PUBLIC SUBMISSION

As of: 4/27/26, 3:10 PM
Received: April 26, 2026
Status: Posted
Posted: April 27, 2026
Tracking No. mog-hpar-6d3w
Comments Due: May 01, 2026
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-2025-0372-0122
Auditchain Labs AG

Submitter Information

Address: United States,
Email: jm@auditchain.com
Submitter's Representative: Jason Meyers
Organization: Auditchain Labs AG

General Comment

---
title: "Comment Letter on Proposed Rulemaking: Disclosure Framework for Stablecoin Issuers Under the GENIUS Act"
docket_id: OCC-2025-0372
rin: 1557-AF41
agency: Office of the Comptroller of the Currency (OCC)
submitter: Auditchain Labs AG
author: Jason Meyers, Lead Architect
date: 2026-04-27
document_type: Public Comment Letter
file: OCC Comment Letter - Docket ID OCC-2025-0372 - Auditchain Labs AG with Exhibits.pdf
---

OCC GENIUS Act Comment Letter — Docket ID OCC-2025-0372

Submitter: Auditchain Labs AG
Author: Jason Meyers, Lead Architect
Date: April 27, 2026
Agency: Office of the Comptroller of the Currency (OCC)
Docket ID: OCC-2025-0372 | **RIN:** 1557-AF41

Summary

This comment letter responds to the OCC's proposed rulemaking on disclosure requirements for permitted payment stablecoin issuers (PPSIs) under the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act of 2025.

Auditchain Labs AG proposes a comprehensive, machine-readable disclosure framework for blockchain network participation (BNP) — the activities through which stablecoin issuers and their affiliates participate in public blockchain networks as validators, stakers, miners, or through third-party service providers. The letter argues that BNP constitutes a new category of material information under the TSC Industries materiality standard, relevant not only to investors but also to competing PPSIs making blockchain deployment decisions, application developers, and all public blockchain users.

Key proposals include: a structured BNP Disclosure Questionnaire (Exhibit A); a hierarchical classification of direct, affiliate, and third-party BNP activities (Exhibit B); BNP type extensions for proof-of-work, proof-of-stake, and delegated proof-of-stake networks (Exhibit C); and proposed regulatory text for a new 12 CFR § 15.13 requiring monthly BNP disclosure with interim materiality triggers (Exhibit D). Materiality triggers include changes of more than 1% of hash rate or staked value on any blockchain network, or changes in third-party BNP service provider contractual relationships.

The letter is organized into ten sections covering the statutory basis, materiality analysis, disclosure architecture, regulatory text, and integration with existing OCC supervisory frameworks.

Attachments

Auditchain Labs AG 1

Auditchain Labs AG 2

April 27, 2026

Office of the Comptroller of the Currency
Chief Counsel's Office
Attention: Comment Processing, Docket ID OCC-2025-0372
400 7th Street SW, Suite 3E-218
Washington, DC 20219

RE: Docket ID OCC-2025-0372, RIN 1557-AF41 — 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

Dear Chief Counsel:

I. INTRODUCTION AND EXECUTIVE SUMMARY

Auditchain Labs AG ("Auditchain") respectfully submits this comment letter in response to the Office of the Comptroller of the Currency's ("OCC") Notice of Proposed Rulemaking ("NOPR") implementing the Guiding and Establishing National Innovation for U.S. Stablecoins Act[1] for entities subject to the jurisdiction of the OCC.[2]

Auditchain is a provider of on-chain regulatory disclosure automation infrastructure through its Pacioli.ai platform. We are a member of XBRL US, Inc. and recently initiated the formation of the XBRL US Digital Asset Working Group. We are actively designing and developing XBRL-based disclosure taxonomies for the GENIUS Act and the pending Digital Asset Market Clarity Act of 2025 ("CLARITY Act"). We also implemented and deployed disclosure automation infrastructure under the European Union's Markets in Crypto-Assets Regulation ("MiCA") through our platform MiCA Pacioli.ai.[3] In collaboration with the Continuous Audit and Reporting Lab at Rutgers Business School, we are developing the foundational research for our BNP disclosure taxonomy design.[4]

As used in this submission, "Blockchain Network Participation" ("BNP") refers to the full range of activities through which a permitted payment stablecoin issuer, its affiliates, or third-party

[1] Guiding and Establishing National Innovation for U.S. Stablecoins Act, Pub. L. No. 119-27, 139 Stat. 419 (2025) (codified at 12 U.S.C. §§ 5901–5920) ("GENIUS Act").
[2] 91 FR 10202 (Mar. 2, 2026).
[3] Commission Implementing Regulation (EU) 2024/2984, Annex II (machine-readable disclosure requirements for crypto-asset white papers under the Markets in Crypto-Assets Regulation). Available at https://eur-lex.europa.eu/eli/reg_impl/2024/2984/oj/eng.
[4] El Imami, I., Oh, J., Meyers, J., Brennan, G., Vasarhelyi, M., Sannella, A., Egan, T., "Beyond the Fiat Vault" Continuous Audit and Reporting Lab at Rutgers Business School, (April 24, 2026), available at https://raw.rutgers.edu/bnp-disclosure-taxonomy.

service providers interact with blockchain network infrastructure—including node operation, transaction validation, staking, mining, governance participation, and infrastructure-as-a-service arrangements. These activities represent the operational layer upon which stablecoin issuance, transfer, and redemption depend.

This comment builds upon four prior Auditchain submissions to federal regulatory agencies: our February 9, 2026 comment letter to the Federal Deposit Insurance Corporation ("FDIC") regarding application requirements for issuance of payment stablecoins,[5] our March 9, 2026 supplemental comment letter to the FDIC introducing non-affiliate third-party blockchain network participation activities and extending the BNP disclosure taxonomy from 107 to 125 elements,[6] our February 11, 2026 comment letter to the OCC regarding national trust bank chartering authority,[7] and our April 13, 2026 comment letter to the National Credit Union Administration ("NCUA") regarding permitted payment stablecoin issuer licensing for federally insured credit union subsidiaries.[8] Together, these five submissions form a coordinated framework addressing BNP disclosure across the primary federal regulatory agencies responsible for GENIUS Act implementation.

This comment addresses four principal topics. First, we propose a comprehensive BNP disclosure framework that strengthens the NOPR's operational risk management provisions under proposed § 15.13, filling a critical gap in the proposed rule's treatment of blockchain infrastructure dependencies.[9] The GENIUS Act mandates that regulators issue "appropriate operational, compliance, and information technology risk management principles-based requirements and standards"[10] and grants the OCC broad authority to tailor these requirements to the "business model and risk profile" of permitted payment stablecoin issuers.[11]

---

[5] Auditchain Labs AG, Comment Letter on RIN 3064-AG20 (Feb. 9, 2026) (FDIC application requirements for issuance of payment stablecoins by subsidiaries of FDIC-supervised insured depository institutions). Available at https://www.fdic.gov/federal-register-publications/auditchain-labs-ag-jason-meyers-rin-3064-ag20.pdf.

[6] Auditchain Labs AG, Supplemental Comment Letter on RIN 3064-AG20 (Mar. 9, 2026) (introducing non-affiliate third-party blockchain network participation activities and extending the BNP disclosure taxonomy from 107 to 125 elements). Available at https://www.fdic.gov/federal-register-publications/supplemental-comment-auditchain-labs-ag-jason-meyers-rin-3064-ag20.

[7] Auditchain Labs AG, Comment Letter on Docket ID OCC-2025-0768 (Feb. 11, 2026) (national bank chartering amendments regarding special-purpose national banks limited to trust company operations). Available at https://www.regulations.gov/comment/OCC-2025-0768-0016

[8] Auditchain Labs AG, Comment Letter on Docket ID NCUA-2025-1335, RIN 3133-AF69 (Apr. 13, 2026) (NCUA GENIUS Act permitted payment stablecoin issuer licensing and investment requirements for federally insured credit union subsidiaries, 91 FR 6531). Available at https://www.regulations.gov/comment/NCUA-2025-1335-0034.

[9] Proposed 12 CFR § 15.13.

[10] 12 U.S.C. § 5903(a)(4)(A)(iv) (directing primary Federal payment stablecoin regulators to issue regulations implementing "appropriate operational, compliance, and information technology risk management principles-based requirements and standards" that are "tailored to the business model and risk profile of permitted payment stablecoin issuers" and "consistent with applicable law").

[11] 12 U.S.C. § 5903(a)(4)(B) ("Nothing in this paragraph shall be construed to limit—(i) the authority of the primary Federal payment stablecoin regulators, in prescribing standards under this paragraph, to tailor or differentiate among issuers on an individual basis or by category, taking into consideration the capital structure, business model risk

Second, we recommend XBRL-based structured data reporting for the NOPR's weekly and quarterly reporting requirements, consistent with existing FFIEC Call Report infrastructure and responsive to the OCC's direct inquiry regarding blockchain-based disclosure automation.

Third, we respectfully raise concerns regarding the scope of the rebuttable presumption in proposed § 15.10(c)(4), which may extend beyond the statutory text of the GENIUS Act's yield prohibition, and suggest that BNP disclosure provides a more targeted and effective enforcement mechanism.

Fourth, we address the NOPR's treatment of third-party service arrangements and blockchain network participation as permissible activities, noting the importance of regulatory clarity for innovation while supporting the OCC's authority to ensure safety and soundness.

II. MATERIALITY OF BLOCKCHAIN NETWORK PARTICIPATION ACTIVITIES

A. The Materiality Standard and Blockchain Operational Dependencies

Under the materiality standard established by Justice Thurgood Marshall in TSC Industries, Inc. v. Northway, Inc., information is material if there is "a substantial likelihood that a reasonable [investor] would consider it important in deciding how to [act]."[12] Blockchain Network Participation activities—including mining (Proof of Work), validation (Proof of Stake), staking, node operation, and infrastructure-as-a-service—represent precisely the type of operational dependency that meets this materiality threshold for permitted payment stablecoin issuers.

Critically, this materiality standard attaches to the investor's decision to act—not to the regulatory classification of the instrument acquired. When an investor disposes of securities to acquire a payment stablecoin, the disposition itself is a securities transaction to which the TSC Industries "total mix of information" standard applies in full. The operative question, as framed in the GENIUS Act context, is whether a reasonable investor would consider BNP information important in deciding whether to surrender securities in exchange for a payment stablecoin.[13] That question is answered affirmatively regardless of whether the stablecoin itself is classified as a security: the investor's decision to liquidate a portfolio position—to sell equities, bonds, or other regulated

profile, complexity, financial activities (including financial activities of subsidiaries), size, and any other risk-related factors.").

[12] TSC Industries, Inc. v. Northway, Inc., 426 U.S. 438, 449 (1976) (Marshall, J.) (information is material if there is "a substantial likelihood that a reasonable [investor] would consider it important in deciding how to [act]").

[13] TSC Industries, Inc. v. Northway, Inc., 426 U.S. 438, 449 (1976) (Marshall, J.) ("An omitted fact is material if there is a substantial likelihood that a reasonable shareholder would consider it important in deciding how to vote"); see also id. ("[The standard] does not require proof of a substantial likelihood that disclosure of the omitted fact would have caused the reasonable investor to change his vote."). The standard applies with equal force to a decision to dispose of securities: the investor need not prove that BNP disclosure would have changed the disposition decision, only that there is a substantial likelihood that the information would have been considered important in making it.

instruments—in order to hold a stablecoin whose value depends on the operational reliability of blockchain infrastructure necessarily requires material information about that infrastructure. Validator concentration ratios, affiliate consensus participation, MEV mitigation policies, and slashing event histories each bear directly on the risk that the stablecoin acquired in exchange for surrendered securities may fail to maintain par value, process redemptions, or remain operational under stress. An investor who disposes of securities without access to this information has been deprived of facts that would "significantly alter[] the 'total mix' of information made available."[14]

Public blockchains are globally distributed open infrastructure networks shared by diverse users with various interests, use cases, and objectives. When permitted payment stablecoin issuers deploy stablecoins to and are highly dependent on public blockchain networks, the operational reliability of those networks becomes material to the issuer's ability to meet its obligations, including redemption at par value, transaction processing, and compliance with reserve requirements.

The materiality of BNP information extends beyond the investor context. Competing permitted payment stablecoin issuers evaluating which public blockchain networks to deploy stablecoins to require BNP information to assess whether existing validator concentration, affiliate participation, or third-party service provider arrangements on a network could subject their operations to transaction censorship, disadvantageous ordering, or consensus manipulation by a rival issuer or its affiliates. Application developers—including decentralized finance protocols, payment processors, and digital wallet providers—similarly rely on BNP information when deciding which blockchain networks to build upon, because validator concentration and governance control directly affect the reliability, fairness, and censorship resistance of the infrastructure on which their applications depend. More broadly, all participants in public blockchain ecosystems—merchants accepting stablecoin payments, institutions using stablecoins for settlement, and end users relying on stablecoins for value transfer—have a material interest in understanding the BNP activities of the issuers whose stablecoins they hold or transact in. BNP disclosure thus serves not only the traditional investor protection function of the TSC Industries standard, but also the broader infrastructure transparency function that the GENIUS Act's operational risk management framework contemplates.

