

CHARTERING A NEW PATH TOWARD BANKING: HOW THE RISE OF NOVEL CHARTERS IS RESHAPING THE REGULATORY PERIMETER FOR FINTECHS, PAYMENTS COMPANIES, AND OTHERS

By David Sewell, Alison M. Hashmall and Nariné Atamian

David Sewell is a partner and U.S. Head of Financial Services Regulatory in the New York office of Freshfields LLP. Alison Hashmall is a partner, and Nariné Atamian is a senior associate, in Freshfields' New York office. Contact: david.sewell@freshfields.com or alison.hashmall@freshfields.com or narine.atamian@freshfields.com.

Trends converging in recent months have the potential to reshape the operating environment for fintechs, digital asset and payments companies, and other nonbank financial firms in the United States, in important ways. These include: persistent and growing consumer demand for new ways to access financial services, especially through digital channels; the continued maturation and integration of fintech business models into traditional banking and payments ecosystems; and congressional efforts to clarify rules of the road for digital assets and stablecoins. But one trend stands out for its potential to effect lasting changes to the sector: the rise of

“novel” charter types that allow nonbank firms to expand their products and services, and access many of the privileges associated with a banking charter, without in fact becoming a “true” bank.

At both the federal and state levels, alternative regulatory chartering options are on the rise, no doubt bolstered by the second Trump administration’s pro-innovation (and pro-crypto) posture and leaders of the federal financial regulators emphasizing their openness to novel busi-

IN THIS ISSUE:

Chartering a New Path Toward Banking: How the Rise of Novel Charters is Reshaping the Regulatory Perimeter for Fintechs, Payments Companies, and Others	1
Bitcoin on the Balance Sheet: What Public Company Boards Need To Know	7
FDIC Proposes Adding Flexibility to Official Sign and Advertising Requirements	10
EU General Court Upholds EU-U.S. Data Privacy Framework	13
Crypto Watch: SEC Issues Rare “No-Action” Letter for Crypto Token; SEC’s Atkins: “Crypto’s Time Has Come”; Scaramucci-Backed Crypto Treasury Company Launches With \$550 Million Fundraising; New Pro-Crypto Super PAC Launches	15
The Next Frontier of Payments Innovation	18
FinTech Law Report: August-September 2025 Regulation and Litigation Update	23

ness models.¹ Although many of these charter types are not new, most have seen new life in 2025. To take one example, no fewer than seven fintech, crypto, and payments companies have applied for a national trust bank charter in recent months. We expect this trend to accelerate in the near term, especially as rules to implement the GENIUS Act are finalized and agencies begin accepting applications for stablecoin issuer licenses.²

Below, we provide a survey of novel federal and state charter types, outlining their key features, recent developments, and opportunities and challenges for companies with—or aspiring to—these charters.

Novel Federal Charters

National Trust Banks

Background: The Office of the Comptroller of the Currency’s (“OCC”) authority to charter national trust banks is well-established in banking law³ and regulation.⁴ By statute, a national trust bank (or “national trust company”) is a national bank whose activities were historically interpreted to be limited to trust and fiduciary services (*e.g.*, custodial assets, providing investment management services), and related activities; it does not

generally accept deposits.⁵ There are approximately 60 active national trust banks today.

In January 2021, during the final days of President Trump’s first administration, the OCC issued an interpretive letter that significantly expanded the boundaries of permissible trust company activities and paved the way for the increased interest that fintech and payments companies are showing in the charter. Specifically, in Interpretive Letter 1176,⁶ then Chief Counsel, Jonathan Gould—who now heads the agency as the Comptroller of the Currency—interpreted the National Bank Act as permitting a national trust bank to perform effectively any activity authorized for a state trust bank, even “activities that are non-fiduciary in nature,” including facilitating payments.

Recent Activity: Following the publication of Interpretive Letter 1176, the OCC approved (or conditionally approved) several national trust bank charter applications by fintech and digital asset companies (*e.g.*, Anchorage Digital Bank,⁷ Protego⁸). In the last few months, moreover, the OCC has received a wave of national trust bank applications from prominent U.S. payments and

FinTech Law Report

West LegalEdcenter
610 Opperman Drive
Eagan, MN 55123

©2025 Thomson Reuters

For authorization to photocopy, please contact the **Copyright Clearance Center** at 222 Rosewood Drive, Danvers, MA 01923, USA, <http://www.copyright.com>, Toll-Free US +1.855.239.3415; International +1.978.646.2600 or **Thomson Reuters Copyright Services** at 2900 Ames Crossing Rd, Suite 100, Eagan, MN 55121, USA or copyright.west@thomsonreuters.com. Please outline the specific material involved, the number of copies you wish to distribute and the purpose or format of the use.

This publication was created to provide you with accurate and authoritative information concerning the subject matter covered; however, this publication was not necessarily prepared by persons licensed to practice law in a particular jurisdiction. The publisher is not engaged in rendering legal or other professional advice and this publication is not a substitute for the advice of an attorney. If you require legal or other expert advice, you should seek the services of a competent attorney or other professional.

Copyright is not claimed as to any part of the original work prepared by a United States Government officer or employee as part of the person’s official duties.

One Year Subscription • 6 Issues • \$ 1020.00

crypto companies, including Wise, Circle, and Ripple.

Opportunities: As an OCC-chartered and regulated entity, a national trust bank may operate on a national scale without regard to state licensing regimes and benefits from federal preemption of state laws that could prevent or significantly interfere with its authorized activities. Accordingly, national trust companies operate under a unified legal, regulatory and supervisory framework that is largely outside the reach of state banking, payments and consumer protection authorities.

Further, as national trust companies do not generally take deposits or make loans, they are not “banks” under the Bank Holding Company Act (“BHCA”) and their corporate parent does not become a bank holding company subject to the supervision and regulation of the Board of Governors of the Federal Reserve (“FRB”). A national trust bank also is eligible to apply for an FRB master account, which among other benefits provides direct access to core central banking services (e.g., Fedwire). Master account access is not automatic, however, and each national trust bank must make a separate application to the FRB, which retains ultimate authority and discretion to approve or deny these applications.

Challenges: National trust banks do not have full banking powers and cannot offer traditional lending and deposit products. Furthermore, the OCC applies stringent prudential requirements on national trust banks—including capital requirements—that some fintechs and early-stage companies may find difficult to satisfy.

FDIC-insured Industrial Loan Companies

Background: Industrial loan companies (also

known as industrial banks) (together, “ILCs”) can be chartered under the law of certain, primarily Western states, and many operate under Utah’s industrial bank statute. Because they must offer insured deposits, ILCs are also supervised by the FDIC. ILCs can provide a wide range of banking services (e.g., accepting insured deposits, making loans, facilitating payments), but cannot offer “demand deposits,” such as the checking and savings accounts most consumers are accustomed to.

ILCs benefit from a statutory exemption from the definition of “bank” under the BHCA, and their parent companies are not required to register as bank holding companies or come under the regulation and supervision of the FRB. This feature has long made the ILC charter attractive to nonbank financial firms, including auto companies, and others seeking banking capabilities without becoming subject to the activity restrictions that follow from bank holding company status. It also leads to the primary criticism of ILCs, however: that they blur the line between banking and commerce and lead to an unfair playing field where, in theory, a retailer (e.g., Walmart, Amazon) could own an ILC and offer bank-like products to its customers but operate outside the prudential bank regulatory perimeter.

Commercially-owned ILCs have existed for decades, but, in part due to the criticisms noted above, the charter has been effectively unavailable for periods of time. After a long dormant period following the 2007-2008 financial crisis, the FDIC re-opened the door to new ILC approvals during President Trump’s first administration. In 2020, the agency approved two ILC deposit insurance applications—for student lending servicer Nelnet and payments firm Block (formerly Square) and also issued a final rule intended to revise capital and liquidity safeguards for ILCs.

Recent Activity:

- The FDIC took a more skeptical approach to ILC applications during the Biden administration, particularly where applicants were affiliated with technology or commercial firms rather than traditional financial institutions. Only one application succeeded between 2021 and 2025, for the establishment of an ILC subsidiary of Thrivent Financial for Lutherans.⁹ This ILC provides a range of traditional banking services and is supported by a heavily regulated, capital-rich insurance and financial services company, and therefore its application differed in meaningful ways from the more controversial ILC applications, especially those from commercial or technology companies.
- In recent months, signs have been emerging that the door for ILC applications is reopening at the FDIC in the second Trump administration. First, in July 2025, the agency withdrew an August 2024 rule proposal¹⁰ that, if finalized, was interpreted to be disadvantageous for ILC applicants and their parent companies. On the same day, the FDIC released a request for information¹¹ that may indicate forthcoming—and potentially more favorable—rules for ILCs.
- At present, ILC applications are pending for four major automakers, Ford, GM, Stellantis and Nissan, as well as consumer finance company One Main Financial and investment company Edward Jones.¹²

Opportunities: ILC charters are attractive to fintechs, commercial/industrial firms and non-bank financial services companies because they offer FDIC-insured deposit funding as well as

direct access to the federal banking system without the activity restrictions and other impacts that follow from FRB regulation and supervision. As noted, ILC charters also permit companies to engage in commercial (*i.e.*, non-banking) activities while still owning a bank—something not possible with a “traditional” bank charter.

Challenges: Although the current FDIC board seems receptive to ILC deposit insurance applications, politicians on both sides of the aisle as well as banking industry stakeholders continue to criticize ILCs for the perceived “loophole” allowing these banks to avoid FRB supervision and for blurring the lines between banking and commerce. In this environment, an ILC application will almost certainly garner lengthy and heightened scrutiny and, potentially, public opposition, which could make them unattractive to prospective applicants. Further, although an ILC’s permissible product offerings are broad, the prohibition on demand deposit accounts prevents an ILC from offering truly full-service banking services.

Special Purpose National Bank Fintech Charter

Background: In December 2016, the OCC announced that it would begin issuing special purpose national bank (“SPNB”) charters to fintech companies. An SPNB charter would allow a fintech or other nonbank financial service provider to become a narrow-scope national bank without engaging in the full range of traditional banking activities. In particular, an SPNB may engage in certain core banking functions (*e.g.*, lending, payments) without requiring that the entity obtain federal deposit insurance (provided it does not take retail deposits¹³). Unlike the national trust bank charter, the OCC’s authority to charter SPNBs has faced legal challenges and its current status is uncertain.

Recent Activity: Although the OCC began accepting applications for fintech SPNB charters¹⁴ in 2018 and maintains that it has legal authority to issue them, no SPNB has been successfully launched, in part due to legal challenges the agency faced from state regulators opposed to the charter. Fintech companies that once expressed interest have either held off on applying or have pursued other routes to obtain banking services; today, there are no pending SPNB charters.

Opportunities: An SPNB would in theory benefit from federal preemption of certain state laws and, like national trust banks, have a single primary regulator (the OCC), rather than the patchwork of state-level licenses often required to engage in payments or consumer finance activity. Furthermore, so long as an SPNB does not take retail deposits (and otherwise falls outside the definition of a financial institution for BHCA purposes), its parent company would not become a bank holding company within the FRB's supervisory jurisdiction. (We note, however, that SPNBs will generally be required to become member banks of the Federal Reserve System, subscribing for stock in its applicable Federal Reserve Bank.)

Challenges: There has never been an operating SPNB and therefore uncertainty is likely the greatest challenge for a firm evaluating this charter. Although the litigation risk that characterized its early years seems to have abated, the lack of precedent may continue to chill interest in the SPNB charter, even if the OCC is receptive to applications. Furthermore, the limited functionality of the charter (*i.e.*, no deposit-taking) may make it less attractive to fintechs seeking to provide something closer to full-service banking.

State Chartering Options

Beyond federal avenues, several states have

created special charter and license options that also are available to fintech and crypto businesses seeking a path into the regulatory perimeter. Below we describe several of these state chartering options.

- ***New York Limited Purpose Trust Company.*** The limited purpose state trust company charter is one of two alternative charter options available to fintechs and crypto firms in New York. It allows a company to act as a custodian or fiduciary and engage in money transmission, without requiring FDIC insurance (so long as the trust does not accept FDIC-insured deposits). Over the past decade, the New York Department of Financial Services ("NYSDFS") has granted a number of these charters to crypto-focused companies (*e.g.*, Gemini Trust Company,¹⁵ Paxos Trust Company (f/k/a itBit)).¹⁶ Such cryptocurrency trust companies generally provide exchange and custodial services for cryptocurrencies under NYSDFS oversight.
- ***New York Virtual Currency Provider.*** The second chartering option in New York is for virtual currency providers, known commonly as the "BitLicense." A very popular choice for participants in the digital asset industry, the BitLicense, allows a holder to engage in a wide range of virtual currency activities¹⁷ (*e.g.*, exchange and custodying services, buying/selling cryptocurrency). The BitLicense is not, however, a bank or trust company charter and has limited use for traditional, fiat-based financial services. MoonPay USA is the latest company to receive a New York BitLicense earlier this year (as well as a money transmitter license), bringing the total number of entities holding the charter to 30.

