PUBLIC SUBMISSION

As of: 5/5/26, 10:03 AM
Received: May 01, 2026
Status: Posted
Posted: May 05, 2026
Tracking No. mon-qqgv-l5zj
Comments Due: May 01, 2026
Late comments are accepted
Submission Type: Web

Docket: OCC-2025-0372
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

Comment On: OCC-2025-0372-0001
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

Document: OCC-2025-0372-0321
1Money Co.

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General Comment

1Money Co. respectfully submits the attached comment letter in response to the Office of the Comptroller of the Currency's Notice of Proposed Rulemaking (Docket ID OCC-2025-0372).

Attachments

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May 1, 2026

Via Online Submission to: https://www.regulations.gov/commenton/OCC-2025-0372-0001
Docket ID: OCC-2025-0372
RIN 1557-AF41

Chief Counsel's Office
Attention: Comment Processing
Office of the Comptroller of the Currency
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Re: 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; Docket ID OCC-2025-0372 (Mar. 2, 2026)

Dear Members of the Office of the Comptroller of the Currency Staff:

1Money Co. ("**1Money**" or the "**Company**") respectfully submits this comment letter in response to the notice of proposed rulemaking (the "**Proposal**") issued by the Office of the Comptroller of the Currency (the "**OCC**") to implement provisions of the Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025 (the "**GENIUS Act**"). We commend the OCC for moving swiftly, thoughtfully, and comprehensively to establish the framework for the issuance of payment stablecoins, and we recognize the substantial work reflected in the Proposal.

1Money Co. is the parent holding company of an operating, multi-jurisdictional financial technology group purpose-built around regulated payment stablecoin infrastructure. Our affiliates include 1Money USA, Inc., a FinCEN-registered money services business holding over forty U.S. state money transmitter licenses that operates a stablecoin orchestration and stablecoin issuance-as-a-service ("**IaaS**") platform with active commercial and institutional partners. 1Money USA, Inc. intends, when the application window opens, to file an application for approval as a nonbank Federal Qualified Payment Stablecoin Issuer ("**FQPSI**") under proposed § 15.30(a)(2) for the purpose of issuing and redeeming payment stablecoins both on a proprietary basis and distinctly branded and co-branded payment stablecoins on behalf of institutional clients. We have invested two years building the licensing footprint, compliance architecture, and technology platform necessary to operate as a federally supervised stablecoin issuer, and we are actively constructing our application package against the framework reflected in the Proposal. We submit these comments as a current operator with active commercial and institutional partners and an active path to FQPSI status. Several of our recommendations align with our own operating model; others would

constrain options theoretically available to us. We have weighed those trade-offs in each case and offer our recommendations on the merits.

If the final rule is not calibrated to accommodate responsible, multi-brand, partner-ecosystem issuers offering appropriately structured rewards models, it could, contrary to the intent of the GENIUS Act and the policy direction set by Executive Order 14178, entrench large, well-capitalized incumbent issuers, foreclose innovation by precisely the disruptive entrants Congress sought to enable, and deprive U.S. consumers, merchants, and institutions of the financial inclusion and competitive choice that the federal stablecoin framework was designed to deliver.

We submit this letter constructively. We strongly support the Proposal's core architecture, the OCC's fidelity to the statute, and the appropriate levels of supervision and safety standards. We seek targeted refinements that will ensure the final rule achieves the GENIUS Act's dual mandate: safety and soundness *and responsible innovation*. The recommendations that follow ask for clarity (codifying in rule text the safe harbors and definitional refinements the Proposal already contemplates in its preamble); proportionality (tiering requirements to business model, scale, and risk in the manner the GENIUS Act expressly directs); and consistency (alignment with parallel rulemakings by the FDIC, Federal Reserve, NCUA, and Treasury to avoid fragmentation across the federal stablecoin framework).

We have built and continue to refine the precise systems and controls that the Proposal contemplates. We believe our perspective, grounded in operational reality, can be of particular value to the OCC as it finalizes the rule. We accordingly offer detailed, specific, and constructive feedback, including illustrative regulatory text where appropriate.

I. SUMMARY OF RECOMMENDATIONS

We request that the OCC finalize the rule with the following targeted refinements, each elaborated in Section II below:

- **Recommendation 1 (Yield Prohibition).** Codify in rule text safe harbors for (a) merchant-funded discounts and rebates; (b) bona fide activity-based rewards conditioned on third-party conduct (purchase, transaction volume, network participation, compliance onboarding) that are not funded from reserve assets; (c) revenue and profit sharing with brand partners in white-label and co-branding arrangements; and (d) standard incentives funded through interchange-style commercial economics. Refine the rebuttable presumption with defined evidentiary standards, a 45-day OCC response commitment, and an appeal mechanism. (Responding to Questions 35–39.)
- **Recommendation 2 (Multi-Brand Issuance).** Decline to adopt any "one brand, one issuer" limitation. Affirmatively codify a multi-brand framework with structural safeguards, such as segregated account structures (including segregated custodial sub-accounts at eligible financial institutions or customer-property segregation regimes), bankruptcy-remote special purpose vehicles where elected by the issuer, or other legally recognized segregation mechanisms, reserve sub-accounts, brand-level CPA examinations, and explicit operational controls preventing cross-brand reserve encumbrance, that addresses run and contagion risk without forced entity proliferation. The OCC should permit, but not mandate, the use of a bankruptcy-remote vehicle. A properly structured bankruptcy-remote vehicle can offer complementary protections that some

issuers will reasonably elect to incorporate. The GENIUS Act's existing reserve segregation, anti-encumbrance, and customer-priority insolvency provisions, in combination with statutory and supervisory protections, can be adequate to many issuers' risk profiles at materially lower structural cost than a mandated vehicle. Recognize, consistent with the statute and the Proposal's own definition of "outstanding issuance value," that responsible multi-brand issuance is the operational model best suited to scaling compliant payment-stablecoin infrastructure across the U.S. economy. (Responding to Question 172, with related implications across Questions 90–94 and 107.)