Research from the MIT Digital Currency Initiative analyzing GENIUS Act implementation confirms that payment stablecoin stability depends not only on reserve quality but also on blockchain operational dependencies, finding that technological risks arising from smart contract logic, blockchain consensus mechanisms, bridges, oracles, and governance design may impair transferability or redemption even when reserves remain intact.[15] The research further

[14] TSC Industries, 426 U.S. at 449.

[15] Aronoff, D.J., Calabia, F.C., Brownworth, A., Samuel, A., & Narula, N., The Hidden Plumbing of Stablecoins: Financial and Technological Risks in the GENIUS Act Era, MIT Digital Currency Initiative, at 3 (Feb. 4, 2026). Available at https://www.media.mit.edu/publications/the-hidden-plumbing-of-stablecoins-financial-and-technological-risks-in-the-genius-act-era/

demonstrates that validator concentration creates systemic risks, including the ability of a dominant validator or cartel to censor valid transfers, reorder transactions for profit, or weaken reliability during periods of stress.[16]

These findings are corroborated by analysis from the Brookings Institution examining stablecoin regulatory frameworks,[17] the Financial Stability Board's framework for regulation of crypto-asset activities,[18] and the Bank for International Settlements' working paper drawing parallels between MEV extraction and traditional forms of market manipulation.[19]

The materiality of these operational dependencies will only increase as the stablecoin market grows. Projected stablecoin circulation may reach $4 trillion by 2030,[20] with corresponding reserve holdings constituting a significant share of short-duration Treasury demand. At this scale, the operational reliability of the blockchain networks on which stablecoins are deployed becomes a matter of systemic consequence, and the case for comprehensive BNP disclosure as a supervisory tool is correspondingly urgent.

B. Gaps in the NOPR's Operational Risk Framework

The NOPR's operational risk management provisions in proposed § 15.13 draw appropriately from the OCC's existing safety and soundness framework under 12 CFR Part 30, Appendices A and B.[21] However, the proposed standards address operational risk in general terms and do not require disclosure of blockchain-specific operational dependencies. We have identified the following specific gaps:

Internal controls and information systems (§ 15.13(a)(1))[22] do not address the unique characteristics of blockchain infrastructure, including validator uptime monitoring, consensus participation metrics, slashing risk management, or MEV mitigation strategies. Service provider oversight (§ 15.13(a)(7))[23] does not specifically address blockchain infrastructure service

[16]Id. at 7 (demonstrating that "[i]f a dominant validator or cartel gains sufficient influence, it can censor otherwise valid transfers, reorder transactions for profit, or weaken reliability during stress").

[17]Timothy G. Massad & David Wessel, What Are Stablecoins, and How Are They Regulated?, Brookings Institution, Hutchins Center on Fiscal and Monetary Policy (Oct. 24, 2025), available at https://www.brookings.edu/articles/what-are-stablecoins-and-how-are-they-regulated/

[18]Financial Stability Board, Regulation, Supervision and Oversight of Crypto-Asset Activities and Markets: Final Framework (July 2023), available at https://www.fsb.org/2023/07/fsb-global-regulatory-framework-for-crypto-asset-activities/

[19]Bank for International Settlements, IOSCO, IMF & Financial Stability Board, Working Paper on MEV and Market Manipulation (noting similarities between MEV extraction and traditional market manipulation) (2023). Available at https://www.bis.org/bcbs/publ/wp44.pdf.

[20] Citi Institute Global Perspectives & Solutions, Stablecoins 2030, Web3 to Wall Street. September 2025, available at https://www.citigroup.com/rcs/citigpa/storage/public/GPS_Report_Stablecoins_2030.pdf.

[21]12 CFR Part 30, Appendix A (Interagency Guidelines Establishing Standards for Safety and Soundness) and Appendix B (Interagency Guidelines Establishing Information Security Standards).

[22]Proposed 12 CFR § 15.13(a)(1) (internal controls and information systems).

[23]Proposed 12 CFR § 15.13(a)(7) (service provider oversight).

providers, including node operators, staking service providers, or infrastructure-as-a-service arrangements through which issuers or their affiliates participate in network consensus. Liquidity, diversification, and concentration risk management (§ 15.13(a)(8))[24] does not address blockchain network concentration risks, including validator share concentration, hash power concentration, or geographic concentration of blockchain infrastructure.

Similarly, the information technology risk management standards require smart contract validation (§ 15.13(b)(3)(iii))[25] but do not specify validation methodologies or auditing standards. Digital asset safe handling procedures (§ 15.13(b)(5))[26] address private key management but do not address the operational risks arising from the issuer's or its affiliates' participation in the blockchain networks on which private keys operate. IT resilience and DLT due diligence requirements (§ 15.13(b)(8))[27] provide a foundation for blockchain risk assessment but lack specificity regarding ongoing disclosure of BNP activities and their associated conflicts of interest.

BNP disclosure fills each of these gaps within the clear statutory mandate of the GENIUS Act's operational risk management requirements.[28]

The importance of BNP disclosure is further underscored by the GENIUS Act's application and supervisory evaluation framework. Section 5904(c)(1) requires the regulator to evaluate whether an applicant can satisfy the requirements of Section 4—including operational risk management under Section 4(a)(4)—before approving stablecoin issuance.[29] Section 5904(c)(5) independently directs the regulator to consider "such other factors as necessary to ensure the safety and soundness" of stablecoin issuing entities.[30] To perform these evaluations meaningfully, examiners must assess operational risk management practices, IT and cybersecurity controls, conflict-of-interest safeguards, network concentration risk, and reserve adequacy under operational stress—each of which requires BNP data as an input. Without disclosure of blockchain network participation activities, these statutory evaluation criteria cannot be applied to the very infrastructure on which stablecoin operations depend, and the supervisory evaluation that Congress directed becomes incomplete.

III. PROPOSED BLOCKCHAIN NETWORK PARTICIPATION DISCLOSURE FRAMEWORK

[24]Proposed 12 CFR § 15.13(a)(8) (liquidity, diversification, and concentration risk management).
[25]Proposed 12 CFR § 15.13(b)(3)(iii) (smart contract validation).
[26]Proposed 12 CFR § 15.13(b)(5) (digital asset safe handling procedures).
[27]Proposed 12 CFR § 15.13(b)(8) (IT resilience and distributed ledger technology due diligence).
[28]Supra note 10.
[29] 12 U.S.C. § 5904(c)(1) (requiring the regulator to evaluate whether the applicant can satisfy "the requirements under section 4," including operational, compliance, and information technology risk management requirements under Section 4(a)(4)).
[30] 12 U.S.C. § 5904(c)(5).

A. Framework Overview and Statutory Basis

We propose that the OCC incorporate BNP disclosure requirements into the final rule as an enhancement to proposed § 15.13, consistent with the GENIUS Act's mandate for operational risk management standards[31] and the OCC's broad authority to tailor requirements to the business model and risk profile of permitted payment stablecoin issuers.[32]

The GENIUS Act already requires disclosure in several contexts: monthly publication of reserve composition,[33] monthly certification and examination by a registered public accounting firm,[34] and annual financial statements including related party transactions.[35] BNP disclosure extends these existing requirements to encompass the operational infrastructure upon which stablecoin functionality depends—a category of risk that the Act's drafters could not have anticipated in granular detail but that falls squarely within the Act's principles-based operational risk management mandate.

Notably, the obligation to disclose BNP activities does not rest on a single statutory provision. At least four independent provisions of the GENIUS Act impose disclosure or risk management requirements whose effective implementation necessarily depends on information about blockchain network participation: Section 4(a)(1)(C) (reserve composition reporting that cannot be fully assessed without understanding the blockchain infrastructure on which reserves are held and transacted), Section 4(a)(3) (monthly certification by a registered public accounting firm, the scope of which must extend to the operational dependencies that determine whether the issuer can fulfill its obligations), Section 4(a)(4)(A)(iv) (operational risk management standards that cannot be meaningfully applied to a blockchain-based payment stablecoin without addressing the issuer's participation in the networks on which it operates), and Section 4(a)(10)(A)(i) (related party transaction disclosure that, under GAAP, captures affiliate blockchain network participation activities bearing on the issuer's operations). While the GENIUS Act does not use the term "blockchain network participation," a regulatory framework that fails to require this category of information would leave each of these provisions without the informational foundation needed to give them independent operative effect — a result that standard principles of statutory construction counsel against.[36]

---

[31] Supra note 10.

[32] Supra note 11.

[33] 12 U.S.C. § 5903(a)(1)(C) (requiring monthly publication of reserve composition on issuer's website, including "the amount and composition of the reserves").

[34] 12 U.S.C. § 5903(a)(3) (monthly certification and examination by registered public accounting firm).

[35] 12 U.S.C. § 5903(a)(10)(A)(i) (annual financial statement including "the disclosure of any related party transactions, as defined by such generally accepted accounting principles").

[36] *See* TRW Inc. v. Andrews, 534 U.S. 19, 31 (2001) ("It is a cardinal principle of statutory construction that a statute ought, upon the whole, to be so construed that, if it can be prevented, no clause, sentence, or word shall be superfluous, void, or insignificant.") (internal quotation marks omitted); Corley v. United States, 556 U.S. 303, 314 (2009) (same).

Our proposed framework comprises three primary components, each of which was provided in detail and extended in our other NOPR submissions: a Disclosure Questionnaire covering 148 questions across seven domains (Exhibit A),[37] an XBRL Taxonomy with 125 structured data elements (Exhibit B), and a Type Extensions Specification enabling multi-instance reporting across blockchain networks, affiliates, and third-party service providers (Exhibit C).

B. Categories of Required Disclosure

The BNP disclosure framework addresses seven interconnected categories of information, each of which is material to the OCC's supervisory responsibilities:

Blockchain Protocols and Smart Contract Infrastructure. Identification of all blockchain networks utilized by the issuer, including consensus mechanism type, smart contract deployment details, and dependencies on specific protocol versions. This information enables OCC examiners to assess the issuer's technology concentration risk and the potential impact of protocol changes, hard forks, or network disruptions on stablecoin operations.

Direct Network Participation by Issuer. Comprehensive disclosure of the issuer's direct BNP activities, including infrastructure operation (nodes, validators, mining facilities), network share metrics (hash power percentage, stake percentage, validator slots controlled), governance participation (voting power, governance token holdings), financial performance from BNP activities, and operational dependencies between BNP infrastructure and stablecoin operations.

Affiliate Network Participation. Identification of all affiliates engaged in BNP activities on networks utilized by the issuer, including the nature and extent of each affiliate's participation, services provided to or received from the issuer, and analysis of conflicts of interest arising from the affiliate's simultaneous roles as network participant and issuer affiliate. This category is essential because the GENIUS Act requires disclosure of related party transactions[38] but does not specifically address affiliate BNP activities, which represent a novel category of related party relationship with direct implications for the operational integrity of stablecoin infrastructure.

Aggregated Concentration Analysis. Combined analysis of the issuer's and all affiliates' blockchain network participation, including total combined hash power or stake percentage, total validator slots controlled across all entities, and assessment of whether the combined entities could influence network consensus. MIT research demonstrates that such concentration creates

[37] See supra note 5. The FDIC submission included three framework components: a Disclosure Questionnaire (Exhibit A, 136 questions), an XBRL Taxonomy (Exhibit B, 107 elements), and a Type Extensions Specification (Exhibit C). The NCUA and FDIC supplemental submissions extend the Questionnaire to 148 questions across 8 sections (see Exhibit A to this submission), the Taxonomy to 125 elements incorporating the third-party service provider disclosure domain (see Exhibit B to this submission), and the Type Extensions for multi-instance reporting (see Exhibit C to this submission).

[38] Supra note 35.

compounded systemic vulnerabilities, including procyclical risks during network stress and cascading liquidation risks in Proof of Stake systems.[39]

Systemic Risk Assessment. Evaluation of whether the issuer could fulfill its obligations if the blockchain network were disrupted, whether network congestion would simultaneously affect both BNP operations and stablecoin functionality, and identification of single points of failure affecting both network participation and stablecoin operations. This assessment directly supports the OCC's supervisory responsibility to ensure issuers can timely meet their redemption obligations at all times.

Operational Controls and Policies. Description of governance and oversight structures for network participation decisions, including whether a board committee oversees blockchain infrastructure, policies governing selection of networks and allocation of resources, risk management procedures for slashing penalties and MEV exposure, and contingency plans for network disruptions or forks.

Third-Party Service Provider Arrangements. Identification of each non-affiliate third party that provides blockchain network participation services to or on behalf of the issuer, including the nature and terms of each arrangement, fees and consideration exchanged, and whether the third party or any related entity pays or facilitates the payment of yield, rewards, or other consideration to payment stablecoin holders. This category also requires disclosure of the relationship, if any, between the issuer's reserve earnings or BNP revenue and any payments made by third parties to holders, and of any conflicts of interest arising from a third party's simultaneous provision of BNP services and facilitation of yield payments. This category provides the informational foundation for the OCC to make fact-based determinations regarding whether specific arrangements constitute prohibited yield payments disguised as third-party programs, or legitimate independent commercial activities.

IV. BNP DISCLOSURE AS AN ENFORCEMENT TOOL FOR THE YIELD PROHIBITION

A. The Statutory Framework

The GENIUS Act prohibits any 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."[40] The OCC implements this prohibition through proposed § 15.10(c)(4), which includes a rebuttable presumption that an issuer has violated the prohibition when the issuer has an arrangement with

[39] Supra note 15 at 12–15.