- Wyoming Special Purpose Depository Institutions. In 2019, the state of Wyoming introduced a special purpose depository institution (“SPDI”) charter¹⁸ in a push to attract cryptocurrency businesses to the state. The SPDI charter offers firms the ability to engage in many bank-like activities without triggering federal banking laws. Several well-known digital asset companies operate under this license, including Kraken¹⁹ and Custodia Bank²⁰ (f/k/a Avanti).
- Connecticut Innovation Bank. Connecticut recently dusted off a seldom-used law authorizing special purpose, uninsured banks in the state, rebranding it as the Connecticut “innovation bank charter.”²¹ According to the Connecticut Department of Banking, an innovation bank charter has “all of the powers of . . . an FDIC insured bank, except [it] cannot accept retail deposits and does not need to comply with federal community reinvestment laws.” Banking Circle U.S.²² was the first company to avail itself of this charter, receiving its temporary license in 2022 and beginning its commercial operations in February 2024. In May 2024, currency reserve bank Numisma Bank²³ was the first Connecticut innovation bank to receive approval for an FRB master account.
- Georgia Merchant Acquirer Bank Charter. Georgia’s contribution to the alternative charter landscape is its merchant acquirer limited purpose bank (“MALPB”) charter.²⁴ The MALPB charter allows merchant acquirers to provide direct access to the payment card networks without intermediation by a third-party bank sponsor. Supervised by the Georgia Department of Banking and

Finance, MALPBs are permitted to engage in “merchant acquiring or settlement activities to directly access payment card networks”—in other words, to engage in authorizing, clearing and settling payment transactions without using a bank partner for these activities. In April 2025, Fiserv became the first operational MALPB.²⁵

Conclusion

To varying degrees, novel charters offer the promise of increased innovation in the financial services industry. Although it is premature to assess their ultimate impact, one thing is clear—more and more companies are considering and pursuing them. We expect this trend to continue in the coming months and years and will continue to provide updates as warranted.

ENDNOTES:

¹In September, the OCC announced that it will elevate the office responsible for chartering and licensing, now to be managed by a Senior Deputy Comptroller. According to the agency (<https://www.occ.gov/news-issuances/news-releases/2025/nr-occ-2025-85.html>), this move “affirms the OCC’s support for the formation of de novo banks, signals its openness to considering business combinations that foster competition and better support consumers and communities, and recognizes our new remit to license payment stablecoin issuers.”

²For more on this newly adopted legal stablecoin framework and its potential implications, please see our post on the GENIUS Act: <https://blog.freshfields.us/post/102ku5b/trump-administration-regulatory-framework-for-digital-assets-begins-to-emerge-as>.

³ <https://www.govinfo.gov/content/pkg/USCODE-2023-title12/pdf/USCODE-2023-title12-chap2-subchapIV-sec92a.pdf>.

⁴ <https://www.ecfr.gov/current/title-12/chapter>

r-I/part-9.

⁵ <https://www.occ.gov/publications-and-resources/publications/comptrollers-licensing-manual/files/charters.pdf>.

⁶ <https://www.occ.gov/topics/charters-and-licensing/interpretations-and-actions/2021/int1176.pdf>.

⁷ <https://www.occ.gov/news-issuances/news-releases/2021/nr-occ-2021-6.html>.

⁸ <https://www.occ.gov/news-issuances/news-releases/2021/nr-occ-2021-19.html>.

⁹ FDIC Acting Chairman Travis Hill, in his prior role as FDIC Vice Chairman, was one of the three FDIC Directors who supported the approval of the Thrivent ILC's federal deposit insurance application.

¹⁰ <https://www.fdic.gov/board/withdrawal-proposed-rule.pdf>.

¹¹ <https://www.fdic.gov/board/request-information-industrial-banks-and-industrial-loan-companies-and-their-parent-companies>.

¹² Two of these applicants (GM and Edward Jones) previously withdrew applications under the Biden administration and refiled this year.

¹³ <https://www.occ.gov/publications-and-resources/publications/banker-education/files/pub-special-purpose-nat-bank-charters-fintech.pdf>.

¹⁴ <https://www.occ.gov/news-issuances/news-releases/2018/nr-occ-2018-74.html>.

¹⁵ https://www.dfs.ny.gov/reports_and_publications/press_releases/pr1510051.

¹⁶ https://www.dfs.ny.gov/reports_and_publications/press_releases/pr1505071.

¹⁷ https://www.dfs.ny.gov/virtual_currency_businesses.

¹⁸ <https://wyomingbankingdivision.wyo.gov/banks-and-trust-companies/special-purpose-depository-institutions>.

¹⁹ <https://blog.kraken.com/news/kraken-wyoming-first-digital-asset-bank>.

²⁰ <https://custodiabank.com/about/>.

²¹ <https://portal.ct.gov/dob/financial-institutions-division/fid-applications/innovation-charter-application>.

plication.

²² <https://bcusinc.com/>.

²³ <https://www.numismabank.com/>.

²⁴ <https://dbf.georgia.gov/merchant-acquirer-limited-purpose-banks-malpb>.

²⁵ <https://dbf.georgia.gov/press-releases/2025-04-30/fiserv-becomes-first-malpb-process-transactions>.

BITCOIN ON THE BALANCE SHEET: WHAT PUBLIC COMPANY BOARDS NEED TO KNOW

By Maxim Mayer-Cesiano and Simon Toms

Maxim Mayer-Cesiano is a partner in the New York office of Skadden, Arps, Slate, Meagher & Flom LLP, while Simon Toms is a partner in its London office. Contact:

maxim.mayercesiano@skadden.com or simon.toms@skadden.com.

Key Points

- Companies planning to hold cryptocurrency on their balance sheets should formulate clear policies regarding these assets and ensure that appropriate governance mechanisms and controls are in place.
- Boards weighing whether to hold crypto treasury assets will need to anticipate the reporting issues that will rise, and how the market and various stakeholders may react.
- Because regulators are just formulating their responses to crypto assets, it is essential to monitor their actions in this area closely.

As digital assets continue to capture headlines and market attention—in part because of the surging number of public companies dedicated exclusively to holding cryptocurrency—a growing

number of public operating companies are weighing whether to hold bitcoin, ether or other cryptocurrency on their balance sheets.

While the allure of innovation, potential returns and marketing cachet is real, the decision to hold crypto assets comes with distinct risks and complexities, especially for operating businesses outside the crypto sector. This article explores the key considerations for boards of directors in the U.S. and UK, offering practical guidance and a forward-looking perspective.

Why Hold Crypto? The Board's Strategic Lens

The stated rationale for holding cryptocurrency varies. Some companies see it as a hedge against inflation or currency risk, others as a means to signal technological leadership or appeal to younger consumers. There is also the potential for outsized financial returns. But boards considering this move must ask themselves some questions and keep a few guiding principles in mind.

Three Steps to Avoid Problems With Crypto Holdings

1. Define the purpose and policy

Boards should ask if holding crypto aligns with the company's core business strategy and risk appetite. They should articulate a clear rationale for holding crypto assets, documented in a new formal policy or in an updated treasury policy or investment plan. Is the goal to diversify treasury assets, facilitate customer payments or simply to serve as a marketing tool? The policy should address permissible types of crypto assets, limits on exposure (*e.g.*, as a percentage of liquid assets), and the process for acquisition, custody and disposal. Importantly, boards should consider whether they can afford to lose the entire value of

the crypto asset, which is a real-world possibility for any asset, but may be of particular interest to shareholders and other interested parties, given crypto's volatility.

2. Establish robust custody, governance and controls

Crypto assets are highly volatile and subject to heightened operational risks, including theft, hacking and loss of access. Boards must ensure that internal controls are fit for purpose. This includes segregation of duties, secure custody arrangements (whether self-custody or via a reputable third party) and regular board-level reporting. Consideration should also be given to whether crypto assets are held on- or off-chain (*i.e.*, whether transactions are recorded on the main blockchain or not), or in a cold wallet, balancing the frequency of use against the risk of hacking or theft. The transparency of blockchain transactions means that company activity may become public, so directors should anticipate and plan for scrutiny.

3. Anticipate disclosure requirements and prepare for stakeholder engagement

Public companies must consider how crypto holdings will be reported in financial statements and public filings. This includes fair value measurement, disclosure of risk factors and the impact on earnings. Boards should also be prepared to address questions from investors, analysts and the media about the rationale, risks and environmental impact of crypto holdings.

Considerations for U.S. Boards

In the U.S., the legal framework for corporate crypto holdings is slowly developing, particularly in light of the rise of dedicated public cryptocurrency treasury companies, but it remains unsettled. Key points include:

Fiduciary duties and board oversight. Directors must act in the best interests of the company and its shareholders, exercising care, skill, and diligence. Given the volatility and regulatory uncertainty of crypto, boards should ensure that any decision to hold digital assets is well-documented, informed and consistent with the company's overall risk profile.

Disclosure and reporting. The Securities and Exchange Commission expects transparent disclosure of material risks and exposures. Crypto asset holdings may trigger additional risk factor disclosures, and boards should consider whether existing internal controls over financial reporting are sufficient to address the special risks of digital assets.

Custody and security. The choice between self-custody and third-party custody is critical. Each option carries distinct risks—loss of private keys, hacking or counterparty risk. Boards should require a thorough assessment of custody solutions, including insurance coverage and contingency planning.

Environmental and social considerations. Bitcoin mining's energy consumption is a growing concern. Companies with ESG commitments must consider whether holding crypto is consistent with their public stance on sustainability.

Considerations for UK Boards

The legal and regulatory framework in the UK is similarly in flux, but several principles are clear.

Directors' duties under the Companies Act 2006. UK directors must promote the success of the company, exercise independent judgment and avoid conflicts of interest. The high-risk, speculative nature of crypto means that directors should

be able to demonstrate a reasoned, well-informed decision-making process.

Financial reporting and audit. Crypto assets are not considered cash or cash equivalents under International Financial Reporting Standards. Boards must ensure that accounting treatment is appropriate and that auditors are comfortable with valuations and the existence of the assets.

Regulatory scrutiny. The Financial Conduct Authority ("FCA") is in the process of developing new rules for crypto assets. While holding crypto on the balance sheet is not prohibited, boards should anticipate questions from regulators and be prepared to justify their approach to risk management and disclosure. Consideration also needs to be given to a company's activity involving crypto assets and whether any licenses or authorizations are needed.

Taxation. Questions remain about the treatment of crypto assets by HM Revenue and Customs in the UK, so companies must consider the tax implications of holding crypto assets on balance sheet and using them for payments or trading activity.

Reputational and stakeholder risks. Sensitivities regarding ESG issues and corporate reputation should be at the forefront of directors' minds. Boards should consider the potential for negative publicity or stakeholder backlash, especially if crypto holdings are perceived as speculative or inconsistent with stated values, or suffer a significant loss of value.

Forward-Looking: What Boards Should Watch For

Unfolding regulation. Both U.S. and UK regulators are actively considering new rules for digital assets. Boards should monitor develop-

ments and be prepared to adapt policies and disclosures as the legal landscape changes.

Market and technology shifts. The crypto ecosystem is rapidly evolving. Different types of digital assets (such as stablecoins or tokenized securities) may offer different risk profiles. Boards should regularly review their approach in light of market and technological developments.

Stakeholder expectations. Investor and public attitudes toward crypto are dynamic. Boards should engage proactively with stakeholders to understand their perspectives and to communicate the company's rationale and risk management approach.

Actionable Takeaways for Directors

- **Ask the hard questions:** Why do we want to hold crypto? What are the risks and rewards? How does this fit with our strategy and values?
- **Set clear limits and controls:** Define exposure limits, custody arrangements and reporting protocols.
- **Stay informed and agile:** Monitor regulatory, market and technological developments, and be ready to adjust course as needed.

Whether to hold cryptocurrency on the balance sheet is a decision to be made with care. For many operating companies, the risks and complexities may outweigh the potential benefits unless there is a clear strategic rationale and robust governance in place. Directors of companies that do wish to take on cryptocurrency assets into their treasuries are well-advised to approach this issue with rigor, transparency, and foresight.

FDIC PROPOSES ADDING FLEXIBILITY TO OFFICIAL SIGN AND ADVERTISING REQUIREMENTS

By Max Bonici, Stephen T. Gannon, Brian J. Hurh, and Michael Treves

Max Bonici is a partner in the Washington D.C. and New York offices of Davis Wright Tremaine LLP. Steve Gannon is a partner in the firm's Richmond and Washington D.C. offices. Brian Hurh is a partner, and Michael Treves is an associate, in the firm's Washington D.C. office.