- **Recommendation 3 ("Customer" Definition).** Refine the proposed definition of "customer" to mean a person with a direct contractual relationship with the issuer (a "direct counterparty"), and separately define "holder" to mean any person who possesses a payment stablecoin issued by the issuer. Calibrate notice and disclosure obligations to the reachable audience (*i.e.*, direct notice to customers, public and on-chain disclosure to all holders) to align regulatory expectations with the operational reality of public, distributed-ledger issuance. (Responding to Questions 4 and 22.)
- **Recommendation 4 (Tokenized Reserves).** Adopt a principles-based definition of "reserve in tokenized form" keyed to direct, enforceable, bankruptcy-remote claims on underlying eligible reserve assets, with operational monetization tests rather than arbitrary concentration caps. Avoid an enumerated list that will become outdated before the next rulemaking cycle. (Responding to Questions 49 and 92.)
- **Recommendation 5 (FQPSI Application Pathway).** Confirm in rule text and official guidance that an entity's status as a FinCEN-registered MSB or holder of state money transmitter licenses does not disqualify it from being a "nonbank entity" eligible under § 15.30(a)(2). Publish an application completeness checklist mapped to statutory factors. Adopt a "deemed substantially complete" backstop, parallel to the FDIC's proposed approach, if the OCC does not act within the 30-day completeness window. Provide explicit guidance on the interaction between FQPSI authorization and continuing state money-transmitter licensing obligations. (Responding to Questions 167–169.)
- **Recommendation 6 (Reporting Cadence).** Replace the proposed weekly confidential reporting cadence under § 15.14(h) with a quarterly standardized cadence aligned to the quarterly report of financial condition under § 15.14(i), supplemented by event-triggered intra-period reporting tied to defined safety-and-soundness or financial-stability triggers. Reframe the proposed top-100-holders/traders data category as a top-100-direct-counterparty data category, consistent with the customer/holder distinction in Recommendation 3. Issue the prescribed reporting form for industry comment in advance of finalization, in coordination with the FDIC, Federal Reserve, and NCUA. (Responding to Question 131.)
- **Recommendation 7 (Interagency Coordination).** Convene a standing interagency working group with the FDIC, Federal Reserve, NCUA, and Treasury to align application checklists, clock mechanics, activity-based rewards definitions, tokenized reserve standards, redemption stress mechanics, and BSA/AML/sanctions expectations, reducing compliance fragmentation ahead of the GENIUS Act's effective date.

II. DETAILED POLICY RECOMMENDATIONS

This Section II sets forth our detailed recommendations, organized topically. Where appropriate, we provide illustrative regulatory text edits, cross-references to the relevant OCC questions, the policy rationale grounded in the GENIUS Act's text, the OCC's stated supervisory intent, and our operational experience as a current stablecoin orchestrator and IaaS platform.

A. Codify Safe Harbors for Activity-Based Rewards and Refine the Anti-Evasion Presumption (Proposed § 15.10(c)(4); Questions 35–39)

1. The statute draws a deliberate line at "solely."

GENIUS Act § 4(a)(11) prohibits a permitted payment stablecoin issuer from paying "the holder of any payment stablecoin any form of interest or yield (whether in cash, tokens, or other consideration) solely in connection with the holding, use, or retention of such payment stablecoin." Congress used the word "solely" intentionally. It draws a deliberate statutory line between two distinct categories of consumer benefit: (a) yield paid as a return on holding, which is prohibited; and (b) rewards paid as consideration for activity, which is not.

This distinction is not novel; it tracks decades of U.S. consumer financial services law. Banks routinely pay credit card rewards funded by interchange revenue, often denominated in cash, points, miles, or merchandise, without those rewards being characterized as "interest" on the cardholder's deposit balance. Merchants routinely offer discounts and rebates conditioned on payment instrument selection without those discounts being characterized as "yield" on the underlying funds. Loyalty programs award benefits proportional to spend, transaction count, or program engagement. None of these programs is treated as "interest" on the consumer's underlying balances, and none has destabilized the U.S. banking system. They are, instead, an established feature of the U.S. payments system.

Activity-based stablecoin rewards are economically analogous to these long-established programs. They are conditioned on bona fide third-party activity, *i.e.*, a purchase, a transaction, an act of network participation, the completion of compliance onboarding, and not on the passive act of holding the stablecoin. They are conditioned on what the holder does, not on the issuer paying the holder a return for holding, which is the precise economic event that § 4(a)(11) prohibits.

2. The Proposal's preamble already recognizes much of this; the rule text should follow.

The Proposal's preamble already states correctly that the yield prohibition (i) is "not intended" to prevent a merchant from independently offering a discount for using a stablecoin, and (ii) is "not intended" to prevent an issuer from sharing in the profits derived from the payment stablecoin with a non-affiliate brand partner in a white-label arrangement. We commend the OCC for these clarifications. They are, however, expressed only in preamble language. Preamble language, while informative, does not carry the force of law and is subject to reinterpretation by future supervisory staff. For an issuer building a multi-party rewards ecosystem with capital commitments, technology builds, and contractual structures premised on these positions, preamble comfort is insufficient.

We request that the OCC translate the substance of the preamble into rule text, and expand the safe harbors to capture the full range of legitimate, activity-based commercial programs that the statute does not prohibit.

3. The "related third party" definition needs refinement.

The Proposal's definition of "related third party" for purposes of § 15.10(c)(4) is expansively drafted. As proposed, it captures any person paying interest or yield to payment stablecoin holders "as a service" (*i.e.*, on behalf of the issuer) and any person under whose branding the issuer mints stablecoins (*i.e.*, any white-label brand partner). Without further refinement, this definition would sweep within the rebuttable presumption every marketing, revenue share, or white-label IaaS partner relationship, even where the partner offers a merchant-funded cashback program, a network-participation rebate, or a loyalty incentive that is unambiguously activity-based and not funded from reserves. The result would be that an issuer offering compliant IaaS services would face an anti-evasion presumption against its partners' ordinary commercial incentive programs simply because of the structural fact of the brand relationship.