[40] 12 U.S.C. § 5903(a)(11) ("No permitted payment stablecoin issuer or foreign payment stablecoin issuer shall pay 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.").

an affiliate or "related third party" to pay consideration to such party, and such party pays interest or yield to holders.[41]

We acknowledge that the GENIUS Act grants the OCC authority to issue regulations "as may be necessary to establish a payment stablecoin regulatory framework necessary to administer and carry out the requirements of this section, including to establish conditions, and to prevent evasion thereof."[42] Anti-evasion authority is a necessary complement to the statutory prohibition, and we support the OCC's objective of preventing structuring arrangements designed to circumvent the yield prohibition's purpose. We submit, however, that the rebuttable presumption as drafted may extend beyond the scope of this anti-evasion authority, and that BNP disclosure provides a more targeted and effective mechanism for achieving the OCC's legitimate enforcement objectives.

B. Concerns Regarding the Rebuttable Presumption

The rebuttable presumption raises three concerns rooted in the statutory text. First, the NOPR introduces the term "related third party" in proposed § 15.10(c)(4), a term that does not appear in the GENIUS Act.[43] The GENIUS Act itself does not define "affiliate" in its definitions section,[44] and the OCC's proposed definition is broader than the well-established framework in Sections 23A and 23B of the Federal Reserve Act and Regulation W.[45] The further extension to "related third parties" creates a potentially unbounded category of presumptively prohibited relationships without clear statutory basis.

Second, the statute's use of the word "solely" in Section 4(a)(11) creates a meaningful limitation that the rebuttable presumption may collapse.[46] The statutory prohibition applies only when payment is made "solely in connection with the holding, use, or retention" of stablecoins. Where a holder provides services to the blockchain network—such as validation, staking, or node operation—the resulting compensation is not "solely" for holding but is, at least in part, consideration for services rendered. The rebuttable presumption does not incorporate this statutory distinction.

Third, under the major questions doctrine, an agency must point to "clear congressional authorization" when claiming authority over matters of significant economic and political

[41] Proposed 12 CFR § 15.10(c)(4).

[42] 12 U.S.C. § 5903(h)(1) (directing primary Federal payment stablecoin regulators to issue regulations "as may be necessary to establish a payment stablecoin regulatory framework necessary to administer and carry out the requirements of this section, including to establish conditions, and to prevent evasion thereof").

[43] Proposed 12 CFR § 15.2 (defining "affiliate" as "a person that controls, is controlled by, or is under common control with another person").

[44] 12 U.S.C. § 5901 (Definitions). The GENIUS Act does not define "affiliate" in its definitions section.

[45] 12 U.S.C. § 371c (Section 23A of the Federal Reserve Act); 12 U.S.C. § 371c-1 (Section 23B of the Federal Reserve Act); 12 CFR Part 223 (Regulation W).

[46] Supra note 40 (12 U.S.C. § 5903(a)(11)) (emphasis added on "solely").

consequence.[47] The scope of the yield prohibition—and particularly the treatment of third-party rewards programs—is currently the subject of active Congressional debate, with the pending CLARITY Act addressing staking rewards and programmatic distributions through separate legislation.[48] The Conference of State Bank Supervisors has separately recommended that the term "solely" be comprehensively defined to address administrative and ministerial holder actions,[49] while academic analysis from Columbia Law School has examined the distinct question of whether third-party promotional payments fall within the statutory prohibition at all.[50] These divergent analytical approaches underscore the complexity of the interpretive questions the rebuttable presumption seeks to resolve, and suggest that the OCC should exercise caution in resolving, through a presumption in a rulemaking, questions that Congress itself is actively considering.

C. BNP Disclosure as a Superior Enforcement Mechanism

We respectfully submit that comprehensive BNP disclosure is a more targeted and effective enforcement mechanism for the yield prohibition than the rebuttable presumption. Disclosure reveals the actual economic substance of arrangements between issuers, affiliates, third-party service providers, and holders. Specifically, BNP disclosure would require issuers to report all revenue flows from blockchain network participation, including fees paid to and received from affiliates and third-party service providers; the nature and terms of all arrangements between the issuer and any entity providing yield, rewards, or similar programs to stablecoin holders; and the relationship, if any, between the issuer's reserve earnings and any payments made by third parties to holders.

With this information, OCC examiners can make fact-based determinations regarding whether specific arrangements constitute prohibited issuer-to-holder yield payments disguised as third-party programs, or legitimate independent third-party commercial activities. This approach is superior to a blanket presumption because it distinguishes between arrangements based on their actual economic substance rather than their formal structure, avoids the chilling effect of presumptive prohibition on legitimate commercial relationships, provides the OCC with the evidentiary foundation to bring enforcement actions where arrangements are genuinely evasive, and preserves the statutory distinction embodied in the word "solely."

---

[47] West Virginia v. EPA, 597 U.S. ___, 142 S. Ct. 2587, 2609 (2022) ("[T]he agency must point to 'clear congressional authorization' for the authority it claims.").

[48] Digital Asset Market Clarity Act of 2025, H.R. 3633, 119th Cong. (pending in Senate) (addressing third-party staking rewards and programmatic distributions).

[49] Conference of State Bank Supervisors, Comment on Treasury ANPRM, Docket No. TREAS-DO-2025-0037, at 8–9 (Nov. 4, 2025) (recommending Treasury "comprehensively define 'solely' to include administrative or ministerial actions by the holder").

[50] CLS Blue Sky Blog (Columbia Law School), Circle, Coinbase, and the Prohibition on Interest Under the GENIUS Act (Dec. 11, 2025) (analyzing the scope of "holder" and the distinction between issuer payments and third-party promotional payments).

In short, BNP disclosure enables the OCC to enforce the yield prohibition as Congress enacted it—targeting prohibited issuer payments while preserving the space for legitimate third-party commercial arrangements that the statute's text contemplates.

V. THIRD-PARTY SERVICE ARRANGEMENTS AND PERMISSIBLE ACTIVITIES

A. BNP Activities as Permissible Supporting Activities

The GENIUS Act permits payment stablecoin issuers to "undertake other activities that directly support" the core activities of issuance, redemption, reserve management, and custody.[51] Blockchain network participation—including operating nodes, running validators, and providing staking services—directly supports stablecoin infrastructure operations. The proposed rule appropriately recognizes this through the permissible activities framework in proposed § 15.10(a).[52]

We support the OCC's recognition that stablecoin issuers may engage in activities that support the blockchain networks on which their stablecoins operate. These activities enhance operational resilience, contribute to network security, and may generate revenue that supports the issuer's financial condition. However, they also create conflicts of interest and operational risks that necessitate comprehensive disclosure—which is precisely why BNP disclosure should be incorporated into the risk management framework.

B. Third-Party Service Arrangements Are Expressly Authorized

Federal banking law has recognized for over sixty years that banking organizations may contract with third-party service providers. The Bank Service Company Act[53] establishes the foundational framework for these arrangements. The 2023 Interagency Guidance on Third-Party Relationships confirms that banking organizations routinely rely on third parties for a range of products, services, and activities.[54] The Gramm-Leach-Bliley Act permits non-affiliate service provider relationships subject to privacy and consumer protection requirements.[55]

---

[51] 12 U.S.C. § 5903(a)(7)(A)(v) (permitting activities that "directly support any of the activities described in clauses (i) through (iv)").

[52] Proposed 12 CFR § 15.10(a).

[53] 12 U.S.C. § 1861 et seq. (Bank Service Company Act, establishing framework for third-party service arrangements in banking).

[54] OCC, FDIC & Federal Reserve Board, Interagency Guidance on Third-Party Relationships: Risk Management, 88 FR 37920 (June 6, 2023) ("Banking organizations routinely rely on third parties for a range of products, services, and activities."). Available at https://www.federalregister.gov/documents/2023/06/09/2023-12340/interagency-guidance-on-third-party-relationships-risk-management.

[55] 15 U.S.C. § 6801 et seq. (Gramm-Leach-Bliley Act, permitting non-affiliate service provider relationships subject to privacy and consumer protection requirements).

Blockchain network participation services—including node operation, validator services, staking infrastructure, and MEV mitigation—constitute "bank services" when performed for or on behalf of a permitted payment stablecoin issuer. Issuers should be permitted to contract with nonaffiliated third-party service providers for these functions, consistent with the Bank Service Company Act and applicable third-party risk management guidance, subject to appropriate disclosure and oversight requirements. The OCC's existing supervisory framework for third-party risk management provides an established model for this oversight.[56]

C. Distinction Between Prohibited Yield and Permissible Service Compensation

Regulatory clarity requires that the OCC distinguish between the following categories: first, direct issuer-to-holder interest payments, which are prohibited under Section 4(a)(11) of the GENIUS Act[57] regardless of form; second, arrangements where the issuer channels reserve earnings through affiliates or third parties to holders, which may constitute evasion of the prohibition subject to the OCC's anti-evasion authority;[58] and third, compensation paid by blockchain protocols to entities (including stablecoin holders) that provide validation, staking, or other network services, which represents payment for services rendered to the network rather than yield "solely in connection with" holding stablecoins.

The pending CLARITY Act provides important context for this distinction. Congress has recognized three categories of staking activity—self-staking, self-custodial staking with a third party, and custodial staking services that are "exclusively administrative or ministerial in nature"[59]—and has defined staking rewards as "end user distributions" rather than investment returns.[60] While the CLARITY Act has not yet been enacted, its passage by the House of Representatives with strong bipartisan support[61] reflects Congressional recognition that staking rewards represent compensation for network services, not passive investment returns, and signals the direction in which federal policy is moving.[62]

We do not ask the OCC to resolve these distinctions in this rulemaking. We ask only that the OCC ensure its final rule does not foreclose outcomes that Congress may adopt in pending legislation,

---

[56] Supra note 54 (Interagency Guidance on Third-Party Relationships, 88 FR 37920).

[57] Supra note 40.

[58] Supra note 40.

[59] Id. (defining three categories: self-staking, self-custodial staking with a third party, and custodial and ancillary staking services that are "exclusively administrative or ministerial in nature").

[60] H.R. 3633 § 103 (defining "end user distribution" to include "the distribution of a unit of a digital commodity as a programmatic result of validating or staking activity for a blockchain system's consensus mechanism").

[61] Digital Asset Market Clarity Act of 2025, H.R. 3633, 119th Cong. (passed House July 17, 2025; pending in Senate). Available at https://www.congress.gov/bill/119th-congress/house-bill/3633.

[62] Arnold & Porter, Clarifying the CLARITY Act (Aug. 2025) (analyzing the three categories of staking activity and the "end user distribution" framework under H.R. 3633). Available at https://www.arnoldporter.com/en/perspectives/advisories/2025/08/clarifying-the-clarity-act.

and that BNP disclosure requirements provide the factual foundation necessary for the OCC and Congress to make informed policy decisions.

VI. RESPONSES TO SPECIFIC NOPR QUESTIONS

A. Question 107: Blockchain-Based Disclosure Automation

The OCC asks whether there are technical aspects of distributed ledgers or blockchain that the OCC should take advantage of in relation to disclosures, and specifically whether certain disclosures should be automated through smart contracts, wrappers, or other techniques.[63]

Auditchain provides on-chain disclosure automation that can facilitate BNP taxonomy elements. We strongly recommend that the OCC adopt XBRL-based structured data reporting for all stablecoin-related disclosures, including BNP disclosure, weekly reports, quarterly reports, and monthly reserve composition reports. XBRL provides a proven, interoperable framework that the FFIEC has successfully deployed since 2005 for Call Report filing, achieving 95% data validation rates and eliminating manual re-entry errors across approximately 6,127 reporting institutions.[64]

The European Union has already mandated machine-readable disclosure in iXBRL format for crypto-asset white papers under MiCA,[65] implemented through Commission Implementing Regulation (EU) 2024/2984.[66] Auditchain has implemented this requirement through its MiCA Pacioli.ai platform. The same technical infrastructure is being developed for GENIUS Act requirements, and we recommend the OCC establish clear data standards through XBRL taxonomy development rather than allowing fragmentation across reporting jurisdictions. Notably, the MiCA implementing regulation already requires disclosure of DLT dependencies, consensus mechanism descriptions, and validator and node operator relationships—substantively the same BNP-category disclosures proposed in this comment.[67] Adopting comparable requirements under the GENIUS Act would achieve international regulatory parity, reduce cross-border compliance burden for

[63] 91 FR 10202, at 10248 (Question 107: "Are there any technical aspects of distributed ledgers or blockchain the OCC should take advantage of in relation to disclosures? For example, should certain disclosures be automated through smart contracts, such as with wrappers or other techniques?").

[64] XBRL US, FDIC XBRL Reporting Program (documenting 95% data validation rates and elimination of manual re-entry errors across approximately 6,127 reporting institutions). Available at https://xbrl.us/home/priorities/filers/fdic-reporting/.

[65] Regulation (EU) 2023/1114 (Markets in Crypto-Assets Regulation), Art. 6 and Annex I (crypto-asset white paper requirements including distributed ledger technology disclosures). Available at https://eur-lex.europa.eu/eli/reg/2023/1114/oj/eng.

