promote responsible, competitive innovation to encourage US-based market participants** to continue growing the use of stablecoins.

Payment systems			Promote competition
Payment systems facilitate the movement of funds through financial institutions. Innovation across these systems commonly addresses inefficiencies and improves the customer experience. Blockchain technology and distributed ledger technology (DLT)-based assets present an opportunity to improve the functionality of payment systems .			
CBDC	Stablecoins	Tokenized deposits	<div><ul style="list-style-type: none">▪ The GENIUS Act and EO#14178 provide additional regulatory guidance to promote the responsible innovation and use of stablecoins in the US▪ They aim to promote an environment where the US can continue to be the global leader in international transaction settlement▪ The GENIUS Act preserves the two-tier banking system and promotes private sector innovation▪ US-based growth and leadership are essential in confirming that international payment systems remain trustworthy as US-based AML and CFT and sanctions controls may continue to govern the majority of transactions</div>
<ul style="list-style-type: none">▪ The promotion of CBDCs both domestically and abroad is prohibited through the executive order▪ The greatest risk to US citizen privacy, the private sector, financial systems and US sovereignty is posed by the retail use of CBDCs, according to the Working Group▪ Legislation is recommended to pass an Anti-CBDC Surveillance State Act, focused on wholesale CBDC	<ul style="list-style-type: none">▪ The primary use is in facilitation of digital asset trading or interacting with smart contracts, but it may be more widely adopted as a payment form in the future (e.g., retail peer-to-peer cross-border payments)▪ The current lack of supervisory clarity and standards discrepancies have limited US stablecoin development▪ The proposed agencies are encouraged to implement the GENIUS Act faithfully and expeditiously	<ul style="list-style-type: none">▪ Private sector technological innovations, including tokenized deposits, are viewed as a means to preserving economic liberty	

The Report’s view on key threats to digital asset transformation from illicit finance risks and proposed strategic actions to enhance digital asset resilience

Illicit finance poses a significant threat to financial institutions, directly impacting compliance, operational integrity and their broader reputation in the global financial system. As the digital asset ecosystem grows, offerings expand and adoption increases, regulators will expect even stronger compliance efforts from the industry to guard against illicit behavior and protect users.



The Report's view on how improving AML, CFT and sanctions frameworks can disrupt and reduce digital asset-specific risks

The Working Group highlighted several key risks, including sanctions evasion, jurisdictional arbitrage and the lack of proper digital asset-specific laws and guidance, as well as other relevant risks in the digital asset industry. They outlined specific recommendations designed to reduce these risks in the Report.

Institutional enhancements

Enhance illicit activity monitoring through laws and analytical tools:

- It is proposed that Congress enact a **digital asset-specific “hold law”** that would protect institutions that **temporarily freeze assets** suspected of being involved in illegal activity during investigations
- Adopt blockchain analytics tools to **trace illicit flows and enhance transaction monitoring**
- **Secure digital assets** against future quantum computing threats
- **Modernize suspicious activity reporting (SAR) forms** to include digital asset-specific data, such as wallet addresses

Enhanced regulatory supervision

Request for further transparency into obligations and reporting for certain firms:

- It is proposed that Congress add a sixth special measure to Section 311, allowing FinCEN to **prohibit or impose conditions on the “transmittal of funds”** to address illicit activities in foreign digital asset exchanges, DeFi and stablecoins
- Digital asset market structure legislation should consider establishing digital asset-specific **BSA financial institution types and subtypes**.
- Legislators should **identify and mandate AML and CFT obligations** for specific actors within the DeFi ecosystem, evaluating their roles and associated risks.
- Congress should enact legislation that **clarifies how asset control affects BSA obligations**, especially for money transmitters.