That outcome is neither the GENIUS Act's text nor its policy intent. The statute's anti-evasion grant authorizes regulations that "prevent evasion" of the yield prohibition; it does not authorize a presumption that converts ordinary commercial economics into prohibited yield. The proper line is drawn by the economic substance of the payment, not by its calculation method. The rebuttable presumption should be retained as a focused tool against true disguised-yield structures, *e.g.*, an issuer paying its custodian, who in turn pays the holder a return on holding funded directly or indirectly from reserve assets, while expressly carving out commercial incentives offered by brand partners, affiliates, and related third parties that are not funded from reserves, are not paid by the issuer as a return on holding, and are clearly disclosed as promotional incentives rather than yield.

4. Proposed regulatory text (illustrative addition to § 15.10(c)(4)).

> *(iii) Safe harbors. The following arrangements are not prohibited under this paragraph (c)(4) and do not give rise to the rebuttable presumption set forth herein:*
>
> *(A) Merchant Discount and Rebate Safe Harbor. A discount, rebate, or loyalty benefit offered by an affiliate or related third party merchant, marketplace, payment network, or service provider to a person in connection with the purchase of goods or services, including where the benefit is denominated or paid in a payment stablecoin, provided the benefit is (I) not funded from reserve assets; (II) not offered solely in connection with the holding, use, or retention of the payment stablecoin; and (III) clearly disclosed as a commercial incentive rather than a return on holding the stablecoin. Such benefits may be offered directly by such merchant or service provider or through any payment network, processor, or other intermediary.*
>
> *(B) White-Label Commercial Arrangements Safe Harbor. Revenue, profit, or fee-sharing payments by a permitted payment stablecoin issuer to an affiliate or related third party brand partner in a white-label or co-branding arrangement, derived from issuance and redemption fees or other lawful issuer revenues, provided such payments are not conditioned on, and do not directly subsidize, payments to stablecoin holders that would constitute prohibited interest or yield under paragraph (c)(4).*
>
> *(C) Activity-Based Rewards Safe Harbor. A reward, rebate, or incentive, including one denominated or paid in a payment stablecoin and including one provided by an affiliate or related third party of the issuer, is not "interest or yield … solely in connection with holding, use, or retention" where: (I) eligibility for the reward is conditioned on a bona fide*

third-party activity, including but not limited to the purchase of goods or services, transaction volume, participation in a loyalty or merchant program, provision of liquidity to a merchant or payment network, or other commercial conduct; (II) the reward is not funded by reserve assets; (III) the reward is clearly disclosed as a promotional or commercial incentive and not as a return on holding the stablecoin; and (IV) the reward is not designed, structured, or operated to replicate the economic substance of interest or yield paid by the issuer in respect of holding the payment stablecoin.

(D) Interchange-Funded Programs Safe Harbor. Reward, rebate, or incentive programs funded directly or indirectly by interchange, network, or merchant-discount revenue associated with payment stablecoin transactions, where the program design and funding source would not constitute interest or yield under traditional U.S. consumer financial services law if the underlying instrument were a credit card, debit card, or demand deposit account.

(E) Non-Objection Process. An issuer may submit a written request for non-objection in respect of a proposed rewards, rebate, or partner program. The OCC will respond in writing within 45 calendar days of receipt of a complete submission. The OCC's written response will include either a non-objection or a written explanation supporting any objection, and any objection may be appealed under the procedures set forth in § 15.30(e) or such other procedures as the OCC may prescribe.

5. Procedural reforms to the rebuttable presumption.

Even with codified safe harbors, the rebuttable presumption mechanism would benefit from three procedural refinements. First, the OCC should publish objective evidentiary criteria for what constitutes a sufficient rebuttal submission, for example, evidence concerning the economic substance of the program, the source of program funding, the nature and quality of disclosures to holders, whether the program is structured to replicate the economic substance of issuer-paid yield on stablecoin holdings, and the operational independence of the rewards-paying party. Second, the OCC should commit to a 45-day response timeline for complete submissions, mirroring the timeline set forth in subsection (E) above. Third, any denial of a rebuttal submission should be in writing and should be appealable under the procedures of § 15.30(e) or equivalent. These refinements align the presumption with the transparent, time-bounded ethos of the GENIUS Act's application framework while preserving the OCC's anti-evasion authority. Together, these refinements transform the rebuttable presumption from a discretionary, indeterminate-timeline tool into a procedurally robust mechanism that issuers can plan around. They preserve the OCC's substantive anti-evasion authority while imposing the procedural discipline expected of modern federal financial regulation, applying to the rebuttable-presumption process the same procedural rigor that the GENIUS Act applies to the application process: timeliness, transparency, written rationale, and appealability.

6. Responses to specific questions.

Q35. We do not recommend a generic *de minimis* exception, which is susceptible to manipulation and difficult to administer. The safer and more durable approach is conduct-based safe harbors, as proposed above.

Q36. Retain the rebuttable presumption as an anti-evasion tool against true disguised-yield structures. Pair it with the safe harbors set forth above, codified evidentiary standards, a 45-day OCC response timeline, and an appeal mechanism.

Q37. We urge the OCC not to broaden the prohibition beyond the statutory "solely" standard. A broader rule would prohibit ordinary payments incentive structures that are economically indistinguishable from credit card rewards and merchant loyalty programs, would chill innovation, and could push U.S. dollar-denominated stablecoin commerce offshore.

Q38. Yes. The OCC should clarify the operative terms ('pay,' 'interest,' 'yield,' 'solely') and expressly exclude bona fide activity-based rewards, merchant rebates and discounts, white-label profit sharing, and interchange-funded reward programs that satisfy the safe harbor criteria. Definitional clarity reduces enforcement risk for compliant issuers and sharpens the OCC's anti-evasion focus on actual disguised-yield structures, *i.e.*, issuer-paid, reserve-funded payments to holders that economically replicate interest on a deposit.

Q39. A narrow prohibition aligned to the statutory text supports innovation and maintains U.S. competitiveness in payment stablecoin infrastructure. A broad prohibition could chill normal payment-network incentives and drive issuance and rewards economics to non-U.S. jurisdictions.