Contact:

*maxbonici@dwt.com or
stevegannon@dwt.com or
brianhurh@dwt.com or
michaeltreves@dwt.com.*

On August 21, 2025, the Federal Deposit Insurance Corporation ("FDIC") published¹ a proposed rule with several key changes to its FDIC Official Sign and Advertising Rule, only two years after it adopted requirements that were originally scheduled to take effect earlier this year (that were delayed due to concerns regarding implementation and consumer confusion). The new proposed rule aims to add flexibility to the requirements under 12 CFR Part 328 by eliminating specific formatting requirements for the FDIC official digital sign, and instead focusing display requirements on the screens and pages where signage would be most relevant for consumers, with the compliance date postponed to January 1, 2027.

Comments on the proposed rule are due by **October 20, 2025**.

Key Takeaways

- **Compliance with the FDIC Official Sign and Advertising Rule is important for banks, their partners, and service providers.**

As described in a previous article,² the FDIC has broad enforcement authority over banks and nonbanks for misuse of the FDIC name or logo and misrepresentations about FDIC deposit insurance.

- **The proposal would likely reduce compliance burdens and better reflect modern banking and customer preferences.** The proposed amendments reflect a recognition by the FDIC that most banking activities today are conducted online and that design and display requirements that work for desktop computers might not work for smaller devices, such as phones, and wearable technology, like smart watches. The proposal would also focus on display requirements for the FDIC official digital sign and the non-deposit signage on screens and pages that provide disclosures to consumers at the most appropriate place and time.
- As noted back in March,³ when the FDIC delayed the compliance date for the 2023 final rule on FDIC signage and advertising FDIC deposit insurance, the 2023 final rule demonstrated that the FDIC has not been a leader on modern, tech-forward approaches to financial services. The proposal here represents a new way of thinking for the FDIC that better appreciates the use of new technologies by the financial services industry and federal agencies.
- The proposed rule lists a number of questions for comment. Tech-forward banks and service providers should consider responding to help the FDIC understand where trends may be going. While the FDIC has attempted to modernize and simplify the signage rules, it is remarkable how anchored

it remains to past practices and paradigms. For instance, the proposed rule does not grapple with whether more streamlined, modern, signs/logos and disclosures could be useful or more effective. Considering other countries' approaches could be helpful (for instance, Canada⁴ and the United Kingdom⁵). In addition, comments about what and how users read or process information displayed on digital devices, how they react to notifications that are essentially pop-ups, whether static symbols are universally beneficial versus interactive or dynamic alternatives—lots of ample ground to cover—would likely help the FDIC move forward.

Below is a summary of key changes for banks, which may also be important for their partners and service providers, as well as new entrants to the market.

Design Requirements for the FDIC Official Digital Sign

Citing questions about the design of the FDIC official digital sign and requests for flexibility in color codes and font sizes, the FDIC proposes to eliminate the specific hexadecimal color code, pixel size, and font size requirements for the FDIC official digital sign. Instead, banks would be required to display the FDIC official digital sign in a clear and conspicuous manner, using either a combination of navy blue and black text or all-white text and Source Sans Pro Web or a similar font. In addition, the proposal would expressly permit banks to “wrap” the text of the FDIC official digital sign to address space constraints. These changes reflect real questions and concerns industry raised when attempting to prepare for implementation of the current rule.

Signage for Digital Deposit-Taking Channels

The proposal would scale back some of the signage requirements on digital deposit-taking channels, reflecting questions and concerns raised with implementing these requirements.

- The FDIC would remove the requirement to display the FDIC official digital sign on so-called “landing pages” (possibly unclear to some, or overbroad for others) while retaining the requirement to display the FDIC official digital sign on the “login page” (a more precise term) of the institution’s deposit-taking channel.
- The proposal would more precisely require banks to display the FDIC official digital sign on the institution’s digital deposit-taking channels’ page or screen where the customer initiates opening a deposit account, instead of requiring the institution to display the FDIC official digital sign on (all) “pages where the customer may transact with deposits.”
- The proposal would narrow the non-deposit signage requirement to require the display of non-deposit signage only on pages and screens that are primarily dedicated to one or more non-deposit products, such as a page or screen that provides substantive information on one or more non-deposit products or where a consumer could purchase a non-deposit product.
- The FDIC would provide a non-exhaustive list of examples on various placements of the FDIC official digital sign and non-deposit signage that would meet the requirement that banks “clearly, continuously, and conspicuously” display such signage.

- The proposal would permit banks to satisfy the current requirement to provide a one-time notification when a customer attempts to access non-deposit products from a non-bank third party platform with a notification that must be either dismissed by an act of the customer or dismissed automatically after a minimum of three seconds, to allow the customer a reasonable opportunity to read the notification’s content.

Signage for ATMs and Similar Devices

The proposal would simplify compliance for banks with signage requirements for ATMs and like devices.

- The proposal would narrow the display requirement for the digital sign and non-deposit signage to the initial screen and initial non-deposit transaction screen, respectively. An ATM’s “initial screen” (or “welcome screen”) is the screen displayed before a customer inserts a debit card or other credentials to access the device.
- The proposal would expand the current limited exception for certain ATMs and like devices to display either the FDIC official digital sign or the physical FDIC official sign to include (1) all ATMs and like devices placed into service prior to January 1, 2027, and (2) all ATMs and like devices, regardless of when placed into service, that do not allow customers to transact with non-deposit products.
- The proposal would clarify that the non-deposit signage requirements only apply to ATMs or like devices that receive deposits and permit customers to transact with one or more non-deposit products, and a financial

institution is only required to display the non-deposit signage on pages and screens viewed by its own customers.

ENDNOTES:

¹ https://www.dwt.com/-/media/files/2025/09/202516056_federal-deposit.pdf.

² <https://www.dwt.com/blogs/financial-services-law-advisor/2022/07/fdic-false-advertising-rule-now-effective>.

³ <https://www.dwt.com/blogs/financial-services-law-advisor/2025/03/fdic-moves-to-rescind-controversial-bank-proposals>.

⁴ <https://www.cdic.ca/financial-professionals/member-institutions/compliance/brochures-signage-and-other-requirements>.

⁵ <https://www.fscs.org.uk/industry-resources/fscs-badge-agreement/>.

EU GENERAL COURT UPHOLDS EU-U.S. DATA PRIVACY FRAMEWORK

By Lisa M. Ropple, Jörg Hladjk, Olivier Haas, Mary Alexander Myers, Mauricio F. Paez and Undine von Diemar

Lisa Ropple is Practice Leader, Cybersecurity, Privacy & Data Protection, in the Boston office of Jones Day. Dr. Jörg Hladjk is a partner in the Brussels office of Jones Day, Olivier Haas is a partner in the Paris office of Jones Day. Mary Alexander Myers is a partner in Jones Day's Atlanta office, Mauricio Paez is a partner in Jones Day's New York office, and Dr. Undine von Diemar is a partner in Jones Day's Munich office. Giorgi Gugenishvili, an associate in the Paris office, contributed to this article. Contact: lropple@jonesday.com or jhladjk@jonesday.com or ohaas@jonesday.com or mamyers@jonesday.com or mfpaez@jonesday.com or uvondiemar@jonesday.com.

The Situation: On September 3, 2025, the General Court of the European Union dismissed an action for annulment brought by a French member of Parliament against the European Commission's decision recognizing the adequacy of the level of protection for personal data transferred to the United States under the EU-U.S. Data Privacy Framework ("DPF").

The Result: The ruling confirms that transfers of personal data from the EU to U.S. organizations that have certified under the DPF may continue based on the European Commission's adequacy decision.

Looking Ahead: While the General Court's decision allows continued use of the EU-U.S. DPF, further appeals and legal challenges are possible. The European Commission will keep monitoring U.S. data protection standards and may revise the adequacy decision if needed. Organizations should stay alert to legal developments and be ready to adjust their data transfer practices accordingly.

Background

The European Commission adopted the contested adequacy decision in July 2023 following U.S. reforms, notably Executive Order 14086 and the Attorney General's Regulation 28 CFR Part 201, which established the Data Protection Review Court ("DPRC").¹

The DPF was designed in response to the EU Court of Justice's Schrems I (2015) and Schrems II (2020) judgments, which invalidated previous frameworks for transferring data from the EU to the U.S. (the Safe Harbor and the EU-U.S. Privacy Shield).²

French Member of Parliament Philippe La-tombe challenged the European Commission's

Implementing Decision (EU) 2023/1795 of July 10, 2023 (the “Adequacy Decision”), arguing that: (i) the DPRC lacked independence and impartiality; and (ii) U.S. intelligence agencies’ practice of bulk data collection violated Articles 7, 8, and 47 of the Charter of Fundamental Rights of the EU.

The Court’s Reasoning

On the DPRC’s Independence: The General Court found that the DPRC’s structure, appointment process, and safeguards, including limited grounds for dismissal and prohibition of undue influence, ensured independence and impartiality. It emphasized that the European Commission must continuously monitor the U.S. legal framework and can suspend, amend, or repeal the adequacy decision if protections deteriorate.

On Bulk Data Collection: The General Court ruled that the Schrems II ruling did not require ex ante authorization by an independent body for bulk collection. What matters in the court’s review of the adequacy decision is the availability of *ex post* judicial review of the intelligence agencies’ decisions to implement bulk data collection, which the DPRC provides. Accordingly, U.S. law is deemed to provide protections “essentially equivalent” to those under EU law.

As a result, the court found that, at the date of adoption of the adequacy decision, the U.S. legal framework ensured an adequate level of protection for personal data transferred under the DPF and the challenge by Philippe Latombe was dismissed in its entirety.

Three Key Takeaways

1. Organizations located in the United States and having certified compliance with the DPF may continue to rely on this framework for receiving and processing personal data sent from the EU.
2. The European Commission must continuously reassess the framework in light of legal or practical changes that may arise. Data exporters should also continue monitoring U.S. congressional and executive activity, as well as reports from the European Commission, to make sure the data transfer safeguards that they rely upon remain valid.
3. The judgment can be appealed to the Court of Justice of the EU within two months and 10 days. Stakeholders should remain alert to possible further litigation relating to the DPF.

The views and opinions set forth herein are the personal views or opinions of the authors; they do not necessarily reflect the views or opinions of the law firm with which they are associated.

ENDNOTES:

¹For more, see: <https://www.jonesday.com/en/insights/2023/07/eu-and-us-reach-new-agreement-on-data-sharing>.

²See our Commentary on the Schrems II ruling: <https://www.jonesday.com/en/insights/2020/07/schrems-ii-confirms-validity>.

**CRYPTO WATCH: SEC
ISSUES RARE “NO-
ACTION” LETTER FOR
CRYPTO TOKEN; SEC’S
ATKINS: “CRYPTO’S TIME
HAS COME”;
SCARAMUCCI-BACKED
CRYPTO TREASURY
COMPANY LAUNCHES
WITH \$550 MILLION
FUNDRAISING; NEW PRO-
CRYPTO SUPER PAC
LAUNCHES**

**SEC Issues Rare “No-Action” Letter for
Crypto Token**

On September 29, DoubleZero Foundation said that it had received a first-of-its-kind no-action letter from the SEC’s Division of Corporation Finance (the “Division”) which confirmed that 2Z token flows to contributors on DoubleZero’s network are not subject to the registration requirements under the Securities Acts.

In a letter¹ sent by the Division’s chief counsel, Michael P. Seaman, the Division noted that “based on the facts presented, the Division will not recommend enforcement action to the Commission if, in reliance on your opinion as counsel, Programmatic Transfers that are conducted in the manner and under the circumstances described in your letter are not registered under Section 5 of the Securities Act and 2Z is not registered as a class of equity securities under Section 12(g) of the Exchange Act. Capitalized terms have the same meanings as defined in your letter.”

“This position is based on the representations made to the Division in your letter,” Seaman wrote. “Any different facts or conditions might require the Division to reach a different conclusion. Further, this response expresses the Division’s position on enforcement action only and does not express any legal conclusion on the issues presented.”

In its statement,² DoubleZero quoted Amanda Tuminelli, Executive Director of the DeFi Education Fund, as saying that “No-Action Letters are one of the most pragmatic tools for navigating regulatory uncertainty in crypto, and the SEC’s issuance of No-Action Letters shows that constructive engagement with regulators is possible. We appreciate that regulators are demonstrating a willingness to work with those creating new tools and technologies—providing them with clarity and confidence to build.”