Expanded coverage and cross-border collaboration

Request for more transparent and robust information sharing globally:

- The Treasury should encourage **information sharing through FinCEN’s 314(a) and 314(b) programs**, especially between digital asset and traditional financial institutions.
- **Real-time information sharing through IVAN** should also be encouraged to enhance the detection and reduction of illicit activities
- Promote cooperation efforts by the federal government to **solicit private sector input** when determining potential policy directions and establishing regulations
- Promote the **standardization of AML and CFT frameworks** across jurisdictions to **reduce jurisdictional arbitrage risk**

Disruption of illicit networks

Enhance guidance through industry perspectives on developments and gaps:

- The Treasury should issue a request for information (RFI) to industry participants to **solicit sanctions compliance input** specific to developments, innovations and gaps in existing OFAC guidance, and **revise and update OFAC’s existing sanctions compliance guidance** to reflect insights from the RFI process.
- The Treasury should continue to use **OFAC’s sanctions authorities to target malicious actors** and limit their access to US markets.
- The Treasury should swiftly implement the GENIUS Act, which mandates US-licensed **stablecoin issuers to comply with AML and CFT obligations**, and foreign payment stablecoin issuers to comply with lawful US orders to **freeze and seize assets** to counter illicit use.

The Report seeks to address unique characteristics of digital assets and transactions through tax legislation and guidance

The rise of digital assets has led to a wide variety of transaction types, complicating the application of existing tax rules. The Report provides the Working Group's priority items for tax guidance and legislative recommendations on substantive tax issues, taxpayer reporting and third-party information reporting.

Current guidance

- **Notice 2014-21** classifies digital assets as **property** for US tax purposes
- Final regulations provide for **third-party information reporting by digital asset brokers** and establish specific rules to determine the **basis** and **amount realized** from digital asset transactions
- CAMT-proposed regulations affect how **unrealized gains and losses on investment assets** (including digital assets) are taxed for applicable taxpayers
- **Transition relief** is provided to US digital asset exchanges and others **implementing digital asset broker regulations**
- Final regulations have **revoked** on broker reporting by **DeFi** front-end service providers

Substantive tax issues

Priority guidance

- **CAMT:** The Treasury or IRS anticipate interim guidance to address how **unrealized gains and losses** on certain "investment assets" are treated for CAMT.
- **Staking – grantor trust classification:** The Treasury or IRS should issue guidance on the impact of staking on the qualification of investment trusts as **grantor trusts**.
- **Wrapping:** The Treasury or IRS should address whether **wrapping and unwrapping** transactions are taxable transactions.
- **IRS: FAQs –** The Treasury or IRS should **review and refresh FAQs** on digital assets.
- **Other issues:** consider guidance **across key areas**, including: (1) mining and staking, (2) valuation, (3) NFTs, (4) losses on digital assets and (5) charitable deductions

Priority legislative recommendations

- **Characterization as securities or commodities:** treat digital assets as a new asset class subject to modified tax rules applicable to **securities or commodities**
- **Stablecoins:** **characterize payment stablecoins** and address existing income tax recognition and reporting rules to avoid impeding their **widespread use as cash equivalents**
- **Wash sales:** add digital assets to the list of assets **subject to wash sale rules**
- **Lending, mark-to-market (MTM) and safe harbors:** amend the Securities Lending Rule under Section 1058, the MTM Rule under Section 475 and Non-US Traders Safe Harbor Rule under Section 864(b)(2) to **include actively traded fungible digital assets**

Taxpayer and third-party information reporting

Priority guidance

- **De minimis digital asset receipts:** The Treasury or IRS should provide guidance on de minimis receipts of digital assets (airdrops, staking, hard forks and mining rewards).
- **Mining and staking:** The Treasury or IRS should review previously issued guidance related to the **timing of income from staking and mining**.
- **Electronic furnishing of 1099-DA payee statements:** The Treasury or IRS should propose a **less burdensome** method for brokers to obtain consent from customers.
- **Crypto-Asset Reporting Framework (CARF) implementation:** The Treasury or IRS should propose regulations to implement CARF that **consider stakeholder concerns and reduce the burden on brokers**.
- **Other issues:** consider guidance **across key areas**, including: (1) **basis reporting** on transferred digital assets, and (2) reporting on **digital assets received in a trade or business** in excess of US\$10,000