B. Decline to Adopt a "One Brand, One Issuer" Limitation; Affirmatively Codify a Multi-Brand Framework (Question 172; Related Questions 90–94 and 107)

1. This is a foundational question in the Proposal for issuers operating an IaaS model.

Question 172 asks whether the OCC should permit a permitted payment stablecoin issuer to issue more than one "brand" of payment stablecoin under a white-label or co-branding arrangement, or whether the OCC should require legally separate issuers for each brand (a "one brand, one issuer" framework). We urge the OCC not to adopt the "one brand, one issuer" limitation. The implications of that choice for the architecture of compliant U.S. stablecoin infrastructure cannot be overstated.

2. The statute and the Proposal already contemplate multi-brand issuance.

The GENIUS Act's definition of "outstanding issuance value," as faithfully implemented in the Proposal at proposed § 15.2, expressly contemplates that a single issuer may issue "different brands of payment stablecoin… (*e.g.*, under a white label arrangement)" and aggregates those brands at the entity level for purposes of measuring the issuer's scale. The statute does not limit issuers to a single brand; it does the opposite as it acknowledges that multi-brand issuance is a reality and provides for its measurement. Adopting a "one brand, one issuer" limitation would be in textual tension with this affirmative recognition.

3. Multi-brand structures are not novel; they are the standard architecture of U.S. financial regulation.

The U.S. financial system is replete with regulator-tested multi-brand structures that achieve legal segregation, accounting integrity, and counterparty protection (*e.g.*, broker-dealer customer-property segregation, trust company multi-trust accounts, and bank cash sweep programs). In these contexts, the regulatory response to brand-segregation concerns has not been to require entity proliferation. It has been to require legal segregation, transparent disclosure, accounting integrity, and operational controls, all at the brand or account level, while permitting the institutional sponsor to operate under a single charter or registration. There is no principled reason the payment stablecoin context should differ.

4. The OCC's stated concerns are addressable through structural mechanisms short of forced entity proliferation.

The Proposal articulates two policy concerns about multi-brand issuance: (i) holders may face uncertainty regarding which reserve assets back which brand; and (ii) loss of confidence in one brand could trigger contagion to other brands sharing the issuer. We take these concerns seriously, and we propose addressing them through the following general structural framework consistent with the requirements already present in the GENIUS Act:

- Segregated account structures (including segregated custodial sub-accounts at eligible financial institutions or customer-property segregation regimes) or bankruptcy-remote special purpose vehicles where elected by the issuer, with documented controls preventing cross-brand reserve encumbrance and contractually enforceable claims by the OCC and brand-level holders.
- Brand-level monthly reserve composition disclosures, in the form contemplated by proposed § 15.11(e), so that holders of each brand have a clear, separate accounting of the reserves backing their stablecoin.
- Express disclosures to each brand's holders concerning the multi-brand structure, the legal segregation mechanism, and the cross-brand non-encumbrance regime.

This framework is functionally equivalent to the protections that would obtain under a "one brand, one issuer" framework, and it does so without imposing the structural costs detailed in the next subsection.

5. The Proposal's reference to a "special purpose, bankruptcy-remote vehicle" should be permitted but not mandated.

Question 172 specifically asks whether the OCC should "require a permitted payment stablecoin issuer (or its parent company) to hold reserves in a special purpose, bankruptcy-remote vehicle that is fully capitalized by the issuer and has no liabilities." We recommend that the OCC permit, but not mandate, such a structure. There is no legal or policy basis for limiting bankruptcy-protective reserve segregation to one specific corporate form; several alternative mechanisms achieve substantially comparable protection at materially lower structural cost; and the GENIUS Act itself already supplies the statutory architecture from which bankruptcy-protective treatment of reserves derives.

The GENIUS Act establishes a comprehensive framework of statutory protections that operate independently of any particular corporate form in which reserves are held. Specifically:

- The GENIUS Act requires permitted payment stablecoin issuers to maintain reserves at a 1:1 ratio with outstanding payment stablecoins and prohibits the pledging, rehypothecation, encumbrance, or commingling of reserve assets with the issuer's general assets, except in narrow circumstances expressly authorized by the Act.
- The GENIUS Act's customer-protection-in-insolvency provisions establish that, in any insolvency proceeding involving a permitted payment stablecoin issuer, holders of the issuer's outstanding payment stablecoins have a priority claim on reserve assets attributable to those stablecoins, ahead of general unsecured creditors of the issuer.
- The GENIUS Act vests the OCC, as primary federal payment stablecoin regulator with respect to FQPSIs, with comprehensive ongoing supervisory authority over reserve composition, custody,

> segregation, and operational controls, providing examination and enforcement tools that operate continuously, well before any insolvency proceeding could occur.

These statutory protections meaningfully overlap with the protections a separately capitalized, bankruptcy-remote vehicle would be designed to provide, but we do not contend they are equivalent. A properly structured bankruptcy-remote vehicle offers specific incremental protections, enhanced resilience to substantive consolidation, reduced exposure to certain fraudulent transfer claims, and a cleaner record in contested priority disputes, that contractual segregation does not fully replicate. Some issuers will reasonably elect that form. The OCC's framework should permit, not mandate, that election. The dispositive question is whether the issuer's elected mechanism, in combination with the GENIUS Act's statutory regime and ongoing OCC supervision, is adequate to the issuer's risk profile and scale, not whether it is theoretically maximal. Mandating a single form across the board removes the OCC's ability to make that calibrated judgment. Statutory trusts under applicable state law and segregated custodial sub-accounts under deposit account control agreements with negative-pledge covenants will, for many issuers, satisfy that adequacy standard at materially lower structural cost than a separately capitalized vehicle.

6. The structural costs of 'one brand, one issuer' are disproportionate to the incremental holder protection achieved.

Under the OCC's alternative framework, a "one brand, one issuer" model with streamlined applications for affiliates of approved issuers and shared back-office functions, each branded payment stablecoin would, by definition, require: (i) a separate OCC charter; (ii) separate minimum capital; (iii) a separate 12-month operational backstop; (iv) a separate Board of Directors; (v) a separate examination cycle; (vi) separate Call Reports and Reports of Condition; and (vii) separate annual assessments under amended 12 CFR Part 8. For an IaaS platform serving ten institutional brand partners, this implies potentially millions of dollars more in additional capital and proportionally more in operational backstop before considering the duplicative governance, examination, and reporting overhead. For the average entrant, this structure is economically infeasible. For the largest incumbent issuers, it is absorbable.