[66] Supra note 3 (Commission Implementing Regulation (EU) 2024/2984, Annex II, requiring machine-readable iXBRL format for crypto-asset white papers).

[67] Commission Implementing Regulation (EU) 2024/2984, Annex II (requiring disclosure of DLT dependencies, consensus mechanism type, validator and node operator relationships, and governance arrangements for crypto-asset issuers). *See supra* note 3.

issuers operating in both jurisdictions, and prevent a disclosure gap that sophisticated actors could exploit through regulatory arbitrage.

Additionally, certain blockchain-native disclosures can be validated automatically through smart contract-based verification—for example, confirming that a reported validator address is actively participating in consensus, or that reported staking amounts match on-chain records. Such automated verification complements rather than replaces traditional auditing and examination processes, and is consistent with the modernization goals of the XBRL Open Information Model.[68]

The feasibility of XBRL taxonomy development for BNP disclosure is supported by the substantial foundation of existing financial ontologies. Analysis of the Financial Industry Business Ontology ("FIBO"), maintained by the Object Management Group and the Enterprise Data Management Council, indicates that approximately 40% of the concepts needed for a digital asset disclosure taxonomy are derivable from FIBO's existing 2,457 OWL class definitions.[69] The Financial Instrument Global Identifier ("FIGI") system already covers approximately 8,000 crypto-assets through the Kaiko data extension, and the ISO 24165 Digital Token Identifier standard adopted by ESMA for MiCA implementation provides an additional interoperability layer.[70] Taxonomy development for BNP disclosure therefore builds on an established base of financial data standards rather than requiring construction from first principles—a consideration that supports the feasibility of timely implementation within the GENIUS Act's 18-month regulatory timeline.

B. Questions 118–119: Additional Operational Risk Management Areas

The OCC asks whether there are areas not covered by 12 CFR Part 30 that should be addressed in the context of stablecoin activities, such as smart contracts, encryption, and tokenized assets,[71] and

[68] XBRL International, Open Information Model (OIM) Taxonomy Requirements, REQ-2025-12-17 (Dec. 17, 2025) (providing syntax-independent model of XBRL semantics enabling modernization and scaling). Available at https://www.xbrl.org/REQ/oim-taxonomy-requirements/REQ-2025-12-17/oim-taxonomy-requirements-2025-12-17.html.

[69] Object Management Group & Enterprise Data Management Council, Financial Industry Business Ontology (FIBO), available at https://spec.edmcouncil.org/fibo/. FIBO provides standardized OWL class definitions for financial instruments, legal entities, contracts, and regulatory relationships, a substantial portion of which map directly to the entity identification, reserve composition, and affiliate relationship concepts required for digital asset disclosure taxonomies. *See also* EthOn: Ethereum Ontology (providing a FIBO-aligned blockchain ontology bridging traditional financial and distributed ledger concepts).

[70] *See* Object Management Group, Financial Instrument Global Identifier (FIGI), available at https://www.openfigi.com/ (covering approximately 8,000 crypto-assets through the Kaiko data extension); ISO 24165:2021 (Digital Token Identifier), adopted by ESMA for MiCA implementation as the primary digital asset identification standard.

[71] 91 FR 10202, at 10251 (Question 118: "Are there areas not covered by 12 CFR part 30 that should be addressed in the context of stablecoin activities, such as smart contracts, encryption, and tokenized assets?").

whether there are additional operational risk management requirements the OCC should consider.[72]

We recommend that the OCC incorporate BNP disclosure as a specific operational risk management requirement within § 15.13, addressing the seven categories described in Section III above. The existing 12 CFR Part 30 framework was developed for traditional banking activities and does not address the unique operational dependencies arising from blockchain infrastructure participation. These include the following areas that warrant specific attention: consensus mechanism concentration risk (the risk that a single entity or coordinated group could influence or disrupt the consensus process on which stablecoin transactions depend); MEV exposure and mitigation (the risk that validators or miners could extract value from pending stablecoin transactions through front-running, sandwich attacks, or transaction reordering); slashing and penalty risk (the risk in Proof of Stake systems that validator misbehavior or downtime results in loss of staked assets); smart contract upgrade and governance risk (the risk that changes to underlying smart contracts could affect stablecoin functionality without adequate notice or testing); and cross-chain bridge risk (the risk that assets transmitted through bridge protocols could be lost or frozen due to bridge failures or exploits).

C. Question 109: Principles-Based vs. Detailed Standards

The OCC asks whether it should adopt a principles-based approach to risk management standards or more detailed and specific standards.[73]

We recommend a hybrid approach consistent with the GENIUS Act's direction that standards be "principles-based"[74] while also being sufficiently detailed to enable consistent compliance and examination. Specifically, we recommend that the OCC establish principles-based requirements for BNP disclosure within the regulatory text of § 15.13 (e.g., requiring disclosure of all blockchain network participation activities by the issuer, its affiliates and third party service providers), while providing detailed implementation guidance through XBRL taxonomy specifications and examination procedures. This approach provides regulatory flexibility to adapt to evolving blockchain technology while ensuring consistency and comparability across supervised institutions.

D. Questions 131–132: Weekly and Quarterly Reporting

[72] 91 FR 10202, at 10251 (Question 119: "Are there additional operational risk management requirements that the OCC should consider for stablecoin activities?").
[73] 91 FR 10202, at 10249 (Question 109: "Should the OCC adopt a principles-based approach to risk management standards for stablecoin activities or should the OCC adopt more detailed and specific standards?").
[74] Supra note 10.

The OCC asks what data fields should be included in the weekly report[75] and what format the quarterly report should take.[76]

We recommend that monthly reports include comprehensive BNP-specific data fields, including changes in validator status or network participation metrics, material changes in BNP-related revenue or expenses, and any BNP-related events that could affect operational continuity (e.g., slashing events, network forks, or material smart contract vulnerabilities). Monthly BNP disclosure aligns with the GENIUS Act's existing monthly cadence for reserve composition reporting under 12 U.S.C. § 5903(a)(1)(C)[77] and monthly certification under 12 U.S.C. § 5903(a)(3),[78] as BNP information is operationally necessary to assess both reserve adequacy and the issuer's ability to fulfill its obligations. In addition to monthly BNP disclosure, issuers should be required to file interim BNP updates when materiality triggers are met, including increases or decreases of more than 1% of hash rate (Proof of Work) or staked value (Proof of Stake) on any blockchain network, or changes in contractual relationships with third-party BNP service providers. All BNP reports should be filed in machine-readable XBRL format consistent with existing FFIEC Call Report infrastructure.

VII. INTERAGENCY COORDINATION AND FFIEC REPORTING

Both the OCC and the FDIC use the FFIEC Call Report system as the primary mechanism for collecting financial and operational information from supervised institutions. When FDIC-supervised institutions structure stablecoin operations through OCC-supervised subsidiaries or national trust banks, consolidated supervision requires that both agencies have access to comprehensive information about operational dependencies, including BNP activities.

The GENIUS Act requires the FDIC to evaluate a subsidiary's ability to meet operational, compliance, and IT risk management requirements under Section 4(a)(4) when reviewing stablecoin issuance applications.[79] The Act further directs the FDIC to consider "such other factors as necessary to ensure the safety and soundness" of stablecoin issuing subsidiaries.[80] Implementing BNP disclosure as a coordinated FFIEC Call Report extension—rather than through separate, non-harmonized agency requirements—provides consistency across agencies, reduces aggregate

[75] 91 FR 10202, at 10254 (Question 131: "What data fields should be included in the weekly report?").

[76] 91 FR 10202, at 10254 (Question 132: "What format should the quarterly report take, and how should interagency coordination be facilitated?").

[77] 12 U.S.C. § 5903(a)(1)(C) (requiring monthly publication of reserve composition on issuer's website).

[78] 12 U.S.C. § 5903(a)(3) (monthly certification and examination by registered public accounting firm).

[79] 12 U.S.C. § 5904(c)(1) (requiring consideration of ability to meet requirements under section 4, including operational, compliance, and IT risk management requirements under section 4(a)(4)).

[80] 12 U.S.C. § 5904(c)(5) (directing the FDIC to consider "such other factors as necessary to ensure the safety and soundness" of stablecoin issuing subsidiaries).

reporting burden, and facilitates information sharing between OCC and FDIC examiners for consolidated supervision purposes.

We respectfully recommend that the OCC establish an interagency working group to develop coordinated BNP disclosure specifications under the auspices of the FFIEC Task Force on Reports, which has authority under 12 U.S.C. § 3305 to develop uniform reporting systems for federally-supervised financial institutions.[81]

VIII. AFFILIATE DEFINITION AND RELATED PARTY FRAMEWORK

The GENIUS Act uses the term "affiliate" in several provisions but does not define it in Section 2 (Definitions).[82] The OCC's proposed definition—"a person that controls, is controlled by, or is under common control with another person"[83]—is functionally broader than the established framework in Sections 23A and 23B of the Federal Reserve Act and Regulation W,[84] which has governed affiliate transactions in the banking system for decades.

We recommend that the OCC anchor its affiliate definition in the well-established federal banking law framework. The Sections 23A/23B framework provides quantitative limits (10% per affiliate, 20% aggregate of capital), collateral requirements, safety and soundness standards, and market terms requirements for affiliate transactions.[85] The OCC's own Comptroller's Handbook recognizes that certain conflicts of interest arising from affiliate relationships are permissible when authorized by applicable law and subject to appropriate controls and disclosure.[86] Adopting a definition consistent with this established framework provides clarity, predictability, and consistency with the broader federal banking regulatory structure. We note that existing generally accepted accounting principles already impose disclosure obligations for precisely the types of relationships that arise from affiliate BNP activities. ASC 850-10-50 requires disclosure of the nature of related party relationships, descriptions of transactions, and the dollar amounts involved[87]—requirements that directly encompass affiliate blockchain network participation on networks utilized by the issuer. Similarly, ASC 450-20 requires disclosure of loss contingencies that are probable or reasonably possible,[88] a standard that encompasses slashing penalties,

[81] 12 U.S.C. § 3305 (FFIEC authority to develop uniform reporting systems for federally-supervised financial institutions).
[82] Supra note 44.
[83] Supra note 43.
[84] Supra note 45.
[85] Supra note 45 (12 U.S.C. § 371c; 12 CFR Part 223).
[86] OCC, Comptroller's Handbook, "Conflicts of Interest" ("Some conflicts of interest are permissible if authorized by applicable law.").
[87] FASB ASC 850-10-50 (Related Party Disclosures) (requiring disclosure of the nature of the related party relationship, a description of the transactions, the dollar amounts of transactions, and amounts due to or from related parties at the date of each balance sheet presented).
[88] FASB ASC 450-20 (Loss Contingencies) (requiring disclosure when it is at least reasonably possible that a loss has been incurred, including the nature of the contingency and an estimate of the possible loss or range of loss).

validator liability exposure, and other operational risks inherent in BNP activities. Incorporating BNP disclosure into the affiliate framework would align regulatory requirements with the accounting standards that OCC examiners already apply.

The separate term "related third party," introduced in proposed § 15.10(c)(4) in the context of the rebuttable presumption, warrants particular attention. This term has no established meaning in federal banking law and no definition in either the GENIUS Act or the proposed rule. If the OCC retains this term, we recommend that it be clearly defined and limited to parties with a demonstrable financial or contractual relationship to the issuer that would provide the issuer with the ability to direct or influence the third party's payment of yield to stablecoin holders. Without such a limitation, the term could capture arm's-length commercial relationships that pose no evasion risk and that the statute does not reach.

IX. AUDITCHAIN'S COMMITMENT AND TECHNICAL ASSISTANCE

Auditchain has significant domain knowledge and expertise in blockchain architecture, XBRL specifications, and the FFIEC's use of XBRL taxonomies. We are actively developing XBRL-based disclosure taxonomies for the GENIUS Act and the pending CLARITY Act, building on our operational deployment of disclosure automation infrastructure under the EU's MiCA framework.

Consistent with the commitments made in our prior submissions to the FDIC[89] and the OCC,[90] we are prepared to support the OCC's implementation of BNP disclosure requirements through technical assistance in developing XBRL taxonomy specifications for BNP disclosure elements, pilot testing with early permitted payment stablecoin issuers, educational resources for OCC examination staff regarding blockchain operational risks and structured data analysis, ongoing taxonomy maintenance as blockchain technology and the stablecoin market evolve, and coordination with international regulatory frameworks, including MiCA, to ensure interoperability and reduce cross-border compliance burden.

X. CONCLUSION

Auditchain supports the OCC's NOPR as an important step in implementing the GENIUS Act and establishing a comprehensive regulatory framework for permitted payment stablecoin issuers under OCC jurisdiction. The proposed rule's operational risk management provisions, permissible activities framework, and reporting requirements provide a sound foundation for effective supervision.

We recommend that the OCC strengthen this foundation by incorporating BNP disclosure requirements into the final rule as an enhancement to § 15.13, adopting XBRL-based structured

[89] Supra note 5 (Auditchain FDIC submission, commitment to technical assistance).
[90] Supra note 7.

data reporting for all stablecoin-related disclosures, and establishing an interagency working group to develop coordinated BNP disclosure specifications. We further recommend that the OCC refine the rebuttable presumption in proposed § 15.10(c)(4) to ensure it remains within the scope of the GENIUS Act's anti-evasion authority and does not foreclose policy outcomes that Congress is actively considering in pending legislation.