Priority legislative recommendations

- **Mining and staking:** consider **other digital asset validation methods** if Congress decides to pass legislation on the timing and characterization of mining and staking income
- **Section 6038D digital asset reporting:** require reporting of foreign digital asset accounts **via legislation or implementation of CARF**
- **Section 6038D and foreign bank account reporting:** **streamline reporting** for taxpayers subject to both reporting obligations (submission of a single form)
- **CARF implementation:** require digital asset brokers to **report on foreign controlling persons of certain passive entities**

Following the call to action for modernized digital asset markets in the US, the SEC announced the launch of Project Crypto to modernize the US securities law

Key initiatives	Overview	Implications and next steps	CFTC crypto sprint ¹
Crypto asset distribution	<ul style="list-style-type: none"> ▪ Bright-line rules for crypto assets: establish clear rules for security classification, exemptions, safe harbors and others to avoid open-to-interpretation regulatory applications ▪ Prioritize onshore: adopt a dynamic approach to digital assets to bring crypto assets back from offshore accounts 	<ul style="list-style-type: none"> ▪ Clear guidelines will help categorize crypto assets and support economic assessments of transactions ▪ Reclassifications may simplify regulatory expectations and reduce compliance burdens ▪ Encourage and provide relief for tokenized securities 	<ul style="list-style-type: none"> ▪ Kick off sprint to implement recommendations in the Working Group's Report, working closely with the SEC ▪ It enables spot crypto trading on regulated exchanges, aligning with the SEC's regulatory reforms ▪ The Senate is scheduled to release a CFTC Crypto Draft in September that would guide how the CFTC regulates the crypto industry. ▪ The discussion draft is expected to include what the CFTC can (digital commodities) and cannot (digital assets that are more like stocks) regulate
Custody and training	<ul style="list-style-type: none"> ▪ Right to private property: include crypto wallets and individuals owning their own digital wallets within this core value ▪ Modernization of custody: implement modernized rules to support crypto-native providers and self-custody rights 	<ul style="list-style-type: none"> ▪ Provide expanded opportunities to custody and trade assets (including self-custody) for individuals ▪ Provide modernized custody requirements for RIAs and reexamine existing custody regimes to include the custody of crypto assets (adequate investor protection) 	
The "Reg Super-App"	<ul style="list-style-type: none"> ▪ Horizontal integration of product offerings: securities intermediaries may soon be able to offer a broad range of products and services with a single license 	<ul style="list-style-type: none"> ▪ There will be expanded possibilities for products and services due to consolidated state and federal license requirements, allowing for more comprehensive client servicing ▪ There will be increased demand for compliant asset management tools to enable side-by-side crypto asset trading 	
Embrace on-chain	<ul style="list-style-type: none"> ▪ Alleviate inefficiencies through on-chain: there is a thriving space for decentralized models and systems with designated operators for US securities markets ▪ Reevaluation of Reg NMS: this may be necessary to accommodate the trading of tokenized securities on-chain 	<ul style="list-style-type: none"> ▪ Encourage the development of on-chain software systems that don't require central intermediaries ▪ Create a supportive legal environment for on-chain financial markets and capital formation 	
Innovation exemption	<ul style="list-style-type: none"> ▪ Reduced barrier to entry: enable integration of principles-based conditions designed to enable securities law compliance ▪ Facilitating go-to-market: support new entrants' go-to-market efforts with new business models that do not fit into the traditional regulatory system 	<ul style="list-style-type: none"> ▪ This will provide added benefits for DeFi, US-based blockchain projects and stablecoin issuers by reducing ambiguity and encouraging innovation while still adhering to certain principles-based conditions (e.g., regulatory reporting requirements) 	

[1] Published on 1 August 2025: <https://www.cftc.gov/PressRoom/PressReleases/9104-25>; launched on 4 August 2025: CFTC will launch an initiative to allow for trading of spot crypto asset contracts listed on a futures exchange registered with the agency (not final).

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