The concern is one of proportionality. A "one brand, one issuer" mandate would impose duplicative capital, governance, and examination costs on every multi-brand issuer regardless of risk profile, falling on the smaller and *de novo* entrants the GENIUS Act framework is designed to enable. The OCC has supervisory tools to address, *e.g.*, brand-level concentration and reserve uncertainty without that overhead, including the authority to require the SPV form on a facts-and-circumstances basis where warranted. The brand-level segregation, disclosure, and stress-period framework set forth in this Section preserves that supervisory flexibility.

7. Proposed regulatory text (illustrative addition to § 15.11(e) and related provisions).

> *Multi-brand issuance. A permitted payment stablecoin issuer or foreign payment stablecoin issuer may issue one or more distinctly branded payment stablecoins under white-label, co-branding, or other multi-brand arrangements, provided that the issuer satisfies the brand-level segregation and disclosure requirements set forth in this paragraph and obtains the OCC's approval of its multi-brand operating framework as part of its application under § 15.30 or by subsequent supervisory determination.*

Brand-level reserve segregation. The permitted payment stablecoin issuer shall maintain reserves for each branded payment stablecoin in segregated account structures (including segregated custodial sub-accounts at eligible financial institutions or customer-property segregation regimes), bankruptcy-remote special purpose vehicles where elected by the issuer, or other legally recognized segregation mechanisms approved by the OCC. The selected mechanism shall include documented controls preventing the encumbrance, pledging, rehypothecation, or commingling of reserves attributable to one brand for the benefit of any other brand or for the benefit of the issuer's general creditors. Nothing in this paragraph shall be construed to require the use of any particular corporate or legal form for reserve segregation. The OCC shall consider, on a facts-and-circumstances basis, whether the issuer's elected segregation mechanism, taken together with the statutory reserve, anti-encumbrance, and customer-priority insolvency protections of the GENIUS Act, provides adequate protection of reserves from claims by creditors of any other brand or of the issuer in its general capacity.

Brand-level disclosures. The permitted payment stablecoin issuer shall publish a monthly reserve composition disclosure, examined by a registered public accounting firm, for each branded payment stablecoin issued. The monthly reserve composition disclosure may list all branded stablecoins issued, provided that for each branded payment stablecoin the disclosure is clear and conspicuous and includes: (i) the par value of outstanding stablecoins of that brand; (ii) the composition of reserve assets attributable to that brand; (iii) the legal segregation mechanism applicable to that brand's reserves; (iv) the operational controls preventing cross-brand reserve encumbrance; and (v) the holder claim priority rules applicable in the event of issuer distress.

Brand-level stress-period plans. As part of its application under § 15.30 or by subsequent supervisory determination, a permitted payment stablecoin issuer intending to issue multiple branded payment stablecoins shall submit a brand-level stress-period redemption plan setting forth: (i) the threshold conditions that will trigger stress-period mechanics for the branded payment stablecoins it issues or may issue in the future; (ii) the redemption queue, prioritization, and processing protocols applicable during stress; (iii) the communication and disclosure protocols for that brand's holders; and (iv) the operational steps to ensure that brand-level stress does not propagate to other brands.

8. Responses to specific questions.

Q90–94. For multi-brand issuers, require brand-level reserve composition disclosures, and clear descriptions of the legal segregation mechanism, in line with our proposed regulatory text above.

Q107. Permit and encourage layered, technology-enabled disclosure approaches (*e.g.*, concise public summaries supplemented by reserve composition tables and on-chain or smart-contract-readable metadata), provided each brand's disclosures remain individually accessible and clearly identifiable to the relevant holder population.

Q172. Decline to adopt a "one brand, one issuer" limitation. Adopt the multi-brand framework, anchored in: (i) brand-level reserve segregation through a menu of legally recognized, structurally sound mechanisms; (ii) brand-level CPA-examined disclosures; and (iii) brand-level stress-period plans. The

dispositive question in any given case is whether the issuer's elected segregation mechanism, in combination with the GENIUS Act's statutory regime and ongoing OCC supervision, is adequate to the issuer's risk profile and scale. A bankruptcy-remote vehicle is one mechanism among several available to satisfy that adequacy standard; it offers specific incremental protections that issuers may reasonably elect to incorporate, but should not be the sole permissible structure. Provide a streamlined approval pathway under § 15.30 for issuers electing to operate within the multi-brand framework.

C. Refine the "Customer" Definition to Distinguish Direct Counterparties from Holders (Proposed § 15.2; Questions 4 and 22)

1. The proposed definition is too broad and creates compliance obligations no issuer can satisfy.

The Proposal defines "customer" to mean "a person that purchases (through any consideration) the products or services of another person." Under this definition, seemingly every person who acquires a payment stablecoin, *whether directly from the issuer or downstream from a third party in any secondary market context*, is a "customer" of the issuer.

This definitional choice, while intended to cast a wide protective net, creates a material structural mismatch between regulatory expectations and operational reality. A payment stablecoin issuer in the public-distributed-ledger context should not be responsible for considering as "customers" the entire universe of downstream holders. A stablecoin issuer's universe of "customers" should be limited to a defined set of directly KYC-onboarded, duly authorized participants, *i.e.*, persons with which the issuer has direct contractual relationships only. Beyond that defined set, the stablecoin moves freely on a permissionless ledger, to self-custodial wallets, to third-party-hosted wallets, to digital asset trading platforms, to merchant terminals, to other holders, without the issuer's knowledge or involvement.

2. Concrete operational problems.

The breadth of the proposed "customer" definition creates concrete operational problems across the Proposal. A few representative examples:

- **Fee-change notice (§ 15.12).** The Proposal requires seven days' prior notice to "customers" of any fee change. Under the broad definition, the issuer would owe such notice to every downstream holder. Notice to anonymous or unidentified holders on a public ledger is operationally impossible. The only practical mechanism is public website disclosure plus on-chain or smart-contract metadata, which works for holders but does not satisfy the definition's implication that each "customer" be individually noticed.
- **Disclosure delivery (§§ 15.10–15.11).** The Proposal requires various plain-language disclosures to be delivered to "customers." Same operational problem.
- **Customer due diligence and CIP/CDD.** While the Proposal's preamble takes care to disclaim that the rule's definition of "customer" is not intended to alter CIP/CDD obligations under the Bank Secrecy Act and its implementing regulations, the breadth of the definition creates downstream interpretive risk that future supervisory or examination staff may import the § 15.2 definition into BSA contexts, with the consequence that issuers face untenable expectations to identify and risk-rate every downstream holder.