DoubleZero is a dedicated fiber network built from what it terms “underutilized” private fiber links provided by multiple, independent contributors. 2Z tokens are “distributed programmatically, rewarding providers in proportion to their marginal contributions and improvements to the network,” with rewards tied directly to verifiable work such as providing fiber connectivity, running computations, and maintaining service levels.

SEC Commissioner Hester Peirce supported the Division’s decision. In a statement, she said that the no-action letter “offers an opportunity to reflect on how we, as regulators, can foster innovation without expanding our reach beyond what Congress has mandated. Congress created the Securities and Exchange Commission to oversee the securities markets, not to regulate all economic activity.”³

In particular, she said that DoubleZero's decentralized physical infrastructure network ("DePIN") "represents a novel way of organizing human behavior and capital resources. Rather than relying on centralized corporate structures to coordinate activity, DePIN projects enlist participants to provide real-world capabilities, such as storage, telecommunications bandwidth, mapping, or energy, through open and distributed peer-to-peer networks. To encourage participation, many of these projects distribute tokens tied to activity. The person who runs a node, provides storage, or shares bandwidth earns a reward. These tokens are neither shares of stock in a company, nor promises of profits from the managerial efforts of others. They are functional incentives designed to encourage infrastructure buildup."

She added that "DePIN projects are distinguishable from more traditional fundraising transactions where the now ubiquitous *Howey* test may capture uncommon instruments that have the essential attributes of a security. These projects allocate tokens as compensation for work performed or services rendered, rather than as investments with an expectation of profit from the entrepreneurial or managerial efforts of others. Additionally, DePIN projects are not selling or distributing tokens to finance additional development from investors attracted solely by the prospect of investment returns. Rather, DePIN networks programmatically distribute such tokens to users who participate in the network in accordance with network rules. Accordingly, the *Howey* test is not satisfied. The economic reality of DePIN projects differs fundamentally from the capital-raising transactions Congress charged this Commission with regulating. Treating such tokens as securities would suppress the growth of networks of distributed providers of services."

SEC's Atkins: "Crypto's Time Has Come"

In his keynote address at the Inaugural OECD Roundtable on Global Financial Markets in Paris, on September 10, 2025, SEC Chairman Paul Atkins said that "as we call on our partners to foster investor confidence and dynamic markets in their jurisdictions, these same priorities compel us, in the United States, to unleash the potential of digital assets in ours."⁴

Atkins quoted Victor Hugo that "an invasion of armies can be resisted, but not an idea whose time has come," adding that "today, ladies and gentlemen, we must admit that crypto's time has come." He criticized his predecessors in the SEC for "weaponiz[ing] its investigatory, subpoena, and enforcement authorities to subvert the crypto industry. That approach was not only ineffective, but injurious; it drove jobs, innovation, and capital overseas. American entrepreneurs bore the brunt—and have been forced to spend fortunes on building a legal defense instead of a business. That chapter belongs to history."

Instead, he said that future SEC policy "will no longer be set by *ad hoc* enforcement actions. We will provide clear, predictable rules of the road so that innovators can thrive in the United States. President Trump has tasked me and my counterparts across the Administration with making America the crypto capital of the world—and the President's Working Group on Digital Asset Markets has delivered a bold blueprint to guide us in these efforts."

Atkins said the Working Group has directed U.S. regulators "to move swiftly toward modernizing our outdated rulebooks" and cited "Project Crypto, a sweeping initiative to modernize the securities rules and regulations to enable our markets to move on-chain. Our priorities are clear: we

must provide certainty regarding the security status of crypto assets. Most crypto tokens are not securities, and we will draw the lines clearly. We must ensure that entrepreneurs can raise capital on-chain without endless legal uncertainty. And we must allow for ‘super-app’ trading platform innovation that increases choice for market participants. Platforms should be able to offer trading, lending, and staking under a single regulatory umbrella. Investors, advisers, and broker-dealers should have freedom to choose among multiple custody solutions as well.”

He added that, in keeping with the recent Working Group report, “the SEC will work with other agencies so that a platform can offer trading in crypto assets (whether or not they are securities), along with services like staking and lending, under a single regulatory umbrella. I believe regulators should provide the minimum effective dose of regulation needed to protect investors, and no more. We should not overburden entrepreneurs with duplicative rules that only the largest incumbents can bear. By unleashing venue and product competition, we can help to ensure that American companies compete globally on a level playing field.”

Scaramucci-Backed Crypto Treasury Company Launches With \$550 Million Fundraising

Anthony Scaramucci and crypto investment firm Hivemind Capital are investing in a new company that will buy digital tokens issued on the Avalanche blockchain (“AVAX”).

Scaramucci, former spokesman and advisor to President Trump and founder of SkyBridge Capital, is among the investors in AgriFORCE Growing Systems, an agriculture-tech company that has become a bitcoin miner and which plans to raise

about \$550 million from outside investors to acquire AVAX tokens. AgriFORCE will be renamed AVAX One.

Scaramucci will reportedly join the company’s advisory board (along with Brett Tejpaul, head of Coinbase Institutional) and will assist with capital raising and marketing. Hivemind Capital, led by former Citigroup executive Matt Zhang, has reportedly invested “meaningful capital” in the company, with Zhang expected to become chairman of the board.

Launched in 2020, the Avalanche blockchain is a high-speed network used by various banks and asset managers. The AVAX token currently has a market cap of about \$13 billion.

AVAX One said that it aims to hold more than \$700 million in AVAX tokens and will tokenize (representing traditional assets to be traded) on the Avalanche blockchain. It also has plans to acquire fintech and insurance companies and put them on the Avalanche network. SkyBridge, which first invested in AVAX tokens this past February, has reportedly tokenized \$300 million of its flagship hedge funds on the Avalanche blockchain.

“I believe all assets will eventually be tokenized, and Avalanche is positioned as a go-to chain for tokenization of all types of real-world assets,” Scaramucci told the *Wall Street Journal*.

New Pro-Crypto Super PAC Launches

On September 15, a new “super PAC” said that it planned to spend more than \$100 million to lobby Congress to pass pro-crypto legislation. The Fellowship PAC, as per news reports, appears to be more publicly aligned with the Republican Party and President Trump than the crypto industry’s current top pro-crypto super PAC, Fairshake.

The latter is backed by the likes of Coinbase and Andreessen Horowitz. As per the *New York Times*, the Fellowship PAC's treasurer is reportedly an executive at Cantor Fitzgerald, which was formerly run by Secretary of Commerce Howard Lutnick.

In a news release, Fellowship PAC, which filed paperwork with the Federal Election Commission in August, hailed the president for putting "America on the path to become the global crypto capital." The group's backers reportedly include Tether, the largest global issuer of stablecoins, and a foreign-owned company which recently established a U.S. entity that could legally fund a super PAC.⁵

Pro-crypto super PACs were notable actors in the 2024 election, spending copiously on crypto-friendly Congressional candidates. Fairshake recently said that it has banked nearly \$120 million ahead of the 2026 midterm elections. Some crypto market participants were concerned that the rise of another well-funded pro-crypto super PAC, one that was aligned more openly with the Republican Party, could potentially divide the crypto industry politically. Fellowship PAC's statement seemed in part written to assuage such fears: "Unlike past political efforts, Fellowship PAC's mission is defined by transparency and trust, ensuring political action directly supports the broader ecosystem rather than narrow or individual interests."

ENDNOTES:

¹ <https://www.sec.gov/rules-regulations/no-action-interpretive-exemptive-letters/division-corporation-finance-no-action/doublezero-092925>.

² <https://doublezero.xyz/journal/sec-grants-doublezero-no-action-letter-for-2z-token-model>.

³ <https://www.sec.gov/newsroom/speeches-statements/peirce-092925-deep-statement-doublezero-no-action-letter>.

⁴ <https://www.sec.gov/newsroom/speeches-statements/atkins-keynote-address-inaugural-oecd-roundtable-global-financial-markets-091025>.

⁵ <https://www.prnewswire.com/news-releases/the-fellowship-pac-launches-with-over-100-million-committed-to-protect-americas-leadership-in-innovation-and-transparency-302556687.html>.

THE NEXT FRONTIER OF PAYMENTS INNOVATION

By Christopher J. Waller

Christopher J. Waller is a member of the Board of Governors of the Federal Reserve System. The following is adapted from remarks that he gave at Sibos 2025, in Frankfurt, Germany, on September 29, 2025.

The theme for Sibos this year, "the next frontiers of global finance" is a fitting one.¹ We are indeed witnessing a new frontier of innovation in payments and the broader financial system. New technologies like distributed ledgers, tokenized assets, smart contracts, and artificial intelligence ("AI") have the potential to make payments smarter, faster, and more efficient. I know many of you in the audience today represent firms that are using the latest cutting-edge advances to bring new global solutions to the market.

The conference theme also accurately captures that we are at the *next* frontier. I often note that the modern history of payments is a story of technological innovation.² The history spans from the last century, when payments and securities transfers were converted from paper to electronic solutions, to the present day when we increasingly have payment systems that process transactions in real time, 24/7.

Lastly, the conference theme recognizes the

global nature of payments and financial infrastructures that underpin international commerce. Of particular focus in this domain are cross-border payments, which involve transactions across a layered and complex set of networks and experience frictions that contribute to higher costs, slower speeds, limited transparency, and barriers to access. Multiple opportunities for improvement exist in international payments, including improvements to smaller-value remittances, business-to-business payments, and collateral management in capital markets.

As we enter the next frontier, let us remember that this is not a new story and that we should not fear new technologies, nor new types of providers. Instead, we should ask how new technologies could benefit all types of actors, including the most sophisticated financial firms as well as consumers, while not losing sight of the need for guardrails that promote safety for consumers and the broader financial system. In addition, we should ask how new technologies could be used to upgrade the infrastructures that serve as critical components to the global financial system, in a way that maintains and extends safety and resilience. These are the topics I will consider today.

Choice and Competition

I approach these issues fundamentally as an economist and as a firm believer in the free market. In particular, I would highlight the importance of choice in how markets function and how competition develops. In general, choices encourage competition, leading to better quality products and services. Businesses innovate to differentiate products, including by incorporating new technical capabilities. This improves market responsiveness to consumer demand. Businesses also incor-

porate new technologies to compete on cost and efficiency. I see stablecoins, for example, as simply another choice available to consumers and businesses, where they have signaled a need in the market to further improve payments.³ I believe that we must take this articulated need seriously and respect the ability of the private sector to develop solutions.

This dynamic is nothing new. Market participants have long had choices in the types of payment instruments they use. Public and private forms of money coexisting, in multiple forms, is in fact a common feature in all developed economies. In the United States, consumers have had central bank money in the form of cash, commercial bank money in the form of deposits in a bank account, and nonbank money (or “e-money”) in the form of a funds balance on a nonbank payment app. Stablecoins are simply a new form of private money and will exist alongside these other payment instruments, provided consumers accept them as safe, low-risk assets with regulatory protections.⁴

Consumers and businesses have for decades also had a choice of providers of payment services and financial products including banks, card networks, nonbank payment service providers, and, more recently, other fintechs. Having a choice of providers is important because needs and preferences vary among consumers and businesses. I may choose one provider if I want to park my emergency fund in a high-yield savings account, and I may choose different providers if I want to process a cross-border payment, pay someone with a QR code, or buy a crypto-asset. A choice of providers also encourages competition on cost, speed, efficiency, and user experience.

Additionally, firms have options for payments

and financial infrastructure, which is important because firms might choose to route money or securities on different rails depending on business needs. Some may value speed; some may prefer the ability to batch payments and settle on net to capture liquidity savings. Some will prefer the features of a centralized financial market infrastructure and its built-in regulatory guardrails; some may prefer to transact on public blockchains, with different models for achieving security and integrity. Having multiple options is also good for public policy objectives like promoting resilience across the broader payment system.

Assessing Benefits of the Next Frontier of Innovations

Given this backdrop of new technologies and new entrants within a competitive market, let's explore how this could lead to positive economic outcomes.

First, will the next frontier of innovations translate to lower costs? An influx of new market entrants certainly has the potential to drive down costs as they compete for customers, particularly if blockchain-based transactions prove to be cheaper. If stablecoins present a lower cost alternative to consumers and businesses, I am all for it. We are already seeing this dynamic develop outside of the United States, where U.S. dollar stablecoins are an attractive option in countries in which access to dollar banking services is expensive or limited. We also know that cross-border payments, in particular remittances, are relatively expensive. This is attributable in part to the complexity of transactions involving multiple infrastructures, currencies, and intermediaries. One way in which innovative technologies could translate to lower costs is through efficiency gains.