BNP disclosure serves a dual purpose: it strengthens operational risk management by providing supervisory visibility into the blockchain infrastructure upon which stablecoin operations depend, and it enables fact-based enforcement of the yield prohibition by revealing the actual economic substance of arrangements between issuers, affiliates, third parties, and holders. This dual-purpose framework positions the OCC to supervise permitted payment stablecoin issuers with the same rigor applied to traditional banking activities while supporting the innovation and regulatory clarity that the GENIUS Act was designed to achieve.

We appreciate the opportunity to comment and look forward to continued engagement with the OCC on GENIUS Act implementation.

Respectfully submitted,

Jason Meyers
Auditchain Labs AG

EXHIBITS

Exhibit A: Blockchain Network Participation Disclosure Questionnaire (148 questions across 8 sections)

Exhibit B: BNP Taxonomy Hierarchical Overview (125 elements with 15 abstract groupings, 90 concrete elements, 3 hypercube tables, 3 typed dimension axes, and 14 domain members)

Exhibit C: Typed Dimension Specification (3 typed dimension axes: BlockchainNetworkIdentifierTypedAxis, AffiliateIdentifierTypedAxis, and ThirdPartyServiceProviderIdentifierTypedAxis)

Exhibit D: Proposed Regulatory Text — BNP Disclosure Requirements for Proposed § 15.13 (Enhancement to Operational Risk Management Standards)

EXHIBIT A - Blockchain Network Participation Disclosure Questionnaire – DRAFT

EXHIBIT A - Blockchain Network Participation Disclosure Questionnaire – UPDATED DRAFT

This questionnaire captures all required information for stablecoin issuers regarding their blockchain network participation and affiliate relationships.

BACK

Section 1: Blockchain Protocols Utilized

1. What is the name of the blockchain protocol used for your digital asset?
2. What type of blockchain network is it (e.g., public, private, permissioned, hybrid)?
3. What consensus mechanism does the blockchain use (e.g., Proof of Work, Proof of Stake, Delegated Proof of Stake)?
4. What is the primary use of the digital asset on this blockchain?
5. What is the smart contract address for your digital asset on this blockchain?
6. What date was the smart contract deployed?

Section 2: Direct Network Participation by Issuer

Basic Participation Information

7. Does the issuer or any subsidiary directly operate blockchain infrastructure (such as nodes, validators, or mining equipment) on the same network used for the digital asset?
8. If yes, which entity operates this infrastructure? Please describe.
9. What type of network participation does the issuer engage in (e.g., validator, miner, node operator, staker)?
10. How many nodes or validators does the issuer operate?
11. Where is the blockchain infrastructure geographically located? Please describe all locations.

Network Share and Concentration Metrics

12. What is the issuer's estimated share of the network's total hash power (as a percentage)?
13. What is the basis for calculating the hash power estimate?

Please explain the methodology.

14. What data source is used to estimate the network share? Please provide the URL.
15. What is the issuer's estimated share of the network's total stake (as a percentage)?
16. What is the total monetary value of assets staked by the issuer?
17. How many validator slots does the issuer control?
18. What is the total number of validator slots in the network?
19. What is the average uptime percentage for the issuer's validators over the reporting period?

Network Governance Participation

20. Does the issuer hold governance tokens for this blockchain protocol?
21. If yes, what is the name of the governance token?
22. How many governance tokens does the issuer hold?
23. What percentage of total voting power does the issuer control?
24. Has the issuer participated in any governance votes in the past 12 months?
25. If yes, how many governance votes has the issuer cast?
26. Please describe any significant governance positions held by the issuer (e.g., council member, delegate, committee participant).

Financial Performance from Network Participation

27. What was the total revenue earned from mining or validating activities during the reporting period?
28. What percentage of the issuer's total revenue comes from mining or validating activities?
29. What was the net income from mining or validating activities during the reporting period?
30. What were the capital expenditures on network infrastructure during the reporting period?

Operational Dependencies

31. Is the blockchain infrastructure operated by the issuer critical to the issuer's business operations?
32. If yes, please describe how the operations depend on this infrastructure.
33. Can the digital asset continue to function if the issuer's infrastructure fails or goes offline?
34. What is the business continuity plan if the issuer's blockchain infrastructure fails? Please describe.
35. Are there backup validators or nodes operated by third parties that can take over if the issuer's infrastructure fails?
36. If yes, please identify the backup providers.

Section 3: Affiliate Network Participation

Initial Assessment

37. Do any affiliates of the issuer engage in blockchain network participation (mining, validating, staking, or node operation) on the same protocol used for the digital asset?

If the answer to question 37 is "No," skip to Section 4.

Affiliate Identification (repeat for each affiliate)

38. What is the legal name of the affiliate?
39. What is the affiliate's Legal Entity Identifier (LEI)?
40. What is the affiliate's relationship to the issuer (e.g., parent company, subsidiary, sister company, joint venture)?
41. What percentage of the affiliate does the issuer own (directly or indirectly)?
42. Are there any directors or officers who serve in both the issuer and the affiliate? If yes, please identify them and their roles.

Affiliate Network Participation Details

43. On which blockchain protocols does the affiliate participate?
44. What type of network participation does the affiliate engage in (e.g., validator, miner, node operator, staker)?
45. Does the affiliate participate on the same blockchain protocol that the issuer uses for its digital asset?
46. What is the affiliate's estimated share of network hash power (as a percentage)?
47. What is the affiliate's estimated share of network stake (as a percentage)?
48. What is the affiliate's annual revenue from network participation activities?

Services Provided by Affiliate

49. Does the affiliate provide any services to the issuer related to blockchain operations?
50. If yes, please describe the services provided by the affiliate.
51. Are the services provided at arm's length pricing (i.e., comparable to what would be charged to an unrelated third party)?
52. What are the annual fees paid to the affiliate for these services?
53. Could the issuer obtain these services from unaffiliated third parties if needed?

Conflicts of Interest Analysis

54. Can the affiliate influence the ordering of transactions on the blockchain (e.g., throughMEV extraction or block production)?
55. Can the affiliate observe pending transactions before they are publicly confirmed (e.g., access to mempool data)?
56. Does the affiliate participate in protocol governance in ways that could affect the issuer's operations?
57. Are there any non-compete or exclusivity agreements between the issuer and the affiliate related to blockchain operations?
58. Please describe any actual or potential conflicts of interest arising from the affiliate's network participation.
59. What measures has the issuer implemented to mitigate these conflicts of interest?

Section 4: Aggregated Concentration Analysis

60. What is the total combined hash power controlled by the issuer and all affiliates across the network (as a percentage)?
61. What is the total combined stake controlled by the issuer and all affiliates across the network (as a percentage)?
62. What is the total number of validator slots controlled by the issuer and all affiliates combined?
63. Could the combined network participation of the issuer and affiliates potentially influence consensus outcomes or network governance?

Systemic Risk Assessment

64. Could the issuer continue to fulfill its obligations to token holders if the blockchain network were disrupted?
65. Would network congestion simultaneously affect both the issuer's blockchain operations and its ability to meet obligations to token holders?
66. Are there any single points of failure that could affect both the issuer's network operations and its core business?
67. If yes, please describe these single points of failure.
68. Are any mining equipment or staked assets pledged as collateral or otherwise encumbered?
69. If yes, please describe the pledged or encumbered assets and the nature of the encumbrance.

Section 5: Operational Controls and Policies

70. Please describe the governance structure and oversight mechanisms for blockchain network participation activities.
71. Is there a board-level committee responsible for overseeing blockchain infrastructure operations?
72. Is the issuer's network participation subject to internal audit review?
73. What was the date of the most recent internal audit of network participation activities?
74. Are there information barriers between personnel involved in network operations and issuer management?
75. If yes, please describe the information barrier policies.
76. Does the issuer have a policy prohibiting preferential treatment of its own transactions in block production or validation?
77. Are transaction ordering decisions logged and available for audit?
78. Does the issuer monitor for front-running, sandwich attacks, or other misconduct in its network operations?

Section 6: Multi-Network Disclosure

Complete the following for each blockchain network on which the issuer has deployed smart contracts or operates infrastructure. Copy this section as needed.

Network Identifier: _____

79. What is the name of the blockchain protocol?
80. What type of network is it?
81. What consensus mechanism does it use?
82. What is the primary use of the digital asset on this network?
83. What is the smart contract address?
84. What date was the smart contract deployed?
85. Does the issuer operate infrastructure on this network?
86. If yes, which entity operates the infrastructure?
87. What type of participation does the issuer have?
88. How many nodes or validators are operated?
89. Where is the infrastructure located?
90. What is the estimated hash power share?
91. What is the basis for the hash power estimate?
92. What is the data source for the estimate?
93. What is the estimated stake share?

94. What is the total value staked?
95. How many validator slots are controlled?
96. What is the total number of validator slots in the network?
97. What is the validator uptime percentage?
98. Does the issuer hold governance tokens?
99. What is the governance token name?
100. How many governance tokens are held?
101. What is the voting power percentage?
102. Has the issuer voted in governance in the past 12 months?
103. How many votes were cast?
104. Please describe significant governance positions.
105. What is the total revenue from mining or validating?
106. What percentage of total revenue is this?
107. What is the net income from these activities?
108. What are the capital expenditures on infrastructure?
109. Is this infrastructure critical to operations?
110. Please describe the operational dependency.
111. Can the digital asset function if this infrastructure fails?
112. What is the business continuity plan?
113. Are there third-party backup providers?
114. If yes, identify the backup providers.

Section 7: Affiliate Disclosure Table

Complete the following for each affiliate engaged in blockchain network participation. Copy this section as needed.

Affiliate Identifier: _____

115. Legal name of affiliate
116. Legal Entity Identifier (LEI)
117. Relationship to issuer
118. Ownership percentage
119. Overlapping directors or officers
120. Blockchain protocols participated in
121. Type of network participation
122. Participates on same protocol as issuer's digital asset?
123. Estimated hash power share
124. Estimated stake share
125. Annual revenue from network participation

126. Provides services to issuer?
127. Description of services provided
128. Services at arm's length pricing?
129. Annual fees paid for services
130. Could services be obtained elsewhere?
131. Can influence transaction ordering?
132. Can observe transactions before confirmation?
133. Participates in protocol governance?
134. Non-compete or exclusivity agreements?
135. Description of conflicts of interest
136. Conflict mitigation measures

Section 8: Third-Party Service Provider Arrangements

137. Does the issuer engage non-affiliate third parties to provide blockchain network participation services?
138. What is the legal name of the third-party service provider?
139. What is the legal entity identifier (LEI) of the third-party service provider?
140. Describe the services provided by the third party to the issuer in connection with blockchain network participation.
141. What are the total fees paid to the third-party service provider during the reporting period?
142. Does the third-party service provider facilitate yield generation related to the issuer’s digital asset?
143. If yes, describe the yield facilitation arrangements between the issuer and the third-party service provider.
144. Does the third-party service provider have a reserve-to-yield relationship with the issuer?
145. If yes, describe the reserve-to-yield relationship and any terms governing such arrangements.
146. Does the third-party service provider have any conflicts of interest related to its blockchain network participation services?
147. If yes, describe the conflicts of interest involving the third-party service provider.
148. Describe the mitigation measures in place to address conflicts of interest arising from third-party service provider arrangements.

(Repeat questions above for each non-affiliate third-party service provider.)