3. Recommended refinement: distinguish "customer" from "holder."

We recommend the OCC adopt two distinct defined terms, one for direct counterparties and one for holders, and calibrate the rule's obligations to the appropriate audience. Notice and disclosure obligations that are operationally feasible only with respect to direct counterparties should run to "customers," narrowly defined. Public-facing disclosure obligations should run to "holders," satisfied through public website disclosure or other broadcast channels.

4. Proposed regulatory text (illustrative addition to § 15.2).

> *Customer means a person that has a direct contractual relationship with a permitted payment stablecoin issuer or foreign payment stablecoin issuer in respect of the issuance, redemption, custody, or operational handling of payment stablecoins, including, without limitation, an authorized participant, an institutional minting or redemption counterparty, including a brand partner under a white-label or co-branding arrangement, or a person who has been onboarded by the permitted payment stablecoin issuer pursuant to its customer identification program.*
>
> *Holder means any person that owns, controls, possesses, or otherwise holds a payment stablecoin issued by a permitted payment stablecoin issuer or foreign payment stablecoin issuer, regardless of whether such person has a direct contractual relationship with the issuer. The term "holder" includes, but is not limited to, customers of the issuer.*
>
> *Disclosure obligations. Where a provision of this part requires disclosure or notice to "customers," such obligation may be satisfied by direct delivery to the issuer's customers as defined herein. Where a provision of this part requires disclosure to "holders" or to the general public, such obligation may be satisfied by publication of the relevant disclosure on the issuer's website, by inclusion in publicly accessible on-chain metadata or smart-contract documentation, by other broadcast channels reasonably calculated to reach holders, or by any combination thereof.*

5. Responses to specific questions.

Q4. Refine the "customer" definition along the lines proposed above to limit it to direct counterparties of the issuer, and add a separate "holder" definition for downstream possessors of the stablecoin. Calibrate the rule's notice and disclosure obligations to the operationally appropriate audience.

Q22. Define "stablecoin holder" expressly, in the manner proposed above. Do not impose downstream-holder identification obligations that are inconsistent with distributed ledger reality. Provide express acknowledgment that, for purposes of this part, public-website and on-chain disclosure satisfy disclosure obligations running to "holders" generally.

D. Define "Reserve in Tokenized Form" Through a Risk-Based, Principles-Based Framework (Proposed § 15.11(b)(8); Questions 49 and 92)

Proposed § 15.11(b)(8) recognizes that an eligible reserve asset may be held in "tokenized form." We commend this forward-looking acknowledgment that the reserve infrastructure of the future will increasingly live on-chain. Tokenized U.S. Treasury bills, tokenized money market fund shares, and tokenized bank deposits are rapidly maturing asset classes that offer issuers enhanced settlement efficiency, 24/7 liquidity access, real-time auditability, and operational integration with the underlying

stablecoin issuance and redemption mechanics. Each of these features directly serves the safety-and-soundness objectives of the GENIUS Act.

The Proposal's current treatment, however, does not provide a clear definition of what qualifies as a "tokenized form" of an eligible reserve asset. We recommend that the OCC adopt a principles-based definition rather than an enumerated list. The tokenized asset landscape is evolving rapidly, and a rigid list will become outdated before the next rulemaking cycle, potentially excluding asset structures that fully satisfy the policy objectives of the rule and chilling investment in compliant tokenized infrastructure.

Proposed regulatory text (illustrative addition to § 15.11(b)(8)).

> *Reserve in tokenized form means a digital asset that satisfies all of the following criteria: (i) the digital asset represents a direct, enforceable, and bankruptcy-remote claim on an underlying eligible reserve asset specified in this section; (ii) the holder of the digital asset has full legal rights to the underlying eligible reserve asset, including the right to receive at par or market value upon presentation; (iii) the digital asset is subject to operational and contractual controls that ensure the issuer can promptly access and monetize the underlying eligible reserve asset to meet redemption obligations within the timeframes required by § 15.12; (iv) the digital asset is custodied by or through an eligible financial institution, or otherwise subject to custody arrangements approved by the OCC; and (v) the digital asset is not itself issued by the same permitted payment stablecoin issuer or foreign payment stablecoin issuer whose reserves it backs, unless expressly authorized by the OCC. The OCC may publish, and from time to time update, supervisory guidance identifying specific tokenized asset structures or instruments that satisfy or do not satisfy this definition.*

On custody disclosure in composition reports (Question 92).

Custody location and key-management disclosures should be calibrated to the operational and security realities of multi-chain, tokenized reserve infrastructure. Public disclosure of granular wallet addresses, key-sharding architectures, or specific custody locations creates security risks that are disproportionate to any incremental supervisory benefit. We recommend that sensitive custody and key-management details be reportable to the OCC on a confidential basis (consistent with the Proposal's confidential reporting framework), with public disclosure limited to high-level custody categories (*e.g.*, "reserves are held at three eligible financial institutions, with operational segregation and documented bankruptcy-remote treatment") without specific institution names where security would be compromised.

Responses to specific questions.

Q49. Adopt the principles-based definition of "reserve in tokenized form" set forth above. Avoid an enumerated list of qualifying instruments; the tokenized asset landscape is evolving rapidly, and a list will become outdated before the next rulemaking cycle. Pair the principles-based definition with optional supervisory guidance identifying specific instruments that satisfy or do not satisfy the definition, updated from time to time as the market matures.

Q92. Permit confidential reporting to the OCC of granular custody and key-management details (specific institution names, wallet addresses, key-sharding architectures), with public disclosure limited to high-level custody categories. Granular public disclosure of custody internals creates security risks

disproportionate to any incremental supervisory benefit. The OCC's existing confidential reporting framework supplies the operational mechanism.