This brings me to my second question: how

might new technologies improve the efficiency of the payment system? Distributed ledger technology, or DLT, is rapidly becoming an efficient infrastructure for 24/7 transactions, recordkeeping, and data management by enabling multiple platforms, parties, assets, and functions to be combined in new ways. As an example, DLT-based platforms can support 24/7 real-time payments and securities transfers by using programmable functionalities like smart contracts to enhance operational efficiency and automate more complex financial transactions. With the ability to specify the precise time at which a transaction settles and under what conditions, DLT-based platforms have the potential to increase the flexibility and efficiency of settlement for money and assets.

Many cross-border payments today rely on the correspondent banking model—a network of bilateral banking relationships that enables financial institutions to access foreign financial systems and to conduct business across jurisdictions without establishing physical and legal presence in every market they serve. While correspondent banking has been the backbone of global payments for decades, this model faces several challenges, including high transaction costs, slower processing times, and a global decline in correspondent banking relationships. While these frictions are attributed in part to the process of sending payments through a complex chain of correspondent banks, I should note that not all frictions are barriers to overcome. Certain frictions are purposely built into the global payment system for compliance and risk-management reasons, such as preventing money laundering and countering the financing of terrorism.⁵

DLT-based platforms have the potential to improve upon the existing correspondent banking

model, and private-sector firms are pursuing multiple approaches to do so. One way is through the “stablecoin sandwich” model, in which fiat currency in one country is converted first into a stablecoin, then that stablecoin is transferred to another individual, and then converted back into the local fiat currency at its destination. Another way is through the use of tokenized deposits, where banks represent deposit liabilities on a blockchain for wholesale and cross-border transactions. Either model has the potential to improve transparency, cost, and timeliness, while balancing the need for safety and integrity of the transfer. DLT-based platforms generally (and stablecoins, specifically) may also present opportunities for efficiency gains in remittance payments, where today, money transfer operators rely on large global networks of agents and preposition capital in various currencies to pay out customers in different jurisdictions. These examples also demonstrate that innovation is not an issue of “TradFi” versus “DeFi,” but rather poses an opportunity to harness the complementary strengths each has to offer, especially at a time where we are seeing increased convergence between the two.

Importantly, efficiency will depend on the extent to which DLT networks can interoperate with one another and with traditional payment rails. This is particularly true because payments exhibit significant network effects. Fortunately, numerous private-sector advances in interoperability are emerging given this market need, and as an operator of core payment and settlement infrastructure, we at the Federal Reserve continue to assess how we can improve our existing rails that serve private-sector firms.

Let’s turn from DLT to AI. AI can further improve the efficiency of payments in a number of

ways, including through automating manual tasks, detecting fraud or compliance risks, and now with agentic AI, executing tasks on behalf of a person or company quickly and cheaply through the use of AI agents.⁶ Let’s again take the example of cross-border payments, which involve multiple jurisdictions, each with its own compliance requirements. Firms are increasingly exploring AI and machine learning (as well as smart contracts) to automate compliance activities.

Third, can new technologies and products maintain and build trust in the digital ecosystem? I believe they can. One common criticism of stablecoins is that they will somehow undermine the trust in money. Under regulatory frameworks like the GENIUS Act in the United States, payment stablecoins will be backed at least 1 to 1 with safe, liquid assets and users will be able to redeem their stablecoins at par. I have long advocated that a right-sized regulatory framework can address concerns related to safety and financial stability, while allowing stablecoins to scale on their own merits.⁷

As with any technology, ecosystem operators will need to assess and manage risks, including cybersecurity. As payments shift to new rails and include stablecoins, tokenized assets, and smart contracts, new opportunities for cyberattacks will emerge. Achieving security and resilience means ensuring these digital platforms are hardened against misuse, with redundancy and safeguards in place that match the scale of domestic and global payments. Building resilience requires both the private and public sectors to work together on standards, cybersecurity, and risk management, so that innovation goes hand-in-hand with safety.

Roles of the Private and Public Sectors

This brings me to the roles that the private and

public sectors can play at the next frontier of payments innovation. I often argue that the private sector can most reliably and efficiently allocate resources and take risks to explore the value of new technologies.⁸ The private sector is also best positioned to serve consumers and provide products and services that meet their needs. You don't want the government to decide what technologies are in or out, or decide what consumers want. Further, the private sector brings a depth and level of technical expertise required to translate new technologies into practical improvements for payments.

The role of the public sector is to support the private sector in specific circumstances where that is useful. At the Federal Reserve, that means serving as a convener to solve coordination problems, providing regulatory clarity when within our specific remit, and operating core payment and settlement infrastructure that the private sector uses. Complementary private and public roles can contribute to a safe and efficient payment system.

Looking ahead, I believe it is important to understand how the Federal Reserve can continue to support private-sector innovation. One way is to conduct research and experimentation on emerging technologies. At the Federal Reserve, we are conducting hands-on research on the latest wave of innovations, including tokenization, smart contracts, and AI in payments. We do this to understand how private-sector innovators will use these to improve payments, as well as identify any opportunities to upgrade our own payment infrastructures.

Another way is to engage actively with industry on innovations. That is why I am convening [in October] industry leaders and U.S. policymakers to discuss how to further improve the payment

system. That is also why I appreciate coming to events like Sibos, where industry experts within the private sector engage with public-sector officials to discuss how we can best navigate the next frontier of innovations.

ENDNOTES:

¹Thank you to Alex Sproveri, Kirstin Wells, and Priyanka Slattery of the Federal Reserve Board for their assistance in preparing this text. The views expressed here are my own and not necessarily those of my colleagues on the Federal Reserve Board or the Federal Open Market Committee.

²See Christopher J. Waller, "Technological Advancements in Payments," speech delivered at the Wyoming Blockchain Symposium, Teton Village, WY, August 20, 2025 (<https://www.federalreserve.gov/newsevents/speech/files/waller20250820a.pdf>).

³See Christopher J. Waller, "Reflections on Stablecoins and Payments Innovations," speech at "Planning for Surprises, Learning from Crises" 2021 Financial Stability Conference, Cleveland, OH, November 17, 2021 (<https://www.federalreserve.gov/newsevents/speech/waller20211117a.htm>).

⁴See Christopher J. Waller, "Reflections on Stablecoins and Payments."

⁵See Christopher J. Waller, "Interlinking Fast Payment Systems," speech delivered at the Global Fintech Fest 2024, Mumbai, India, August 28, 2024 (<https://www.federalreserve.gov/newsevents/speech/waller20240828a.htm>).

⁶For additional discussion on AI in payments, see Christopher J. Waller, "Technological Advancements in Payments."

⁷See Christopher J. Waller, "Reflections on a Maturing Stablecoin Market," speech delivered at A Very Stable Conference, San Francisco, CA, February 12, 2025 (<https://www.federalreserve.gov/newsevents/speech/files/waller20250212a.pdf>).

⁸See Christopher J. Waller, "What Roles Should the Private Sector and the Federal Reserve

Play in Payments?” speech delivered at The Clearing House Annual Conference 2024, New York, NY, November 12, 2024 (<https://www.federalreserve.gov/newsevents/speech/files/waller20241112a.pdf>).

FINTECH LAW REPORT: AUGUST-SEPTEMBER 2025 REGULATION AND LITIGATION UPDATE

*By Duncan Douglass, Jennifer Aguilar and
CJ Blaney*

*Duncan Douglass is a partner and the head of
the payments and fintech practice at the law firm
Alston & Bird, LLP. Jennifer Aguilar is a counsel
and CJ Blaney is an associate at the same firm.
www.alston.com.*

LEGISLATIVE AND REGULATORY DEVELOPMENTS

President Signs GENIUS Act Into Law

On July 18, 2025, President Trump signed the Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025 (“GENIUS Act”) into law, establishing a U.S. regulatory framework for payment stablecoins.¹ The GENIUS Act becomes effective on the earlier of (1) January 18, 2027 (18 months after the Act’s enactment) or (2) 120 days after the date on which the federal regulators issue any final regulations to implement the GENIUS Act.²

The GENIUS Act establishes requirements for payment stablecoin issuers and creates a regulatory oversight framework for such issuers. Under the GENIUS Act, only permitted payment stablecoin issuers (“Stablecoin Issuers”) may issue payment stablecoins and there are three types of permitted issuers: (1) subsidiaries of insured de-

pository institutions; (2) federal qualified stablecoin issuers, which includes nonbanks, uninsured national banks, and federal branches of foreign banks; and (3) state qualified stablecoin issuers.³ A federal qualified stablecoin issuer must be approved by the Office of the Comptroller of the Currency (“OCC”) and is subject to supervision and examination by the OCC.⁴ A state qualified stablecoin issuer must be approved by a state payment stablecoin regulator that has been certified by the Stablecoin Certification Review Committee (“SCRC”).⁵ State qualified stablecoin issuers with more than \$10 billion in outstanding payment stablecoin issuance and certain small Stablecoin Issuers subject to federal regulation will be supervised and examined by either the Federal Deposit Insurance Corporation (“FDIC”), Board of Governors of the Federal Reserve System (“Board”), or the OCC, together with the state payment stablecoin regulator.⁶

The GENIUS Act limits permissible activities for, establishes safety and soundness criteria for, and extends regulatory obligations to Stablecoin Issuers. Stablecoin Issuers may only (1) issue and redeem payment stablecoins; (2) manage related reserves; (3) provide custodial services for payment stablecoins, required reserves, or private keys of payment stablecoins; and (4) undertake other activities directly supporting other permissible activities.⁷ The GENIUS Act prohibits Stablecoin Issuers from paying interest to a holder of a payment stablecoin in connection with the holder’s use or retention of the stablecoin.⁸ Stablecoin Issuers must maintain reserves, meet capital requirements and liquidity standards, and implement risk management processes.⁹ Certain large Stablecoin Issuers must also prepare financial statements and make such statements publicly available.¹⁰ The GENIUS Act also expands the

definition of “financial institution” under the Bank Secrecy Act (“BSA”) to include Stablecoin Issuers, triggering compliance with the BSA and its implementing regulations.¹¹

You can access the GENIUS Act here: <https://www.congress.gov/bill/119th-congress/senate-bill/1582/text?s=3&r=1&q=%7B%22search%22%3A%22%5C%22genius+act%5C%22%22%7D>.

Presidential Working Group Issues Report on Digital Assets

On July 30, 2025, the Presidential Working Group on Digital Asset Markets (“Digital Assets Working Group”)¹² released its report regarding digital assets¹³ in the U.S. financial system and how the government can better support their adoption and innovation through regulation (“Digital Asset Report”).¹⁴ The Digital Asset Report summarizes the history of digital assets and related technology, provides example uses cases, such as faster and safer payments, and makes recommendations for regulatory changes to support digital asset adoption and use.¹⁵

The Digital Asset Report outlines the role digital assets can and should play within the financial services sector and the challenges financial institutions face in adopting digital assets.¹⁶ According to the report, financial institutions need more clarity regarding their ability to use digital assets and offer digital asset services to their customers.¹⁷ The Digital Asset Report notes that financial institutions could leverage digital asset services in connection with providing core banking services to digital asset firms, processing payments using distributed ledger technology, tokenizing deposits, offering custodial services for digital assets, or extending credit secured by or related to digital assets.¹⁸ The Digital Asset Report

includes Digital Assets Working Group recommendations to facilitate financial institutions’ use of digital asset services, including: (1) clarifying the permissible digital asset activities and supervisory expectations on safe and sound conduct for financial institutions; (2) encouraging technology and product innovation at the state bank level; (3) developing guidance for risk management, use of third parties, and regulatory compliance; and (4) clarifying the chartering and Reserve Bank master account application process for digital asset firms.¹⁹

The Digital Asset Report also advocates for the expanded use of stablecoins and digital payments, noting that the GENIUS Act “lays the regulatory groundwork” for improving efficiency in payment systems, using stablecoins for consumer payments, and establishing a clear regulatory regime for digital assets.²⁰ It also recommends that the GENIUS Act be implemented “expeditiously” and that the United States take the lead in establishing international standards for digital asset banking, both from a private sector and government perspective.²¹

Additionally, the Digital Asset Report includes recommendations for addressing how to combat illicit use of digital assets. The Digital Asset Working Group recommends that the United States Department of the Treasury adopt regulations to treat permitted stablecoin issuers as financial institutions under the BSA, in accordance with the GENIUS Act, and issue guidance clarifying anti-money laundering and anti-terrorist financing obligations and expectations for financial institutions providing digital asset services.²²

You can access the Digital Asset Report here: <https://www.whitehouse.gov/wp-content/uploads/2025/07/Digital-Assets-Report-EO14178.pdf>.