Summary Checklist

Before submitting, confirm the following:

- ☐ All blockchain networks used for the digital asset have been disclosed
- ☐ All direct network participation by the issuer has been described
- ☐ All affiliates engaged in network participation have been identified
- ☐ Concentration analysis includes issuer and all affiliates combined
- ☐ Conflicts of interest have been identified and mitigation measures described
- ☐ Operational controls and policies have been documented
- ☐ All monetary figures are in the same reporting currency
- ☐ All percentages are calculated consistently

Total Questions: 148

EXHIBIT B - Blockchain Network Participation Disclosure - Hierarchical Overview – DRAFT

EXHIBIT B - Blockchain Network Participation Disclosure - Hierarchical Overview – UPDATED DRAFT

BACK

genius:BlockchainNetworkParticipationDisclosureAbstract

Blockchain network participation disclosure [abstract]

1. genius:BlockchainProtocolsUtilizedAbstract

Blockchain protocols utilized [abstract]

- genius:BlockchainProtocolName— Blockchain protocol name *(String, Instant)*
- genius:BlockchainNetworkType— Blockchain network type *(String, Instant)*
- genius:ConsensusMechanismType— Consensus mechanism type *(String, Instant)*
- genius:PrimaryUseForDigitalAsset— Primary use for digital asset *(String, Duration)*
- genius:SmartContractAddress— Smart contract address *(String, Instant)*
- genius:SmartContractDeploymentDate— Smart contract deployment date *(Date, Instant)*

---

2. genius:DirectNetworkParticipationAbstract

Direct network participation by issuer [abstract]

- genius:IssuerOperatesBlockchainInfrastructureIndicator— Issuer operates blockchain infrastructure indicator *(BooleanNA, Instant)*
- genius:OperatingEntityDescription— Operating entity description *(String, Duration)*
- genius:TypeOfNetworkParticipation— Type of network participation *(String, Duration)*
- genius:NumberOfNodesOrValidatorsOperated— Number of

nodes or validators operated *(Integer, Instant)*

- genius:GeographicLocationOfInfrastructureExplanatory— Geographic location of infrastructure [text block] *(TextBlock-DTR, Duration)*

2.1 genius:NetworkShareAndConcentrationAbstract

Network share and concentration metrics [abstract]

- genius:EstimatedHashPowerSharePercentage— Estimated hash power share percentage *(Percentage, Instant)*
- genius:BasisForHashPowerEstimateExplanatory— Basis for hash power estimate [text block] *(TextBlock-DTR, Duration)*
- genius:DataSourceForNetworkShareEstimate— Data source for network share estimate *(URI, Duration)*
- genius:EstimatedStakeSharePercentage— Estimated stake share percentage *(Percentage, Instant)*
- genius:TotalValueStaked— Total value staked *(Monetary, Instant, Debit)*
- genius:NumberOfValidatorSlotsControlled— Number of validator slots controlled *(Integer, Instant)*
- genius:TotalValidatorSlotsInNetwork— Total validator slots in network *(Integer, Instant)*
- genius:ValidatorUptimePercentage— Validator uptime percentage *(Percentage, Duration)*

2.2 genius:NetworkGovernanceParticipationAbstract

Network governance participation [abstract]

- genius:EntityHoldsGovernanceTokensIndicator— Entity holds governance tokens indicator *(BooleanNA, Instant)*
- genius:GovernanceTokenName— Governance token name *(String, Instant)*
- genius:GovernanceTokensQuantityHeld— Governance tokens quantity held *(Decimal, Instant)*
- genius:VotingPowerPercentage— Voting power percentage *(Percentage, Instant)*
- genius:ParticipatedInGovernanceVotesPast12MonthsIndicator— Participated in governance votes in past 12 months indicator *(BooleanNA, Duration)*
- genius:NumberOfGovernanceVotesCast— Number of governance votes cast *(Integer, Duration)*
- genius:SignificantGovernancePositionsExplanatory— Description of significant governance positions [text block]

(TextBlock-DTR, Duration)

2.3 genius:FinancialPerformanceFromNetworkParticipationAbstract

Financial performance from network participation [abstract]

- genius:TotalRevenueFromMiningOrValidating— Total revenue from mining or validating *(Monetary, Duration, Credit)*
- genius:MiningOrValidatingRevenuePercentageOfTotal— Mining or validating revenue as percentage of total revenue *(Percentage, Duration)*
- genius:NetIncomeFromMiningOrValidating— Net income from mining or validating *(Monetary, Duration, Credit)*
- genius:CapitalExpendituresOnNetworkInfrastructure— Capital expenditures on network infrastructure *(Monetary, Duration, Debit)*

2.4 genius:OperationalDependenciesAbstract

Operational dependencies on network infrastructure [abstract]

- genius:NetworkInfrastructureCriticalToOperationsIndicator— Network infrastructure critical to operations indicator *(BooleanNA, Instant)*
- genius:InfrastructureDependencyDescriptionExplanatory— Description of infrastructure dependency [text block] *(TextBlock-DTR, Duration)*
- genius:DigitalAssetCanFunctionIfInfrastructureFailsIndicator— Digital asset can function if infrastructure fails indicator *(BooleanNA, Instant)*
- genius:BusinessContinuityPlanForInfrastructureFailureExplanatory— Business continuity plan for infrastructure failure [text block] *(TextBlock-DTR, Duration)*
- genius:BackupValidatorsOperatedByThirdPartiesIndicator— Backup validators operated by third parties indicator *(BooleanNA, Instant)*
- genius:BackupProviderIdentificationExplanatory— Backup provider identification [text block] *(TextBlock-DTR, Duration)*

---

3. genius:AffiliateNetworkParticipationAbstract

Affiliate network participation [abstract]

- genius:AffiliatesEngageInBlockchainNetworkParticipationIndicator — Affiliates engage in blockchain network participation indicator *(BooleanNA, Instant)*

3.1 genius:AffiliateIdentificationAbstract

Affiliate identification [abstract]

- genius:AffiliateLegalName — Affiliate legal name *(String, Instant)*
- genius:AffiliateLegalEntityIdentifier — Affiliate legal entity identifier *(LEI, Instant)*
- genius:AffiliateRelationshipToIssuer — Affiliate relationship to issuer *(String, Duration)*
- genius:AffiliateOwnershipPercentage — Affiliate ownership percentage *(Percentage, Instant)*
- genius:OverlappingDirectorsOrOfficersExplanatory — Overlapping directors or officers [text block] *(TextBlock-DTR, Duration)*

3.2 genius:AffiliateNetworkParticipationDetailsAbstract

Affiliate network participation details [abstract]

- genius:AffiliateBlockchainProtocols — Affiliate blockchain protocols *(String, Duration)*
- genius:AffiliateTypeOfNetworkParticipation — Affiliate type of network participation *(String, Duration)*
- genius:AffiliateParticipatesOnSameProtocolIndicator — Affiliate participates on same protocol as issuer indicator *(BooleanNA, Instant)*
- genius:AffiliateEstimatedHashPowerSharePercentage — Affiliate estimated hash power share percentage *(Percentage, Instant)*
- genius:AffiliateEstimatedStakeSharePercentage — Affiliate estimated stake share percentage *(Percentage, Instant)*
- genius:AffiliateAnnualRevenueFromNetworkParticipation — Affiliate annual revenue from network participation *(Monetary, Duration, Credit)*

3.3 genius:ServicesProvidedByAffiliateAbstract

Services provided by affiliate to issuer [abstract]

- genius:AffiliateProvidesServicesToIssuerIndicator — Affiliate

provides services to issuer indicator *(BooleanNA, Instant)*
- genius:ServicesProvidedByAffiliateExplanatory— Description of services provided by affiliate [text block] *(TextBlock-DTR, Duration)*
- genius:ServicesProvidedAtArmsLengthPricingIndicator— Services provided at arms length pricing indicator *(BooleanNA, Duration)*
- genius:AnnualFeesPaidToAffiliateForServices— Annual fees paid to affiliate for services *(Monetary, Duration, Debit)*
- genius:IssuerCouldObtainServicesFromUnaffiliatedPartiesIndicator — Issuer could obtain services from unaffiliated parties indicator *(BooleanNA, Instant)*

3.4 genius:ConflictsOfInterestAnalysisAbstract

Conflicts of interest analysis [abstract]

- genius:AffiliateCanInfluenceTransactionOrderingIndicator — Affiliate can influence transaction ordering indicator *(BooleanNA, Instant)*
- genius:AffiliateCanObserveTransactionsBeforeConfirmationIndicator — Affiliate can observe transactions before public confirmation indicator *(BooleanNA, Instant)*
- genius:AffiliateParticipatesInProtocolGovernanceIndicator — Affiliate participates in protocol governance affecting issuer indicator *(BooleanNA, Instant)*
- genius:NonCompeteOrExclusivityAgreementsWithAffiliateIndicator— Non-compete or exclusivity agreements with affiliate indicator *(BooleanNA, Instant)*
- genius:ConflictsOfInterestDescriptionExplanatory— Description of conflicts of interest [text block] *(TextBlock-DTR, Duration)*
- genius:ConflictMitigationMeasuresExplanatory— Description of conflict mitigation measures [text block] *(TextBlock-DTR, Duration)*

3.5 genius:AffiliateNetworkParticipationByAffiliateTable *(Hypercube)*

Affiliate network participation by affiliate [table]

- **Axis:** genius:AffiliateIdentifierTypedAxis— Affiliate identifier [typed axis] *(Domain: affiliateIdentifier)*
- **Line Items:** genius:AffiliateNetworkParticipationByAffiliateLineItems
  - genius:AffiliateLegalName
  - genius:AffiliateLegalEntityIdentifier

- genius:AffiliateRelationshipToIssuer
- genius:AffiliateOwnershipPercentage
- genius:OverlappingDirectorsOrOfficersExplanatory
- genius:AffiliateBlockchainProtocols
- genius:AffiliateTypeOfNetworkParticipation
- genius:AffiliateParticipatesOnSameProtocolIndicator
- genius:AffiliateEstimatedHashPowerSharePercentage
- genius:AffiliateEstimatedStakeSharePercentage
- genius:AffiliateAnnualRevenueFromNetworkParticipation
- genius:AffiliateProvidesServicesToIssuerIndicator
- genius:ServicesProvidedByAffiliateExplanatory
- genius:ServicesProvidedAtArmsLengthPricingIndicator
- genius:AnnualFeesPaidToAffiliateForServices
- genius:IssuerCouldObtainServicesFromUnaffiliatedPartiesIndic ator
- genius:AffiliateCanInfluenceTransactionOrderingIndicator
- genius:AffiliateCanObserveTransactionsBeforeConfirmationIndi cator
- genius:AffiliateParticipatesInProtocolGovernanceIndicator
- genius:NonCompeteOrExclusivityAgreementsWithAffiliateIndicat or
- genius:ConflictsOfInterestDescriptionExplanatory
- genius:ConflictMitigationMeasuresExplanatory

---

4. genius:AggregatedConcentrationAnalysisAbstract

Aggregated concentration analysis [abstract]

- genius:TotalCombinedHashPowerPercentage— Total combined hash power across all entities percentage *(Percentage, Instant)*
- genius:TotalCombinedStakePercentage— Total combined stake across all entities percentage *(Percentage, Instant)*
- genius:TotalCombinedValidatorSlotsControlled— Total combined validator slots controlled *(Integer, Instant)*
- genius:CombinedEntitiesCouldInfluenceConsensusIndicator— Combined entities could influence consensus indicator *(BooleanNA, Instant)*

4.1 genius:SystemicRiskAssessmentAbstract

Systemic risk assessment [abstract]

- genius:IssuerCouldFulfillObligationsIfNetworkDisruptedIndicator— Issuer could fulfill obligations if network disrupted indicator

(BooleanNA, Instant)

- genius:NetworkCongestionAffectsBothOperationsIndicator— Network congestion affects both operations and obligations indicator *(BooleanNA, Instant)*
- genius:SinglePointsOfFailureIndicator— Single points of failure affecting both network and operations indicator *(BooleanNA, Instant)*
- genius:SinglePointsOfFailureDescriptionExplanatory— Description of single points of failure [text block] *(TextBlock-DTR, Duration)*
- genius:MiningOrStakingAssetsPledgedOrEncumberedIndicator— Mining or staking assets pledged or encumbered indicator *(BooleanNA, Instant)*
- genius:PledgedOrEncumberedAssetsDescriptionExplanatory— Description of pledged or encumbered assets [text block] *(TextBlock-DTR, Duration)*

---

5. genius:OperationalControlsAndPoliciesAbstract

Operational controls and policies [abstract]

- genius:GovernanceAndOversightOfNetworkParticipationExplanatory — Description of governance and oversight of network participation [text block]

(TextBlock-DTR, Duration)

- genius:BoardCommitteeOverseesBlockchainInfrastructureIndicator— Board committee oversees blockchain infrastructure indicator *(BooleanNA, Instant)*
- genius:NetworkParticipationSubjectToInternalAuditIndicator— Network participation subject to internal audit indicator *(BooleanNA, Instant)*
- genius:MostRecentNetworkParticipationAuditDate— Date of most recent network participation audit *(Date, Instant)*
- genius:InformationBarriersBetweenNetworkAndManagementIndicator— Information barriers between network operations and issuer management indicator *(BooleanNA, Instant)*
- genius:InformationBarrierPoliciesExplanatory— Description of information barrier policies [text block] *(TextBlock-DTR, Duration)*
- genius:PolicyProhibitsPreferentialTreatmentIndicator — Policy prohibits preferential treatment of own transactions indicator *(BooleanNA, Instant)*
- genius:TransactionOrderingDecisionsLoggedIndicator —

Transaction ordering decisions logged and auditable indicator *(BooleanNA, Instant)*

- genius:MonitoringForFrontRunningIndicator— Monitoring for front-running or misconduct indicator *(BooleanNA, Instant)*

6. genius:ThirdPartyServiceProviderArrangementsAbstract

Third-party service provider arrangements [abstract]

- genius:ThirdPartyProvidesBlockchainServicesIndicator— Third-party provides blockchain network services indicator *(BooleanNA, Instant)*
- genius:ThirdPartyServiceProviderLegalName— Third-party service provider legal name *(String, Instant)*
- genius:ThirdPartyServiceProviderLegalEntityIdentifier— Third-party service provider legal entity identifier *(LEI, Instant)*
- genius:ThirdPartyServicesDescriptionExplanatory— Description of services provided by third party [text block] *(TextBlock-DTR, Duration)*
- genius:ThirdPartyServiceFeesPaid— Fees paid to third-party service provider *(Monetary, Duration, Debit)*
- genius:ThirdPartyFacilitatesYieldIndicator— Third-party facilitates yield generation indicator *(BooleanNA, Instant)*
- genius:ThirdPartyYieldFacilitationDescriptionExplanatory— Description of yield facilitation arrangements [text block] *(TextBlock-DTR, Duration)*
- genius:ThirdPartyReserveToYieldRelationshipIndicator— Third-party has reserve-to-yield relationship indicator *(BooleanNA, Instant)*
- genius:ThirdPartyReserveToYieldDescriptionExplanatory— Description of reserve-to-yield relationship [text block] *(TextBlock-DTR, Duration)*
- genius:ThirdPartyConflictsOfInterestIndicator— Third-party has conflicts of interest indicator *(BooleanNA, Instant)*
- genius:ThirdPartyConflictsDescriptionExplanatory— Description of third-party conflicts of interest [text block] *(TextBlock-DTR, Duration)*
- genius:ThirdPartyConflictMitigationMeasuresExplanatory— Description of conflict mitigation measures for third-party arrangements [text block] *(TextBlock-DTR, Duration)*

genius:ThirdPartyServiceProviderByProviderTable *(Hypercube)*

Third-party service provider by provider [table]