E. Application Framework: MSB and MTL Compatibility, Completeness Mechanics, and Federal-State Coordination (Proposed § 15.30; Questions 167–169)

Proposed § 15.30(a)(2) establishes a pathway for nonbank entities to apply for FQPSI status. We endorse this and offer four refinements that we believe will materially improve the application process for entities like 1Money, current operators with substantial existing licensing and compliance footprints.

1. Express confirmation of MSB and MTL eligibility.

The statutory definition of "nonbank entity" in the GENIUS Act implicitly accommodates entities that are FinCEN-registered MSBs or hold state money transmitter licenses, because such licensure does not convert an entity into a depository institution. We request that the OCC expressly confirm, in rule text or in the final rule's preamble or a contemporaneous bulletin, that an entity is not disqualified from being a "nonbank entity" eligible to apply under § 15.30(a)(2) merely because it is registered with FinCEN as an MSB or holds state money transmitter licenses. The practical reality is that most compliant fintechs operating in the stablecoin space today seeking to be regulated by the OCC as an FQPSI will hold such licenses. Express confirmation removes ambiguity and prevents any misreading that would chill participation by precisely the firms best positioned to meet the OCC's safety-and-soundness expectations from day one.

2. Application completeness checklist.

We recommend that the OCC publish, alongside the final rule, an application completeness checklist mapped to the statutory factors in 12 U.S.C. § 5904(c) (GENIUS Act § 5(c)) and the specific documentation requirements of § 15.30. A standardized checklist reduces back-and-forth, avoids iterative completeness clock resets, and aligns the OCC's process with the transparent, time-bounded expectations of the GENIUS Act's application framework. We are prepared to assist the OCC with industry input on the checklist content and would welcome the opportunity to participate in any pre-finalization technical consultation.

3. "Deemed substantially complete" backstop.

The FDIC's parallel rulemaking under the GENIUS Act proposes that, if the FDIC fails to notify the applicant within 30 days of receipt of an application, the application is deemed substantially complete. We recommend that the OCC adopt the same mechanism. Without a deemed-complete backstop, the statutory 30-day completeness window has no procedural teeth, and applicants have no recourse if the OCC simply does not act within the prescribed period. A deemed-complete backstop disciplines the process without constraining the OCC's substantive review authority; the OCC retains full authority to deny, condition, or otherwise act on the application after the completeness determination.

4. Federal preemption and state licensing interaction.

GENIUS Act § 5(h) (12 U.S.C. § 5904(h)) expressly supersedes and preempts state requirements for a "charter, license, or other authorization to do business" with respect to FQPSIs. For an entity holding multiple state money transmitter licenses and engaged in dialogue with multiple state regulators pertaining to stablecoin operations, the practical interaction between FQPSI status and continuing state licensing obligations is a critical operational question with significant compliance implications. We

recommend that the OCC provide guidance in the final rule preamble, a companion bulletin, or interagency coordination materials on how it envisions federal authorization interacting with existing state MTL obligations, including whether and how an approved FQPSI may rely on federal preemption to consolidate its stablecoin issuance activities under a single federal supervisory framework while continuing to operate any non-stablecoin money transmission activities under existing state licensing regimes.

We suggest that this guidance address, at a minimum: (i) the scope of preempted state activities in the stablecoin context (issuance, redemption, reserve management, custody, transfer); (ii) the treatment of state-licensed activities that continue at the state level (*e.g.*, non-stablecoin payment activities, fiat money transmission); (iii) the procedural mechanics of unwinding or modifying state MTL obligations upon FQPSI approval; and (iv) any continuing state notice or registration obligations that the OCC views as compatible with GENIUS Act § 5(h).

Responses to specific questions.

Q167. Expressly state that § 15.30 supersedes other OCC stablecoin-related filing requirements to reduce duplication for applicants and to provide a single, statutorily anchored point of entry into OCC supervision for FQPSI applicants.

Q168. Tie the application review to the statutory factors in GENIUS Act § 5(c) (12 U.S.C. § 5904(c)). Avoid adding discretionary "other factors" that are not anchored in statute, except where necessary to reflect specific safety-and-soundness considerations identified during supervisory experience and disclosed in advance.

Q169. Confirm in rule text or contemporaneous official guidance that an entity's status as a FinCEN-registered MSB or holder of state money transmitter licenses does not disqualify it from being a "nonbank entity" eligible to apply under § 15.30(a)(2). Adopt the "deemed substantially complete" backstop parallel to the FDIC's proposed approach. Provide preamble or bulletin guidance on the interaction between FQPSI authorization and continuing state MTL obligations under GENIUS Act § 5(h).

F. Recalibrate the Reporting Cadence (Proposed § 15.14(h); Question 131)

Proposed § 15.14(h) would require permitted payment stablecoin issuers to submit, on a weekly basis, a confidential report covering eight categories of data for each payment stablecoin issued. The Proposal frames the weekly cadence as a means "to minimize the examination burden on permitted payment stablecoin issuers." We share that goal. We suggest, however, that a quarterly standardized cadence supplemented by event-triggered intra-period reporting would better align with the GENIUS Act's similar-treatment principle and the Proposal's own commitment to avoid duplication.

1. The proposed weekly cadence sits in tension with the GENIUS Act's similar-treatment principle.

12 U.S.C. § 5905(a)(4)(C) provides that the OCC shall "only request examinations at a cadence and in a format that is similar to that required for similarly situated entities regulated by the [OCC]." The same similar-treatment principle is reflected in 12 U.S.C. § 5905(a)(4)(A) and (B), which the Proposal codifies at § 15.14(n) and (o), requiring the OCC "to the fullest extent possible" to "use existing supervisory reports and other supervisory information" and to "avoid duplication of examination activities, reporting requirements, and requests for information." National banks and Federal savings associations submit Consolidated Reports of Condition and Income on a quarterly basis, supplemented by event-triggered

reporting and the OCC's ongoing examination authority. The proposed weekly cadence for permitted payment stablecoin issuers departs from the cadence required of similarly situated OCC-supervised entities, a departure that we suggest the GENIUS Act counsels against.

2. The proposed top-100 holders/traders category is not operationally feasible to report accurately in the public-distributed-ledger context.