FDIC Requests Information on Industrial Banks and Industrial Loan Companies

On July 21, 2025, the FDIC published a request for information on the FDIC's evaluation criteria for industrial bank and industrial loan company (together, "Industrial Banks") filings, such as charter and deposit insurance applications ("Industrial Bank RFI").²³ Given "renewed interest" in Industrial Bank charters, the FDIC sought input on its approach for evaluating such filings under applicable law.²⁴

In the Industrial Bank RFI, the FDIC sought further information on issues the agency should consider when evaluating the statutory factors under the Federal Deposit Insurance Act ("FDIA")²⁵ for deposit insurance applications and corporate transaction applications. The FDIC asked for input on issues including, but not limited to:

- How the statutory factors should be applied and whether they should be applied differently for Industrial Banks;
- How evaluation should be tailored based on the parent company's line of business, such as a retail or technology company;
- How capital adequacy and risk to the Deposit Insurance Fund should be assessed; and
- How consumer benefits, such as lowered cost for products, services, and credit, should be considered.²⁶

The comment period for the Industrial Bank RFI closed on September 19, 2025.

You can access the Industrial Bank RFI here: [https://www.federalregister.gov/documents/2025/07/21/2025-13589/request-for-information-on-in](https://www.federalregister.gov/documents/2025/07/21/2025-13589/request-for-information-on-industrial-banks-and-industrial-loan-companies-and-their-parent-companies)

[dustrial-banks-and-industrial-loan-companies-and-their-parent-companies](#).

CFPB Seeks Comment and Information on Potential Revisions to Rule on Open Banking and Consumer Financial Data Rights under Section 1033 of CFPA

On August 22, 2025, the CFPB issued an advance notice of proposed rulemaking requesting public comment on four issues under the CFPB's previously issued final rule on personal financial data rights ("1033 Final Rule") under Section 1033 of the Consumer Financial Protection Act ("CFPA"), also known as the "open banking rule" ("1033 ANPR").²⁷ Specifically, the 1033 ANPR seeks further information on (1) who is eligible to serve as a "representative," as described in Section 1033 of the CFPA and make requests on behalf of consumers; (2) whether a "covered person" should be permitted to charge fees to alleviate the costs associated with consumers' requests and if so, how; (3) the data security costs and benefits associated with complying with Section 1033; and (4) data privacy threats associated with complying with Section 1033.²⁸

The CFPB seeks further information on who is included in the definition of "consumer" under Section 1033 of the CFPA.²⁹ Section 1033 defines "consumer" as an individual or an agent, trustee, or representative acting on behalf of an individual.³⁰ The 1033 Final Rule interpreted "representative acting on behalf of an individual" to include any third parties authorized by the consumer, subject to certain obligations.³¹ In the 1033 ANPR, the CFPB requests more information on how the agency should interpret "representative" and which individuals the phrase is meant to include.³² The CFPB specifically asks whether third parties that do not owe a fiduciary duty can

act on a consumer's behalf as "representatives" under Section 1033 of the CFPB.³³

In the 1033 ANPR, the CFPB also requests comment and data on costs associated with consumers' exercise of their rights under Section 1033 and how the CFPB should address Section 1033's silence as to how "covered persons" and "consumers" can share the "burden."³⁴ Currently, the 1033 Final Rule prohibits covered persons from imposing any fees on a consumer or authorized third party in connection with the covered person satisfying its obligations under Section 1033.³⁵ In the 1033 ANPR, the CFPB asks questions about the costs that covered persons would bear to comply with the 1033 Final Rule, as currently drafted, the impacts to consumers' ability to exercise their Section 1033 rights if consumers were required to bear compliance costs, and the reasonability of covered persons being prohibited from recovering certain compliance costs.³⁶

The 1033 ANPR also includes questions about information security threats and the cost-benefit tradeoffs of securing consumer financial data in connection with sharing of data under the 1033 Final Rule.³⁷ The 1033 Final Rule applies to any "data provider" that "controls or possesses covered data concerning a covered consumer financial product or service that the consumer obtained from the data provider."³⁸ Under the 1033 Final Rule, data providers must supply "Covered Data" that is in a data provider's "control or possession." "Covered Data" includes transaction information, account balance information, and information to initiate payments.³⁹ In the 1033 ANPR, the CFPB requests more information on the costs and benefits to establishing information security for consumers' financial information, both generally and in connection with data sharing required

under the 1033 Final Rule.⁴⁰ The CFPB also asks about the information security efforts from businesses that have a fiduciary duty to consumers and about the secure storage and transmission of consumer financial data.⁴¹

In the 1033 ANPR, the CFPB seeks further information on the threats to data privacy resulting from the licensing or sale of sensitive personal financial information.⁴² The 1033 Final Rule only allowed third parties to access Covered Data on behalf of a consumer with a consumer's express informed consent and outlined the disclosures that third parties must make to a consumer and how third parties can use and redisclose Covered Data.⁴³ In the 1033 ANPR, the CFPB asks about how adequately the 1033 Final Rule protects consumer privacy and about the prevalence of the licensure or sale of financial data and how well consumers understand their user agreements and privacy notices.⁴⁴

Forcht Bank, N.A., the Bank Policy Institute, and the Kentucky Bankers Association (collectively, the "1033 Plaintiffs") originally sued the CFPB to challenge the 1033 Final Rule, but on May 30, 2025, both the 1033 Plaintiffs and the CFPB filed motions for summary judgment to dismiss the case.⁴⁵ The court granted the Financial Technology Association ("FTA") permission to intervene in defense of the 1033 Final Rule, and on June 4, 2025, the FTA filed a cross-motion for summary judgment in defense of the 1033 Final Rule.⁴⁶ On July 29, 2025, the court granted the CFPB's motion to stay the proceedings to allow the agency to undertake the rulemaking process to revise the 1033 Final Rule.⁴⁷

On August 13, 2025, the 1033 Plaintiffs filed a motion ("1033 Delay Motion"), asking the court to stay the 1033 Final Rule's compliance deadlines

and enjoin its enforcement for one year following the conclusion of the lawsuit to prevent the “non-sensical result” of having to comply with a rule that the CFPB is working to replace.⁴⁸ While the CFPB took no position in response to the 1033 Delay Motion,⁴⁹ the FTA filed their opposition to the motion on September 3, 2025, and explained that the 1033 Final Rule lawfully and reasonably (1) is consistent with Section 1033’s definition of consumer; (2) addresses data protection; (3) prohibits access fees; and (4) imposes compliance deadlines.⁵⁰ Afterwards, the parties filed a joint status report on September 12, 2025, summarizing the above-described current status of the case to the court.⁵¹

In the 1033 ANPR, the CFPB indicates that it intends to issue a Notice of Proposed Rulemaking to extend the 1033 Final Rule’s compliance dates and requests comment on appropriate extended compliance dates and the costs entities already have incurred in connection with 1033 Final Rule compliance efforts.⁵²

Comments on the 1033 ANPR are due by October 21, 2025.

You can access the 1033 ANPR here: <https://www.federalregister.gov/documents/2025/08/22/2025-16139/personal-financial-data-rights-reconsideration>.

The case before the United States District Court for the Eastern District of Kentucky is *Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR. You can access the docket here: https://ecf.kyed.uscourts.gov/cgi-bin/DktRpt.pl?657742706748986-L_1_0-1.

CFPB Proposes Rule to Clarify its Authority Over Nonbank Covered Persons

On August 26, 2025, the CFPB published a proposed rule that would limit the CFPB’s supervisory authority over nonbank covered persons (“Nonbank Supervision Rule”).⁵³ Under the CFPA, the CFPB has supervisory and enforcement authority over any nonbank covered person that the CFPB has reasonable cause to determine “is engaging, or has engaged, in conduct that poses risks to consumers with regard to the offering or provision of consumer financial products or services.”⁵⁴ In the Nonbank Supervision Rule, the CFPB proposed to establish a standard for “conduct that poses risks to consumers” and “with regard to the offering or provision of consumer financial products or services.”⁵⁵

Specifically, the Nonbank Supervision Rule would establish that “conduct that poses risks to consumers with regard to the offering or provision of consumer financial products or services” means “conduct that: (a) presents a high likelihood of significant harm to consumers; and (b) is directly connected to the offering or provision of a consumer financial product or service as defined in [the CFPA].”⁵⁶ The CFPB explained that “risk to consumers” should not cover “issues that are speculative in likelihood or trivial in impact.”⁵⁷ The CFPB also noted that there needs to be a “direct connection” to a “statutorily defined ‘consumer financial product or service.’”⁵⁸

The comment period for the Nonbank Supervision Rule closed on September 25, 2025.

You can access the Nonbank Supervision Rule here: <https://www.federalregister.gov/documents/2025/08/26/2025-16352/legal-standard-applicable-to-supervisory-designation-proceedings>.

FDIC Proposes Amendments for Displaying the Official Sign on Digital Banking Devices

On August 21, 2025, the FDIC published a proposed rule to amend signage requirements for digital deposit-taking channels, automated teller machines (“ATM”), and like devices operated by insured depository institutions (“Official Sign Proposal”).⁵⁹ The Official Sign Proposal follows a 2023 final rule (“Official Sign Final Rule”) that amended signage requirements for all banking channels.⁶⁰ In the Official Sign Proposal, proposes to relax the official sign design specifications to provide more flexibility. The current design requirements include specific text, font, size, and color requirements.⁶¹ The Official Sign Proposal removes the specific color code requirements, allows for any “similar font” to the font currently proscribed in the regulation, and replaces size requirements with a “clear and conspicuous” display standard.⁶²

For digital deposit-taking channels, the Official Sign Proposal proposes to clarify placement requirements. Currently, the official sign must be displayed on any “initial page or homepage of the website or application; landing or login pages; and pages where the customer may transact with deposits.”⁶³ The Official Sign Proposal removes the “landing page” display requirement, noting it is duplicative of the “login page” requirement.⁶⁴ To address potential confusion when customers are presented with a page containing both FDIC-insured accounts and non-FDIC-insured accounts, the Official Sign Proposal replaces the “pages where the customer may transact with deposits” requirement with an obligation to display the official sign on screens where customers sign up for a deposit account.⁶⁵ Similar potential confusion was raised in connection with the requirement to display the official sign on an ATM’s or like de-

vice’s “home page or screen and on each transaction page or screen relating to deposits.”⁶⁶ The Official Sign Proposal instead requires that the official sign be displayed on the “initial screen,” which is the screen that appears before a customer inserts a debit card or other access credentials.⁶⁷

Comments on the Official Sign Proposal are due by October 20, 2025.

You can access the Official Sign Proposal here: <https://www.federalregister.gov/documents/2025/08/21/2025-16056/fdic-official-signs-advertisement-of-membership-false-advertising-misrepresentation-of-insured>.

LITIGATION AND ENFORCEMENT DEVELOPMENTS

CFPB Sues Synapse for \$1

On August 21, 2025, the CFPB filed a complaint (“Synapse Complaint”) against Synapse Financial Technologies, Inc. (“Synapse”) in the Central District of California’s Bankruptcy Court asking the court to issue a civil money penalty against Synapse in connection with its recordkeeping practices.⁶⁸ The CFPB alleges that Synapse violated the CFPA’s prohibition against unfair acts or practices by failing to maintain adequate records of consumers’ funds held at its partner banks.⁶⁹

In the Synapse Complaint, the CFPB explains that Synapse partnered with fintechs and banks offering deposit and payment services to consumers and businesses, and that Synapse was primarily responsible for directing the movement of funds and tracking account balance and transaction data.⁷⁰ The CFPB alleges that Synapse failed

to properly track and record data, resulting in a shortfall of between \$60 to \$90 million in funds held at Synapse's partner banks.⁷¹ The CFPB claims that, as a result of the shortfall, refunds to consumers have been delayed and many consumers have not received their full account balances, and affected consumers reported being unable to pay housing expenses and other bills and incurring late and penalties fees due to their inability to timely pay bills.⁷² Further, as consumers did not have control over how Synapse recorded balances and transactions, the CFPB alleges that the consumers could not have avoided the resulting harms.⁷³ As a result, the CFPB concludes that Synapse's failures constitute an unfair act or practice under the CFPA.⁷⁴

The CFPB asked the court to order Synapse to pay a \$1 civil money penalty.⁷⁵ The \$1 civil money penalty allows the CFPB to allocate any funds in the Civil Penalty Fund to compensate affected consumers that otherwise will not receive compensation.⁷⁶ Given the shortfall in funds and Synapse's bankruptcy, affected consumers are unlikely to receive compensation from Synapse for their harms.

On September 12, 2025, the Bankruptcy Court approved the civil money penalty and enjoined Synapse from engaging in any deposit-taking activities, custodial activities, and payments processing.⁷⁷

You can access the Synapse Complaint and the Stipulated Final Judgment and Order here: https://files.consumerfinance.gov/f/documents/cfpb_synapse-financial-technologies_complaint_2025-08.pdf and https://files.consumerfinance.gov/f/documents/cfpb_synapse-fin-tech_stipulated-final-judgment-order_2025-08.pdf.