- **Axis:** genius:ThirdPartyServiceProviderIdentifierTypedAxis— Third-party service provider identifier [typed axis] *(Domain: thirdPartyServiceProviderIdentifier)*

- **Line Items:** genius:ThirdPartyServiceProviderByProviderLineItems
  - genius:ThirdPartyProvidesBlockchainServicesIndicator
  - genius:ThirdPartyServiceProviderLegalName
  - genius:ThirdPartyServiceProviderLegalEntityIdentifier
  - genius:ThirdPartyServicesDescriptionExplanatory
  - genius:ThirdPartyServiceFeesPaid
  - genius:ThirdPartyFacilitatesYieldIndicator
  - genius:ThirdPartyYieldFacilitationDescriptionExplanatory
  - genius:ThirdPartyReserveToYieldRelationshipIndicator
  - genius:ThirdPartyReserveToYieldDescriptionExplanatory
  - genius:ThirdPartyConflictsOfInterestIndicator
  - genius:ThirdPartyConflictsDescriptionExplanatory
  - genius:ThirdPartyConflictMitigationMeasuresExplanatory

---

7. genius:BlockchainNetworkParticipationByNetworkTable *(Hypercube)*

Blockchain network participation by network [table]

- **Axis:** genius:BlockchainNetworkIdentifierTypedAxis— Blockchain network identifier [typed axis] *(Domain: blockchainNetworkIdentifier)*
- **Line Items:** genius:BlockchainNetworkParticipationByNetworkLineItems
  - genius:BlockchainProtocolName
  - genius:BlockchainNetworkType
  - genius:ConsensusMechanismType
  - genius:PrimaryUseForDigitalAsset
  - genius:SmartContractAddress
  - genius:SmartContractDeploymentDate
  - genius:IssuerOperatesBlockchainInfrastructureIndicator
  - genius:OperatingEntityDescription
  - genius:TypeOfNetworkParticipation
  - genius:NumberOfNodesOrValidatorsOperated
  - genius:GeographicLocationOfInfrastructureExplanatory
  - genius:EstimatedHashPowerSharePercentage
  - genius:BasisForHashPowerEstimateExplanatory
  - genius:DataSourceForNetworkShareEstimate
  - genius:EstimatedStakeSharePercentage
  - genius:TotalValueStaked
  - genius:NumberOfValidatorSlotsControlled

- genius:TotalValidatorSlotsInNetwork
- genius:ValidatorUptimePercentage
- genius:EntityHoldsGovernanceTokensIndicator
- genius:GovernanceTokenName
- genius:GovernanceTokensQuantityHeld
- genius:VotingPowerPercentage
- genius:ParticipatedInGovernanceVotesPast12MonthsIndicator
- genius:NumberOfGovernanceVotesCast
- genius:SignificantGovernancePositionsExplanatory
- genius:TotalRevenueFromMiningOrValidating
- genius:MiningOrValidatingRevenuePercentageOfTotal
- genius:NetIncomeFromMiningOrValidating
- genius:CapitalExpendituresOnNetworkInfrastructure
- genius:NetworkInfrastructureCriticalToOperationsIndicator
- genius:InfrastructureDependencyDescriptionExplanatory
- genius:DigitalAssetCanFunctionIfInfrastructureFailsIndicator
- genius:BusinessContinuityPlanForInfrastructureFailureExplanatory
- genius:BackupValidatorsOperatedByThirdPartiesIndicator
- genius:BackupProviderIdentificationExplanatory

Domain Members

genius:BlockchainNetworkDomain

Blockchain network [domain]

- genius:EthereumMember— Ethereum [member]
- genius:BitcoinMember— Bitcoin [member]
- genius:SolanaMember— Solana [member]
- genius:PolygonMember— Polygon [member]
- genius:AvalancheMember— Avalanche [member]
- genius:ArbitrumMember— Arbitrum [member]
- genius:OptimismMember— Optimism [member]
- genius:OtherBlockchainNetworkMember— Other blockchain network [member]

genius:AffiliateDomain

Affiliate [domain]

- genius:AffiliateOneMember— Affiliate one [member]
- genius:AffiliateTwoMember— Affiliate two [member]
- genius:AffiliateThreeMember— Affiliate three [member]

genius:ThirdPartyServiceProviderDomain

Third-party service provider [domain]

- genius:ThirdPartyProviderOneMember— Third-party provider one [member]
- genius:ThirdPartyProviderTwoMember— Third-party provider two [member]
- genius:ThirdPartyProviderThreeMember— Third-party provider three [member]

Element Count Summary

Category	**Count**
Abstracts	15
Concepts	90
Tables (Hypercubes)	3
Axes (Typed Dimensions)	3
Domain Members	14
Total Elements	**125**

EXHIBIT C - Type Extensions Specification – DRAFT

EXHIBIT C - Type Extensions Specification – UPDATED DRAFT

BACK

Overview

Three typed dimensions were implemented to support multi-instance reporting for blockchain network participation disclosures. These enable issuers to report data across multiple blockchain networks, multiple affiliates, and multiple third-party service providers using open-ended identifiers rather than fixed enumerated members.

Typed Dimension 1: Blockchain Network Identifier

Property	Value
Element Name	`genius:BlockchainNetworkIdentifierTypedAxis`
Category	`TypedDimension`
Standard Label	Blockchain network identifier [typed axis]
Domain Reference	`blockchainNetworkIdentifier`
Associated Table	`genius:BlockchainNetworkParticipationByNetworkTable`
Line Items	`genius:BlockchainNetworkParticipationByNetworkLineItems`

Purpose

Allows issuers to report network-specific disclosures for each blockchain on which they have deployed smart contracts or operate

infrastructure. Each network
instance is identified by a user-provided string value (e.g., "Ethereum Mainnet", "Polygon PoS", "Arbitrum One").

Line Items (36 concepts)

- Protocol identification (name, type, consensus mechanism, primary use)
- Smart contract details (address, deployment date)
- Infrastructure operation (indicator, entity description, participation type, node count, location)
- Network share metrics (hash power, stake, validator slots, uptime)
- Governance participation (tokens held, voting power, votes cast, positions)
- Financial performance (revenue, net income, capital expenditures)
- Operational dependencies (criticality, continuity plans, backup providers)

Typed Dimension 2: Affiliate Identifier

Property	Value
Element Name	`genius:AffiliateIdentifierTypedAxis`
Category	`TypedDimension`
Standard Label	Affiliate identifier [typed axis]
Domain Reference	`affiliateIdentifier`
Associated Table	`genius:AffiliateNetworkParticipationByAffiliateTable`
Line Items	`genius:AffiliateNetworkParticipationByAffiliateLineItems`

Purpose

Allows issuers to report affiliate-specific disclosures for each related entity engaged in blockchain network participation. Each affiliate instance is identified by a user-provided string value (e.g., "Subsidiary A", "Mining Operations LLC").

Line Items (22 concepts)

- Affiliate identification (legal name, LEI, relationship, ownership percentage, overlapping officers)
- Network participation details (protocols, participation type, same-protocol indicator, hash power, stake, revenue)
- Services to issuer (indicator, description, arm's length pricing, fees, alternative availability)
- Conflicts of interest (transaction ordering, pre-confirmation observation, governance influence, exclusivity agreements, conflict description, mitigation measures)

Typed Dimension 3: Third-Party Service Provider Identifier

Property	Value
Element Name	genius:ThirdPartyServiceProviderIdentifierTypedAxis
Category	TypedDimension
Standard Label	Third-party service provider identifier [typed axis]
Domain Reference	thirdPartyServiceProviderIdentifier
Associated Table	genius:ThirdPartyServiceProviderByProviderTable
Line Items	genius:ThirdPartyServiceProviderByProviderLineItems

Purpose

Allows issuers to report service-provider-specific disclosures for each non-affiliate third party providing blockchain network participation services. Each provider instance is identified by a user-provided string value (e.g., “Validator Services Inc.”, “Node Operations LLC”).

Line Items (12 concepts)

- Identification (legal name, LEI, services description)
- Financial terms (fees paid to provider)
- Yield facilitation (indicator, arrangement description)
- Reserve-to-yield relationships (indicator, description)
- Conflicts of interest (indicator, description, mitigation measures)

Comparison: Typed vs. Explicit Dimensions

Aspect	Typed Dimension (Implemented)	Explicit Dimension (Alternative)
Member Definition	Open-ended, user-provided values	Pre-defined enumerated members
Use Case	Unknown/variable number of instances	Known, fixed set of categories
Example	Network names, affiliate names	Blockchain type (L1, L2, Sidechain)
Flexibility	High - any string value	Low - limited to defined members
Validation	Datatype only	Member existence check

Domain Members (Reference Only)

While the typed dimensions use open identifiers, the taxonomy also includes explicit domain members for optional use:

BlockchainNetworkDomain

- EthereumMember
- BitcoinMember
- SolanaMember
- PolygonMember
- AvalancheMember
- ArbitrumMember
- OptimismMember
- OtherBlockchainNetworkMember

AffiliateDomain

- AffiliateOneMember

- AffiliateTwoMember
- AffiliateThreeMember

ThirdPartyServiceProviderDomain

- ThirdPartyProviderOneMember
- ThirdPartyProviderTwoMember
- ThirdPartyProviderThreeMember

These can be used with explicit dimension axes if the reporting application prefers enumerated selection over free-text entry.

EXHIBIT D - Proposed Regulatory Text

Blockchain Network Participation Disclosure Requirements
Enhancement to Proposed 12 CFR § 15.13
(Operational Risk Management Standards)

Docket ID OCC-2025-0372 | RIN 1557-AF41 | 91 FR 10202 (Mar. 2, 2026)

Submitted by Auditchain Labs AG

INTRODUCTORY NOTE

This Exhibit presents proposed regulatory text to enhance proposed 12 CFR § 15.13 (Operational risk management) with Blockchain Network Participation ("BNP") disclosure requirements. The proposed text is designed to integrate with the existing structure of the NOPR's risk management framework and is presented in two forms:

Part 1 presents a new subsection § 15.13(c) containing the core BNP disclosure requirements, structured as a standalone addition to the proposed rule.

Part 2 presents targeted amendments to existing subsections of proposed § 15.13(a) and (b) to incorporate BNP-specific requirements within the operational risk management and information technology standards already proposed by the OCC.

All proposed text is presented in the format of final regulatory language. Proposed additions are shown in **bold**. Existing NOPR text that would be amended is shown in standard type with proposed insertions in **bold**. Statutory authority for each provision is noted in brackets.

PART 1: PROPOSED § 15.13(c) — BLOCKCHAIN NETWORK PARTICIPATION DISCLOSURE

The following subsection would be added to proposed § 15.13:

(c) Blockchain network participation disclosure. Each permitted payment stablecoin issuer subject to this part shall disclose to the OCC all blockchain network participation activities conducted by the issuer or any affiliate of the issuer on any blockchain network on which the issuer deploys, operates, or transacts in payment stablecoins. [Authority: 12 U.S.C. § 5903(a)(4)(A)(iv); 12 U.S.C. § 5903(a)(4)(B); 12 U.S.C. § 5903(b)(1)]

(1) Definitions. For purposes of this subsection:

(i) *Blockchain network participation* means any activity by the issuer or an affiliate of the issuer that involves direct or indirect participation in the consensus mechanism, governance, or infrastructure operation of a blockchain network, including:

(A) Mining, including the operation of hardware or software that contributes computational power to a Proof of Work consensus mechanism;

(B) Validation, including the operation of a validator node that participates in a Proof of Stake or Delegated Proof of Stake consensus mechanism;

(C) Staking, including the delegation or locking of digital assets to support a consensus mechanism;

(D) Node operation, including the operation of full nodes, archive nodes, or relay nodes that support transaction processing, data availability, or network communication;

(E) Infrastructure-as-a-service, including blockchain infrastructure services received from and/or provided to third parties;

(F) Governance participation, including the holding or exercise of governance tokens that confer voting rights over protocol parameters, upgrades, or treasury allocations; and

(G) Any other activity that provides the issuer or affiliate with the ability to influence or directly participate in the ordering, validation, or censorship of transactions on a blockchain network.

(ii) *Affiliate* has the meaning given in § 15.2 of this part.