The proposed form would require issuers to report "the 100 persons that hold or trade the stablecoin the most." In a public-distributed-ledger context, an issuer cannot identify the persons who hold a payment stablecoin downstream of the issuer's direct counterparties, for the reasons set forth in Section II.C above. The issuer can identify the top 100 wallet addresses by holding or trading volume, but wallet addresses do not correspond one-to-one with persons: a single digital asset trading platform may hold a large balance in an aggregated custody wallet on behalf of many underlying customers, and a single person may hold balances across multiple wallets. If the OCC retains a top-holder reporting requirement in any form, we suggest reframing it as the top-100 direct counterparty relationships of the issuer, which an issuer can accurately identify and report.

3. Mapping the OCC's supervisory objectives to specific event triggers.

The Proposal's stated rationale for the weekly cadence is to support risk-based examination tailoring and to enable the OCC to identify and respond quickly to emerging risks. We strongly support both objectives. We suggest, however, that they can be met through a quarterly standardized cadence aligned with the proposed quarterly report of financial condition under § 15.14(i) and supplemented by confidential event-triggered reporting tied to defined safety-and-soundness triggers, *e.g.*, material changes in reserve composition, the failure to meet any reserve asset requirement under § 15.11, or a change-in-control event under § 15.14(m). This framework, paired with both the OCC's existing examination authority and the publicly available monthly reserve composition disclosure required of issuers, provides the OCC with continuous, risk-based visibility without the duplicative burden of a weekly format-and-submission cycle. Intra-period reporting should be triggered by the occurrence of a stress event, not by the passage of seven calendar days.

4. Reporting cadence and examination frequency should be calibrated together.

Question 131 specifically asks whether the proposed reporting requirements would tend to reduce the frequency at which the OCC would need to examine permitted payment stablecoin issuers. We suggest the answer informs the calibration in both directions. A quarterly standardized cadence supplemented by event-triggered intra-period reporting, paired with monthly public reserve composition disclosure, provides the OCC with the continuous risk-based visibility appropriate to support the examination cycle for compliant issuers. A weekly cadence is not necessary to support that cycle; a quarterly cadence properly designed and supplemented by event-triggered reporting is sufficient.

5. The reporting form should be issued for industry comment in advance of finalization.

Whatever cadence the OCC ultimately adopts, we suggest that the prescribed reporting form referenced in proposed § 15.14(h) as "available at www.occ.gov" be issued for industry comment in advance of finalization, in coordination with the FDIC, Federal Reserve, and NCUA. Issuance for industry comment will allow operators to identify ambiguities and definitional inconsistencies in the prescribed format and will

support inter-agency uniformity across the parallel reporting requirements being developed under the GENIUS Act.

6. Response to specific question.

Q131. Replace the proposed weekly cadence with a quarterly standardized confidential report aligned to the quarterly report of financial condition under § 15.14(i), supplemented by event-triggered intra-period reporting tied to defined safety-and-soundness or financial-stability triggers. Reframe the proposed top-100-holders/traders data category as a top-100-direct-counterparty data category, consistent with the customer/holder distinction in Section II.C above. Issue the prescribed reporting form for industry comment in advance of finalization, in coordination with the FDIC, Federal Reserve, and NCUA. Pair the quarterly cadence with the extended examination cycle under proposed § 15.14(d) for compliant issuers meeting the specified criteria.

G. Interagency Coordination

The GENIUS Act assigns implementing responsibilities across multiple federal regulators. We request that the OCC, as the agency with the broadest scope of payment stablecoin oversight under the GENIUS Act, lead the following coordination efforts:

- Shared application package and completeness checklist across the OCC, FDIC, Federal Reserve, and NCUA, so that an applicant's compliance narrative does not need to be redesigned depending on regulator jurisdiction or institutional form. To the maximum extent consistent with each agency's statutory authority, the application architecture should be substantially uniform.
- Interagency reporting templates and tiered thresholds, so that the meaning of "tailoring" does not depend on which regulator the issuer is supervised by.
- Alignment with the FDIC's GENIUS Act rulemakings and the NCUA's parallel rulemaking on common concepts (substantially complete determinations, time-bounded decisions, hearing rights, capital instrument taxonomy) that should not diverge in practice.
- BSA/AML and sanctions coordination with FinCEN and OFAC in respect of the joint NPRM on PPSI AML/CFT and Sanctions Compliance Program Requirements, including how the proposed PPSI compliance program framework (proposed 31 CFR Part 1033) interacts with the OCC's prudential supervisory expectations and how an FQPSI's existing FinCEN MSB compliance infrastructure converts to the PPSI framework.
- Treasury coordination on state-regime certification so that the federal regulatory framework, the state-similarity framework, and the FQPSI pathway form a coherent whole rather than three independently developed regimes.

We are prepared to support these coordination efforts in any way the OCC finds useful, including through participation in industry working groups, technical input on shared templates, or pre-finalization consultation.

III. CONCLUSION

We submit these comments as a current incumbent and an active builder of compliant U.S. dollar-denominated payment stablecoin infrastructure grounded in operational reality. The refinements we

propose in this letter are targeted, specific, and grounded in the GENIUS Act's text and the OCC's own stated supervisory intentions. They seek: (i) clarity, codifying in rule text the safe harbors and definitional refinements the Proposal already contemplates in its preamble; (ii) proportionality, tiering requirements to business model, scale, and risk in the manner the GENIUS Act expressly directs; and (iii) consistency, alignment with the parallel rulemakings of the FDIC, Federal Reserve, NCUA, and Treasury to avoid fragmentation across the federal stablecoin framework.

Above all, our recommendations are designed to ensure that the final rule preserves a viable pathway for the multi-brand, partner-ecosystem, IaaS issuance model that we believe will drive the next generation of compliant stablecoin innovation in the United States. We welcome the opportunity to meet with OCC staff to discuss any of the positions set forth herein, to provide supplemental information, or to participate in any technical consultation that may be useful as the rule is finalized. We thank the OCC for the substantial work reflected in the Proposal and for the opportunity to contribute to its refinement.

Respectfully submitted,

/s/

1Money Co.