Court Grants Summary Judgment in Corner Post Interchange Fee Litigation

On August 6, 2025, the U.S. District Court for the District of North Dakota granted summary judgment (the "*Corner Post Opinion*")⁷⁸ in favor of Corner Post, Inc., a North Dakota-based merchant ("*Corner Post*"), holding that the Board of Governors of the Federal Reserve System (the "*Board*") exceeded its statutory authority⁷⁹ under Section 920 of the Electronic Fund Transfer Act (the "*Durbin Amendment*")⁸⁰ in adopting Regulation II,⁸¹ a violation of the Administrative Procedure Act (the "*APA*").⁸² The court vacated Regulation II but stayed the vacatur pending the outcome of any appeal to the U.S. Court of Appeals for the Eighth Circuit. In staying the vacatur remedy, the court sought to avoid a "completely unregulated market" for interchange transaction fees.⁸³ The court clarified that its decision does not prevent the Board from moving forward with its current proposed amendments to Regulation II to lower the interchange fee cap based on the latest data reported by debit card issuers.⁸⁴ Currently, Regulation II establishes a uniform interchange transaction fee cap for all covered debit card issuers set at a maximum of 21 cents, plus an ad valorem component equal to 0.05% of the value of the transaction (the "*interchange fee cap*"). Regulation II also provides that a debit card issuer may receive or charge an amount of no more than 1 cent per transaction as a fraud-prevention adjustment if the issuer meets the fraud-prevention standards established by the Board (the "*fraud-prevention adjustment*").

Corner Post's Challenges to Regulation II under the APA

Corner Post presented two primary challenges to Regulation II under the APA.⁸⁵ First, Corner

Post argued that Regulation II is contrary to law in violation of the APA because: (1) the Board improperly interpreted the Durbin Amendment's language to include a "third category" of costs in the interchange fee standard; (2) the Board included four prohibited types of costs in the fee standard: (a) fixed authorization, clearance, and settlement ("ACS") costs, (b) transaction-monitoring costs, (c) issuer fraud losses, and (d) network processing fees; and (3) the Board established a universal fee cap instead of tailoring the fee cap to each issuer and transaction. Second, Corner Post asserted that Regulation II is arbitrary and capricious in violation of the APA because: (1) the Board did not properly consider the functional similarity between traditional checking systems and electronic debit transactions; (2) the Board refused to determine whether costs were incremental, fixed, variable, or incurred in the ACS process and instead cherry-picked certain costs to include in the fee standard; and (3) the Board failed to establish the interchange fee standard based on actual costs incurred by each issuer in each transaction.

The court devoted the bulk of its decision to examining which issuer costs Congress permitted the Board to consider under the Durbin Amendment and analyzing the treatment of incremental ACS costs of a "particular electronic debit transaction" under Regulation II. Corner Post argued that the statute only authorized the inclusion of incremental ACS costs specific to a given transaction in determining permissible interchange transaction fees and expressly prohibited any consideration of "other costs." The court agreed with Corner Post, finding that Congress had established a strictly bifurcated framework requiring the Board to consider incremental ACS costs and prohibiting the Board from considering any other

costs.⁸⁶ The court concluded that the Board's final rule in 2011⁸⁷ unlawfully broadened the permissible cost base by shifting from the proposed narrow focus on incremental costs to a standard encompassing a broader scope of costs "related to a particular transaction" and incorporating categories of costs the court found to be contrary to the Durbin Amendment's mandate.⁸⁸ Accordingly, the court held that the Board had contravened the Durbin Amendment by including fixed ACS costs, transaction-monitoring costs, issuer fraud losses and network processing fees—each of which is not, according to the court, a category of incremental ACS costs—in setting the current interchange fee cap.⁸⁹

The court also addressed Corner Post's challenge to the Board's "representative issuer" approach to setting the interchange fee standard. Corner Post argued that the Board's adoption of a "one-size-fits-all" interchange transaction fee standard violates the Durbin Amendment, which requires fees to be tailored to the costs of each issuer and each transaction.⁹⁰ The Board countered that the statute does not mandate such specificity and that any such interpretation would lead to an absurd result, and render implementation virtually impossible.⁹¹ The court rejected the Board's position, emphasizing that Congress directed the Board to establish standards to ensure that fees are "reasonable and proportional to the costs incurred by *the* issuer with respect to *the* transaction" (emphasis added).⁹² The court also highlighted as a potential solution Corner Post's suggestion that the Board could group issuers with similar cost profiles to create tailored safe harbors but declined to rule on the validity of such approach, finding it speculative.⁹³

The case before the United States District Court

for the District of North Dakota is *Corner Post, Inc. v. Board of Governors of the Federal Reserve System*, Case No. 1:21-cv-95-DMT-CRH. You can access the docket here: https://ecf.ndd.uscourts.gov/cgi-bin/DktRpt.pl?139068100087752-L_1_0-1.

Kentucky District Court Grants Summary Judgment to the Board in Challenge to Regulation II

On September 12, 2025, United States District Judge Gregory F. Van Tatenhove of the United States District Court for the Eastern District of Kentucky issued an order denying Linney's Pizza's ("Linney's Pizza") motion for summary judgment⁹⁴ contending that Regulation II⁹⁵ promulgated by the Board of Governors of the Federal Reserve System (the "Board") is both contrary to law and arbitrary and capricious in violation of the Administrative Procedure Act ("APA")⁹⁶ and granted the Board's cross-motion for summary judgment that Regulation II does not violate the APA in the case between Linney's Pizza and the Board ("Linney's Pizza Case").

In its motion for summary judgment, Linney's Pizza raised several APA challenges to Regulation II and the Board's interpretation of its statutory authority under Section 920 of the Electronic Fund Transfer Act ("Durbin Amendment")—arguments generally mirroring the arguments by Corner Post in its motion for summary judgment against the Board in *Corner Post, Inc. v. Board of Governors of Federal Reserve System* ("Corner Post Case"), which was granted by the United States District Court for the District of North Dakota on August 6, 2025.⁹⁷ First, Linney's Pizza argued three reasons that Regulation II is contrary to law in violation of the APA: (1) Regulation II impermissibly creates a third category of costs that can be included in the interchange fee stan-

dard; (2) Regulation II includes four kinds of prohibited costs in the fee standard; and (3) Regulation II sets a "one-size-fits-all cap" when the statute requires the fee standard to be transaction-specific and issuer-specific.⁹⁸ Second, Linney's Pizza argued three reasons that Regulation II is arbitrary and capricious in violation of the APA: (1) the Board failed to consider the similarities between debit card and checking transactions, as required by the Durbin Amendment; (2) the Board relied on prohibited costs and failed to "define adequately key terms"; and (3) the Board relied on hypothetical costs to set a universal cap rather than considering transaction-specific and issuer-specific costs.⁹⁹ Accordingly, Linney's Pizza argued that Regulation II must be vacated, with the court's ruling stayed in the interim to avoid upending the interchange system while a new rule is being promulgated by the Board.¹⁰⁰

In light of the Supreme Court's ruling in *Loper Bright*,¹⁰¹ the court was required to independently interpret the relevant statutory provisions and determine whether the Board, in issuing Regulation II, acted within the guardrails prescribed by Congress in the Durbin Amendment.¹⁰² The court addressed Linney's Pizza's three arguments that Regulation II is contrary to law and rejected each in turn. First, the court disagreed with Linney's Pizza's contention that the Durbin Amendment established a strictly bifurcated system of costs that the Board was required to follow.¹⁰³ Instead, the court found that the statutory language created a "gray area" that allowed for a third category of costs, so long as those costs were reasonable and proportional to the costs incurred by the relevant issuer.¹⁰⁴ Second, the court rejected the claim that the Board improperly implemented four prohibited costs in the interchange fee standard: fixed ACS costs, transaction monitoring costs, fraud

losses, and network processing fees.¹⁰⁵ The court upheld the inclusion of each category, finding that these costs were reasonably related to debit card transactions and not expressly excluded by the statutory language (*i.e.*, they are costs that fit within the third category noted above).¹⁰⁶ Third, the court dismissed the argument that the Board's "one-size-fits-all" cap was prohibited because the Durbin Amendment requires the Board to implement transaction-specific and issuer-specific interchange fees.¹⁰⁷ While the court acknowledged that this was a close question, the court emphasized the impracticality of calculating transaction-specific fees and concluded that the Board's interpretation was consistent with congressional intent.¹⁰⁸ Finally, the court found that the Board had adequately considered the comparison between debit card transactions and checking transactions, as required by statute, and that Linney's Pizza's disagreement with the Board's conclusions did not render the rule arbitrary and capricious.¹⁰⁹

Therefore, the court granted summary judgment in favor of the Board, denied Linney's Pizza's motion for summary judgement, and upheld Regulation II.

The holding by the court in the Linney's Pizza Case is directly at odds with the holding of the court in the Corner Post Case in August. Neither the Board, in the Corner Post Case, nor Linney's Pizza has yet filed a notice of appeal.

The case before the United States District Court Eastern District Court of Kentucky is *Linney's Pizza, LLC v. Board of Governors of the Federal Reserve System*, No. 3:22-cv-00071-GFVT. You can access the docket here: <https://ecf.kyed.uscourts.gov/doc1/08116907400>.

NYAG Files Suit Against Early Warning Services Over Zelle Fraud

On August 13, 2025, the New York Attorney General ("NYAG") filed a lawsuit against Early Warning Services, LLC ("EWS") accusing EWS of violating New York Executive Law § 63(12) ("Section 63(12)") by failing to protect consumers from fraud that was perpetrated through the Zelle payments network ("Zelle Fraud Complaint").¹¹⁰ Section 63(12) provides for injunctive and equitable relief when an entity "engages in repeated and persistent fraud in the carrying on, conducting, or transacting of business" and includes fraudulent conduct "which has the capacity or tendency to create an atmosphere conducive to fraud."¹¹¹ The NYAG alleges that EWS "engaged in fraud in connection with the Zelle network" by "creat[ing] an atmosphere conducive to fraud."¹¹²

In the Zelle Fraud Complaint, the NYAG details the launch, marketing, and fraud surrounding the Zelle network. First, the NYAG alleges that EWS consistently markets the Zelle network as "safe" and "secure" to encourage consumer use of the Zelle network over competing payment apps.¹¹³ Second, the NYAG alleges that the design of the Zelle network facilitates fraud, including both account takeover and induced fraud.¹¹⁴ For example, the NYAG explains that enrollment requires only access to a bank account and email address or phone number (each a "Token"); multiple Tokens can be connected to a single bank account; senders have no ability to verify the identity of the Token holder and are provided only with the recipient's first name; transfers can be made to unregistered tokens, in which case no information about the recipient is provided to the sender; and funds are made available immediately.¹¹⁵ The

NYAG asserts that these design features made the Zelle network “attractive” for fraudsters.¹¹⁶

Finally, the NYAG alleges that EWS failed to implement “basic network safeguards” against fraud and to enforce network rules designed to detect and prevent fraud.¹¹⁷ The NYAG claims that EWS developed safeguards against fraud as early as 2019 but these safeguards were not implemented until 2023 in response to investigate efforts by the CFPB and Congress.¹¹⁸ The NYAG asserts that EWS’ implementation of the safeguards resulted in a “drastic reduction in consumer harm.”¹¹⁹ The NYAG also alleges that EWS knew that banks were violating network rules, including sending banks’ obligations to report fraud and receiving banks’ obligations to review and respond to reported fraud, and failed to adequately enforce the network rules.¹²⁰

The NYAG alleges that EWS created a fraudulent atmosphere in violation of Section 63(12) because it (1) established the Zelle network despite “knowing that its design and features, and glaring flaws in its antifraud measures, render it highly susceptible to fraudulent activity” and (2) promoted the safety and security of the Zelle network when it “is not safe or secure from fraudsters, EWS did not require reimbursement for induced fraud, and EWS failed to implement basic, known, effective measures to prevent or remedy fraud.”¹²¹

The case before the Supreme Court of the State of New York is *The People of the State of New York v. Early Warning Services, LLC*, Case No. 654753-25. You can access the Zelle Fraud Complaint here: <https://ag.ny.gov/sites/default/files/court-filings/people-of-the-state-of-new-york-v-early-warning-services-llc-complaint-2025.pdf>.

ENDNOTES:

¹GENIUS Act, S. 1582, 119th Cong. (2025-2026), <https://www.congress.gov/bill/119th-congress/senate-bill/1582/text>.

²*Id.* at 466.

³*Id.* at 422.

⁴*Id.* at 420, 436.

⁵*Id.* at 447-450.

⁶*Id.* at 434, 436-437.

⁷*Id.* at 430.

⁸*Id.* at 432-433.

⁹*Id.* at 427-428.

¹⁰*Id.* at 431-432.