(2) Required disclosures. Each issuer shall disclose the following information with respect to each blockchain network on which the issuer deploys, operates, or transacts in payment stablecoins:

(i) ***Blockchain protocol identification.*** **The name and version of each blockchain protocol utilized; the consensus mechanism type; smart contract addresses for deployed payment stablecoin contracts; and dependencies on specific protocol versions, bridges, oracles, or other infrastructure components.**

(ii) ***Issuer direct participation.*** **For each blockchain network, the nature and extent of the issuer's direct blockchain network participation, including: the type of participation (mining, validation, staking, node operation, infrastructure-as-a-service, governance, or other); the issuer's hash power percentage, stake percentage, or number of validator slots controlled; the issuer's governance token holdings and voting power percentage; total revenue from blockchain network participation activities during the reporting period; total expenses attributable to blockchain network participation during the reporting period; and a description of any operational dependencies between the issuer's blockchain network participation infrastructure and its payment stablecoin operations.**

(iii) ***Affiliate participation.*** **For each affiliate engaged in blockchain network participation on any network utilized by the issuer: the identity of the affiliate and its relationship to the issuer; the nature and extent of the affiliate's blockchain network participation; services provided by the affiliate to or on behalf of the issuer, and services provided by the issuer to or on behalf of the affiliate; fees, revenue, or other consideration paid between the issuer and the affiliate in connection with blockchain network participation; and a description and analysis of any actual or potential conflicts of interest arising from the affiliate's simultaneous roles as network participant and issuer affiliate, including measures implemented to mitigate such conflicts.**

(iv) ***Aggregated concentration analysis.*** **The total combined hash power, stake, or validator slots controlled by the issuer and all affiliates across each blockchain network; an assessment of whether the combined blockchain network participation of the issuer and all affiliates could potentially influence consensus outcomes, transaction ordering, or network governance on any blockchain network on which the issuer deploys payment stablecoins; and identification of any blockchain network on which the issuer and its affiliates collectively exceed a five percent threshold of hash power, stake, or validator slots. The five percent threshold in this paragraph establishes a heightened reporting standard for aggregated concentration analysis.**

(v) ***Systemic risk assessment.*** **An assessment of whether the issuer could continue to fulfill its obligations to payment stablecoin holders, including redemption at par value within the timeframes required by § 15.12, if the blockchain network were disrupted; whether network congestion would simultaneously affect both the issuer's blockchain network participation operations and its payment stablecoin operations; and identification and description of any single points of failure that could affect both the issuer's network participation and its payment stablecoin operations.**

(vi) ***Operational controls and policies.*** **A description of the governance structure and oversight mechanisms for blockchain network participation decisions, including whether a board committee or senior management committee oversees blockchain infrastructure decisions; policies governing selection of blockchain networks, allocation of resources to network participation, and management of slashing penalties and maximum extractable value exposure; whether blockchain network participation activities are subject to internal audit and, if so, the date and findings of the most recent audit; and whether information barriers exist between the issuer's blockchain network participation operations and its payment stablecoin management and trading operations.**

(vii) ***Third-party service provider arrangements.*** **For each non-affiliate third party that provides blockchain network participation services to or on behalf of the issuer: the identity of the third party; the nature and terms of the arrangement, including any services provided to or received from the issuer in connection with blockchain network participation; fees, revenue, or other consideration paid between the issuer and the third party; whether the third party, or any entity related to or affiliated with the third party, pays or facilitates the payment of yield, rewards, or other consideration to payment stablecoin holders; the relationship, if any, between the issuer's reserve earnings or blockchain network participation revenue and any payments made by third parties to holders; and a description of any actual or potential conflicts of interest arising from the third party's simultaneous provision of blockchain network participation services and payment or facilitation of yield to holders.**

(3) Reporting requirements.

(i) ***Initial disclosure.*** **Each issuer shall file a complete blockchain network participation disclosure with the OCC as part of its initial application or notification under this part, and prior to commencing any new blockchain network participation activity not previously disclosed.**

(ii) ***Monthly reporting.*** **Each issuer shall file updated blockchain network participation disclosures on a monthly basis, consistent with the monthly reserve composition reporting required by 12 U.S.C. § 5903(a)(1)(C) and the monthly certification required by 12 U.S.C. § 5903(a)(3), in machine-readable format as specified by the OCC. [Authority: 12 U.S.C. § 5903(a)(1)(C); 12 U.S.C. § 5903(a)(3); 12 U.S.C. § 5903(a)(4)(A)(iv); 12 U.S.C. § 3305]**

(iii) ***Interim reporting.*** **Each issuer shall notify the OCC within five business days of any material change in the issuer's or any affiliate's blockchain network participation, including: an increase or decrease of one percentage point or more in hash power, stake, or validator slots controlled on any blockchain network; any event that causes the issuer or any affiliate to control one percent or more of the hash power, stake, or validator slots on any blockchain network for the first time, or to fall below such threshold; the commencement or termination of blockchain network participation by any affiliate; a change in the contractual relationship with any third-party blockchain network participation service provider; and any slashing event, governance action, or network disruption that materially affects the issuer's blockchain network participation or payment stablecoin operations.**

(4) Machine-readable format. Disclosures required by this subsection shall be filed in eXtensible Business Reporting Language (XBRL) format using taxonomy specifications developed or approved by the OCC, consistent with existing FFIEC Call Report infrastructure and the XBRL Open Information Model. The OCC may coordinate with the FDIC and the Board of Governors of the Federal Reserve System through the FFIEC Task Force on Reports to develop uniform blockchain network participation disclosure specifications. [Authority: 12 U.S.C. § 3305]

(5) Materiality threshold and tailoring. The OCC may, by order or guidance, establish materiality thresholds below which the disclosure requirements of this subsection do not apply, or tailor the scope and frequency of required disclosures based on the size, complexity, and risk profile of the issuer, consistent with 12 U.S.C. § 5903(a)(4)(B). [Authority: 12 U.S.C. § 5903(a)(4)(B)]

PART 2: PROPOSED AMENDMENTS TO EXISTING § 15.13(a) AND (b)

*The following amendments would strengthen existing subsections of proposed § 15.13 to incorporate BNP-specific requirements. Proposed additions are shown in **bold**. Existing NOPR text is shown in standard type.*

Amendment 1: § 15.13(a)(1) — Internal Controls and Information Systems

Current proposed text addresses general internal controls. The following addition specifies blockchain-specific internal control requirements:

> (1) Internal controls and information systems, **including controls and monitoring systems specific to the issuer's blockchain network participation activities, such as validator uptime monitoring, consensus participation metrics, slashing risk detection, and maximum extractable value monitoring and mitigation**.

Amendment 2: § 15.13(a)(7) — Service Provider Oversight

Current proposed text addresses general service provider oversight. The following addition specifies blockchain infrastructure service providers:

> (7) Oversight of service provider arrangements, including **arrangements with third-party blockchain infrastructure service providers, such as node operators, staking service providers, infrastructure-as-a-service providers, and entities that provide validator, mining, or consensus participation services on behalf of the issuer or any affiliate of the issuer**.

Amendment 3: § 15.13(a)(8) — Liquidity, Diversification, and Concentration Risk

Current proposed text addresses general concentration risk. The following addition specifies blockchain network concentration risk:

> (8) Liquidity, diversification, and concentration risk management, **including assessment and monitoring of blockchain network concentration risks arising from the issuer's and its affiliates' combined validator share, hash power, stake, or governance participation on any blockchain network on which the issuer deploys payment stablecoins,**.

Amendment 4: § 15.13(b)(3)(iii) — Smart Contract Validation

Current proposed text references smart contract validation generally. The following addition specifies auditing standards and ongoing monitoring:

> (iii) Validating smart contracts, **including independent audit of smart contract code prior to deployment and upon each material upgrade, ongoing monitoring of smart**

contract performance and security, and disclosure of smart contract audit findings, auditor identity, and remediation actions taken.

Amendment 5: § 15.13(b)(5) — Digital Asset Safe Handling Procedures

Current proposed text addresses private key management. The following addition addresses the operational environment in which private keys operate:

> (5) Digital asset safe handling procedures, including those related to private key generation, key storage, and use of hardware security modules, **and procedures for managing operational risks arising from the issuer's or any affiliate's participation in the blockchain networks on which such private keys operate, including risks related to transaction ordering, validator behavior, and network infrastructure dependencies**.

Amendment 6: § 15.13(b)(8) — IT Resilience and DLT Due Diligence

Current proposed text references DLT due diligence. The following addition requires ongoing disclosure of BNP activities as a component of IT resilience:

> (8) IT resilience and business continuity planning, including due diligence before supporting any new distributed ledger **and ongoing disclosure of all blockchain network participation activities by the issuer and its affiliates, including the nature, extent, and risks of such activities, the relationship between such activities and the issuer's payment stablecoin operations, and any conflicts of interest arising from such activities, in the form and frequency specified in subsection (c) of this section**.

STATUTORY AUTHORITY SUMMARY

The proposed regulatory text set forth in this Exhibit D is authorized by the following provisions of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (Pub. L. No. 119-27, codified at 12 U.S.C. §§ 5901–5920):

12 U.S.C. § 5903(a)(4)(A)(iv). Directs primary Federal payment stablecoin regulators to issue regulations implementing "appropriate operational, compliance, and information technology risk management principles-based requirements and standards" that are "tailored to the business model and risk profile of permitted payment stablecoin issuers" and "consistent with applicable law." This provision provides the primary statutory mandate for BNP disclosure as a component of operational risk management.

12 U.S.C. § 5903(a)(4)(B). Provides that "[n]othing in this paragraph shall be construed to limit—(i) the authority of the primary Federal payment stablecoin regulators, in prescribing standards under this paragraph, to tailor or differentiate among issuers on an individual basis or by category, taking into consideration the capital structure, business model risk profile, complexity, financial activities (including financial activities of subsidiaries), size, and any other risk-related factors." This provision authorizes the OCC to tailor BNP disclosure requirements and establish materiality thresholds.

12 U.S.C. § 5903(a)(10)(A)(i). Requires annual financial statements including "the disclosure of any related party transactions, as defined by such generally accepted accounting principles." BNP disclosure extends this requirement to encompass a category of related party activity—blockchain network participation by affiliates—that represents a novel form of related party relationship with direct implications for the operational integrity of payment stablecoin infrastructure.

12 U.S.C. § 5903(b)(1). Provides that the Comptroller "shall have authority, in coordination with other relevant primary Federal payment stablecoin regulators and State payment stablecoin regulators, to issue such regulations and orders as necessary to ensure financial stability and implement subsection (a)." This provision grants the OCC independent authority to adopt BNP disclosure requirements as part of implementing the operational risk management standards in Section 4(a)(4).

12 U.S.C. § 5903(h)(1). Directs primary Federal payment stablecoin regulators to issue regulations "as may be necessary to establish a payment stablecoin regulatory framework necessary to administer and carry out the requirements of this section, including to establish conditions, and to prevent evasion thereof." BNP disclosure serves both purposes: it carries out the operational risk management mandate of Section 4(a)(4) and provides the informational infrastructure necessary to identify and prevent evasion of the yield prohibition in Section 4(a)(11).

12 U.S.C. § 3305. Authorizes the FFIEC to develop uniform reporting systems for federally-supervised financial institutions. This provision supports the requirement that BNP disclosures be

filed in XBRL format consistent with existing FFIEC Call Report infrastructure, and supports interagency coordination in developing uniform disclosure specifications.

12 CFR Part 30, Appendices A and B. Establish existing safety and soundness standards and information security standards for national banks. Proposed § 15.13 draws from these appendices; the BNP disclosure requirements enhance them to address blockchain-specific operational risks not contemplated when the appendices were adopted.

---
title: "Comment Letter on Proposed Rulemaking: Disclosure Framework for Stablecoin Issuers Under the GENIUS Act"
docket_id: OCC-2025-0372
rin: 1557-AF41
agency: Office of the Comptroller of the Currency (OCC)
submitter: Auditchain Labs AG
author: Jason Meyers, Lead Architect
date: 2026-04-27
document_type: Public Comment Letter
file: OCC Comment Letter - Docket ID OCC-2025-0372 - Auditchain Labs AG with Exhibits.pdf
OCC GENIUS Act Comment Letter — Docket ID OCC-2025-0372
Submitter: Auditchain Labs AG
Author: Jason Meyers, Lead Architect
Date: April 27, 2026
Agency: Office of the Comptroller of the Currency (OCC)
Docket ID: OCC-2025-0372 | RIN: 1557-AF41
Summary
This comment letter responds to the OCC's proposed rulemaking on disclosure requirements for permitted payment stablecoin issuers (PPSIs) under the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act of 2025.
Auditchain Labs AG proposes a comprehensive, machine-readable disclosure framework for blockchain network participation (BNP) — the activities through which stablecoin issuers and their affiliates participate in public blockchain networks as validators, stakers, miners, or through third-party service providers. The letter argues that BNP constitutes a new category of material information under the TSC Industries materiality standard, relevant not only to investors but also to competing PPSIs making blockchain deployment decisions, application developers, and all public blockchain users.
Key proposals include: a structured BNP Disclosure Questionnaire (Exhibit A); a hierarchical classification of direct, affiliate, and third-party BNP activities (Exhibit B); BNP type extensions for proof-of-work, proof-of-stake, and delegated proof-of-stake networks (Exhibit C); and proposed regulatory text for a new 12 CFR § 15.13 requiring monthly BNP disclosure with interim materiality triggers (Exhibit D). Materiality triggers include changes of more than 1% of hash rate or staked value on any blockchain network, or changes in third-party BNP service provider contractual relationships.
The letter is organized into ten sections covering the statutory basis, materiality analysis, disclosure architecture, regulatory text, and integration with existing OCC supervisory frameworks.