¹¹*Id.* at 429.

¹²President Trump established the Digital Asset Working Group under the Executive Order Strengthening American Leadership In Digital Financial Technology, <https://www.whitehouse.gov/presidential-actions/2025/01/strengthening-american-leadership-in-digital-financial-technology>.

¹³For purposes of the Digital Asset Report, a “digital asset,” as defined in the Executive Order, includes “any digital representation of value that is recorded on a distributed ledger, including cryptocurrencies, digital tokens, and stablecoins.”

¹⁴President’s Working Group on Digital Asset Markets, *Strengthening American Leadership in Digital Financial Technology*, (Jul. 30, 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/07/Digital-Assets-Report-EO14178.pdf>.

¹⁵*Id.* at 5-14.

¹⁶*Id.* at 63-86.

¹⁷*Id.* at 72-75.

¹⁸*Id.* at 66-69.

¹⁹*Id.* at 73-75, 78.

²⁰*Id.* at 88.

²¹*Id.* at 93.

²²*Id.* at 107.

²³FDIC, *Request for Information on Industrial Banks and Industrial Loan Companies and Their*

Parent Companies, 90 Fed. Reg. 34,271 (Jul. 21, 2025), <https://www.federalregister.gov/documents/2025/07/21/2025-13589/request-for-information-on-industrial-banks-and-industrial-loan-companies-and-their-parent-companies>.

²⁴*Id.* at 34,271-34,272.

²⁵Statutory factors are the institution's financial history and condition; the adequacy of the institution's capital structure; the institution's future earnings prospects; the character and fitness of the institution's management; the risks that the institution presents to the Deposit Insurance Fund; the institution's service of the convenience and needs of its community; and whether the institution's corporate powers are consistent with the purposes of the FDIA. *Id.* at 34,274.

²⁶*Id.* at 34,274-34,276.

²⁷CFPB, *Personal Financial Data Rights Reconsideration*, 90 Fed. Reg. 40,986 (Aug. 22, 2025).

²⁸*Id.*

²⁹*Id.* at 40,987.

³⁰*Id.*

³¹*Id.*

³²*Id.*

³³*Id.*

³⁴*Id.*

³⁵*Id.*

³⁶*Id.* at 40,987-40,988.

³⁷*Id.* at 40,988.

³⁸CFPB, *Required Rulemaking on Personal Financial Data Rights*, 89 Fed. Reg. 90,990 (Nov. 18, 2024), <https://www.federalregister.gov/documents/2024/11/18/2024-25079/required-rulemaking-on-personal-financial-data-rights>.

³⁹*Id.* at 90,992.

⁴⁰1033 ANPR, *supra* note 27 at 40,988.

⁴¹*Id.*

⁴²*Id.* at 40,989.

⁴³*Id.*

⁴⁴*Id.*

⁴⁵*Forcht Bank, N.A. et al v. Consumer Finan-*

cial Protection Bureau et al, No. 5:24-cv-00304-DCR, Docs. 58, 59 (E.D.KY. May 30, 2025).

⁴⁶*Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR, Doc. 61 (E.D.KY. Jun. 4, 2025).

⁴⁷*Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR, Doc. 80 (E.D.KY. Jul. 29, 2025).

⁴⁸*Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR, Doc. 84 (E.D.KY. Aug. 13, 2025).

⁴⁹*Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR, Doc. 86 (E.D.KY. Sep. 2, 2025).

⁵⁰*Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR, Doc. 87 (E.D.KY. Sep. 3, 2025).

⁵¹*Forcht Bank, N.A. et al v. Consumer Financial Protection Bureau et al*, No. 5:24-cv-00304-DCR, Doc. 88 (E.D.KY. Sep. 12, 2025).

⁵²1033 ANPR, *supra* note 27 at 40,989.

⁵³CFPB, *Legal Standard Applicable to Supervisory Designation Proceedings*, 90 Fed. Reg. 41,520 (Aug. 26, 2025).

⁵⁴*Id.*

⁵⁵*Id.*

⁵⁶*Id.*

⁵⁷*Id.* at 41,520-41,521.

⁵⁸*Id.* at 41,521; 12 U.S.C.A. § 5481(5) ("Consumer financial product or service" includes "extending credit and servicing loans"; extending or brokering certain leases of personal or real property; "providing real estate settlement services"; "engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds or any financial instrument for use by or on behalf of a consumer"; "selling, providing, or issuing stored value or payment instruments"; "providing check cashing, check collection, or check guaranty services"; "providing payments or other financial data processing products or services to a consumer by any technological means"; providing certain financial advisory services; "collecting, analyzing, maintaining, or providing consumer report information

or other account information”; certain debt collection activities; and such other products as defined by the CFPB.).

⁵⁹FDIC, *FDIC Official Signs, Advertisement of Membership, False Advertising, Misrepresentation of Insured Status, and Misuse of the FDIC’s Name or Logo*, 90 Fed. Reg. 40,767 (Aug. 18, 2025).

⁶⁰FDIC, *FDIC Official Signs and Advertising Requirements, False Advertising, Misrepresentation of Insured Status, and Misuse of the FDIC’s Name or Logo*, 89 Fed. Reg. 3504 (Jan. 18, 2024).

⁶¹Official Sign Proposal, *supra* note 59 at 40,768-40,769.

⁶²*Id.*

⁶³*Id.* at 40,769.

⁶⁴*Id.*

⁶⁵*Id.*

⁶⁶*Id.* at 40,770.

⁶⁷*Id.*

⁶⁸*Consumer Financial Protection Bureau v. Synapse Financial Technologies, Inc.*, No. 1:25-AP-01052-MB, Doc 1 (Bankr. C.D. Cal. Aug. 21, 2025).

⁶⁹*Id.* at 11-12.

⁷⁰*Id.* at 5-8.

⁷¹*Id.* at 9-10.

⁷²*Id.* at 10.

⁷³*Id.* at 11.

⁷⁴*Id.*

⁷⁵*In re: Synapse Financial Technologies, Inc.*, No. 1:24-bk-10646-MB, Doc. 638-1 (Bankr. C.D. Cal. Aug. 21, 2025).

⁷⁶12 U.S.C.A. § 5497(d)(2); 12 C.F.R. Part 1075.

⁷⁷*In re: Synapse Financial Technologies, Inc.*, No. 1:24-bk-10646-MB, Doc. 654 (Bankr. C.D. Cal. Sep. 12, 2025).

⁷⁸*Corner Post, Inc. v. Board of Governors of Federal Reserve System*, 2025 WL 2253474 (D.N.D. 2025).

⁷⁹*Id.* at *19.

⁸⁰15 U.S.C.A. § 16930-2.

⁸¹12 C.F.R. Part 235.

⁸²5 U.S.C.A. §§ 551 et seq.; 701 et seq.

⁸³*Corner Post* Opinion, *supra* note 78 at *21.

⁸⁴*Id.*

⁸⁵*Id.* at *7.

⁸⁶*Id.* at *14-15.

⁸⁷Regulation II, 76 Fed. Reg. at 43,394.

⁸⁸*Corner Post* Opinion, *supra* note 78 at *16.

⁸⁹*Id.*

⁹⁰*Id.* at *20.

⁹¹*Id.*

⁹²15 U.S.C.A. § 16930-2(a)(2).

⁹³*Corner Post* Opinion, *supra* note 78 at *21.

⁹⁴*Linney’s Pizza, LLC v. Board of Governors of the Federal Reserve System*, No. 3:22-cv-00071-GFVT, Doc. 61 (E.D.KY. Sep. 12, 2025).

⁹⁵12 C.F.R. Part 235.

⁹⁶5 U.S.C.A. §§ 551 et seq.; 5 U.S.C.A. §§ 701 et seq.

⁹⁷*Corner Post, Inc. v. Board of Governors of Federal Reserve System*, 2025 WL 2253474 (D.N.D. 2025).

⁹⁸*Linney’s Pizza Case*, *supra* note 94 at 7.

⁹⁹*Id.*

¹⁰⁰*Id.* at 8.

¹⁰¹*Loper Bright Enterprises v. Raimondo*, 603 U.S. 369, 144 S. Ct. 2244, 219 L. Ed. 2d 832, Fed. Sec. L. Rep. (CCH) P 101887 (2024).

¹⁰²*Linney’s Pizza Case*, *supra* note 94 at 11.

¹⁰³*Id.* at 14.

¹⁰⁴*Id.* at 15.

¹⁰⁵*Id.* at 19-27.

¹⁰⁶*Id.*

¹⁰⁷*Id.* at 28-31

¹⁰⁸*Id.*

¹⁰⁹*Id.* at 31-34.

¹¹⁰*The People of the State of New York v. Early Warning Services, LLC*, Case No. 654753-25,

Doc. 1 (Aug. 13, 2025).

¹¹¹*Id.* at 34-35.

¹¹²*Id.*

¹¹³*Id.* at 7-8.

¹¹⁴*Id.* at 9, 11.

¹¹⁵*Id.* at 9-14.

¹¹⁶*Id.* at 9.

¹¹⁷*Id.* at 17, 22.

¹¹⁸*Id.* at 18-20, 30-32.

¹¹⁹*Id.* at 32-33.

¹²⁰*Id.* at 22-23.

¹²¹*Id.* at 35.

EDITORIAL BOARD

EDITOR-IN-CHIEF:**Chris O’Leary****CHAIRMAN:****DUNCAN B. DOUGLASS**Partner & Head, Payment
Systems Practice
Alston & Bird LLP
Atlanta, GA**MEMBERS:****DAVID L. BEAM**Partner
Mayer Brown LLP**DAVID M. BIRNBAUM**Financial Services Consultant
(Legal Risk & Compliance)
San Francisco, CA**ROLAND E. BRANDEL**Senior Counsel
Morrison & Foerster LLP
San Francisco, CA**RUSSELL J. BRUEMMER**Partner & Chair, Financial Institu-
tions Practice
Wilmer Hale LLP
Washington, DC**CHRIS DANIEL**Partner & Chair, Financial
Systems Practice
Paul Hastings LLP
Atlanta, GA**RICHARD FOSTER**

Washington, DC

RICHARD FRAHERVP & Counsel to the Retail Pay-
ments Office
Federal Reserve Bank
Atlanta, GA**GRIFF GRIFFIN**Partner
Eversheds Sutherland LLP
Atlanta, GA**BRIDGET HAGAN**Partner
The Cypress Group
Washington, DC**PAUL R. GUPTA**Partner
Reed Smith LLP
New York, NY**ROB HUNTER**Executive Managing Director &
Deputy General Counsel
The Clearing House
WinstonSalem, NC**MICHAEL H. KRIMMINGER**Partner
Cleary, Gottlieb, Steen &
Hamilton
Washington, DC**JANE E. LARIMER**Exec VP & General Counsel
NACHA—The Electronic Pay-
ments Assoc
Herndon, VA**KELLY MCNAMARA CORLEY**Sr VP & General Counsel
Discover Financial Services
Chicago, IL**VERONICA MCGREGOR**Partner
Goodwin Proctor
San Francisco, CA**C.F. MUCKENFUSS III**Partner
Gibson, Dunn & Crutcher LLP
Washington, DC**MELISSA NETRAM**Senior Public Policy Manager and
Counsel
Intuit
Washington, DC**ANDREW OWENS**Partner
Davis Wright Tremaine
New York, NY**R. JASON STRAIGHT**Sr VP & Chief Privacy Officer
UnitedLex
New York, NY**DAVID TEITALBAUM**Partner
Sidley Austin LLP
Washington, DC**KEVIN TOOMEY**Associate
Arnold & Porter
Washington, DC**PRATIN VALLABHANENI**Partner
White & Case LLP
Washington, DC**RICHARD M. WHITING**Executive Director
American Association of Bank
Directors
Washington, DC

FINTECH LAW REPORT

West LegalEdcenter
610 Opperman Drive
Eagan, MN 55123

FIRST CLASS
MAIL
U.S. POSTAGE
PAID
WEST

FINTECH LAW REPORT

West LegalEdcenter

610 Opperman Drive, Eagan, MN 55123

Phone: 1-800-344-5009 or 1-800-328-4880

Fax: 1-800-340-9378

Web: <http://westlegaledcenter.com>



THOMSON REUTERS

YES! Rush me *FinTech Law Report* and enter my one-year trial subscription (6 issues) at the price of \$1,020.00. After 30 days, I will honor your invoice or cancel without obligation.

Name _____

Company _____

Street Address _____

City/State/Zip _____

Phone _____

Fax _____

E-mail _____

METHOD OF PAYMENT

☐ BILL ME

☐ VISA ☐ MASTERCARD ☐ AMEX

Account # _____

Exp. Date _____

Signature _____

Postage charged separately. All prices are subject to sales tax where applicable.