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November 4, 2025

**VIA ELECTRONIC TRANSMISSION**

U.S. Department of the Treasury  
Attention: Office of General Counsel  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

**Re: Department of the Treasury Advance Notice of Proposed Rulemaking on GENIUS Act Implementation (RIN 1505-ZA10)**

Dear Sir or Madam:

Consensys Software Inc. (“Consensys”) respectfully submits this comment in response to the Department of the Treasury (“Treasury”) Advance Notice of Proposed Rulemaking on the implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (“GENIUS” or the “Act”), Pub. L. No. 119-27 (2025), which establishes the first comprehensive federal framework for stablecoin issuance. The Act was introduced and advanced by Congress in response to the growing use of dollar-denominated stablecoins and the absence of a consistent federal regulatory regime, and it reflects extensive legislative deliberation and stakeholder engagement. We welcome Congress’s recognition that digital asset markets require tailored oversight and appreciate the opportunity to provide our perspective on certain provisions of the statute to help Treasury develop rules to implement it effectively.

The Act presents a unique opportunity to shape regulations that can help the United States build a safe, resilient, and competitive digital asset economy. Congress has established a framework that can serve as the basis for long-term growth, but its success will depend on translating statutory language into regulatory practice. In particular, it will be important for Treasury to promulgate rules that distinguish between self-custodial software tools and open-source protocols, on the one hand, and regulated financial services offered by Digital Asset Service Providers (“DASPs”) on the other.

As we set forth in more detail below, interfaces such as self-custodial wallets (“SCWs”) are not regulated under GENIUS as DASPs, and any final rule propounded by Treasury (the “Final Rule”) should clearly set forth their legal status under GENIUS. Importantly, the Final Rule should recognize that (i) SCWs may offer a range of services to users that go beyond mere key generation, storage and transaction signing and (ii) as we explain below, these services do not thereby turn the developer of a SCW into a DASP.

In short, GENIUS makes clear that DASPs perform one or more enumerated functions, but SCWs generally do not engage in any of that activity even though their feature set has expanded beyond creation, storage and use of private keys. Moreover, Congress intended a large carve-out for any transactions signed using a SCW, and it is important to American innovation in the peer-to-peer blockchain technology space that the Final Rule reflects this important carve-out distinguishing between intermediation and peer-to-peer blockchain technology. The latter puts independence and authority back in the hands of consumers, which was one of the driving motivations for GENIUS passing into law.

## 1. Self-Custody and the Future of American Leadership in Digital Finance

GENIUS co-sponsor Sen. Cynthia Lummis has described self-custody as a “fundamental property right” that is “core to being an American.”<sup>1</sup>

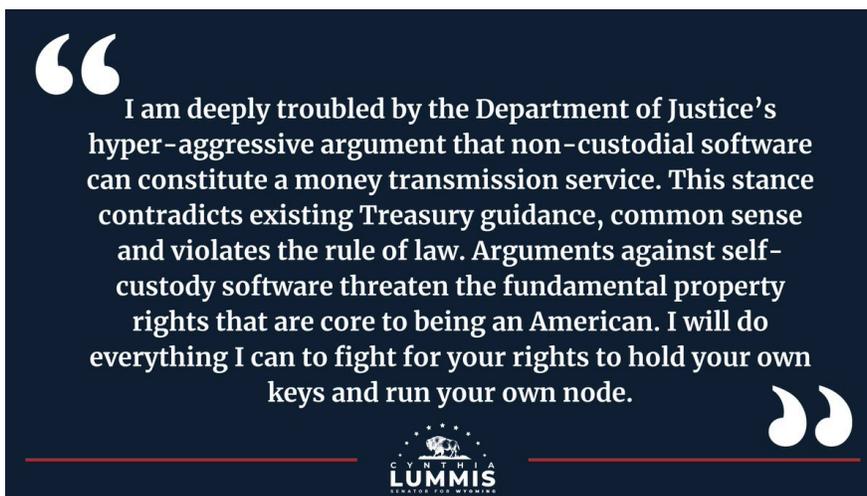


Figure 1: Statement by Act Co-Sponsor Sen. Cynthia Lummis on Self-Custody (May 1, 2024)<sup>2</sup>

Self-custody appears as a policy priority throughout GENIUS, which carefully distinguishes the stablecoin space it intends to regulate from the innovative space around decentralized finance and self-custody blockchain technology.<sup>3</sup>

<sup>1</sup> Cynthia Lummis (@SenLummis), *I am deeply concerned by the Biden administration criminalizing core tenants of the Bitcoin network and decentralized finance. My full statement.* (May 1, 2024, 11:40 AM), available at: <https://x.com/SenLummis/status/1785695683514630367>.

<sup>2</sup> *Id.*

<sup>3</sup> See e.g. Senate Majority Leader John Thune, *First Major Digital Asset Bill in American History Signed into Law*, U.S. Senate Republican Leader (Oct. 5, 2025), available at: <https://www.republicanleader.senate.gov/newsroom/remarks/thune-first-major-digital-asset-bill-in-american-history-signed-into-law> (describing the Act’s “light touch and tailored” regulatory framework for digital assets to ensure consumer confidence while “promoting continued innovation”)

Self-custody is also a policy priority for the Executive Branch. The President’s Working Group on Digital Asset Markets set forth two principles for self-custody in its Recommendations to Strengthen American Leadership in Digital Financial Technology (the “PWG Report”).<sup>4</sup> The first was that U.S. individuals should maintain the capacity to lawfully hold or custody their own digital assets without a financial intermediary, and the second that U.S. individuals should be able to engage in lawful, direct digital asset transfers that do not involve a financial intermediary with other individuals.

- Congress should evaluate the self-custody language that is included in CLARITY<sup>406</sup> and codify the following principles through legislation that reinforce the importance of self-custody:<sup>407</sup>
  - *Principle 1:* The importance of U.S. individuals maintaining the capability to lawfully hold, or custody, their own digital assets without a financial intermediary.
  - *Principle 2:* The importance of enabling U.S. individuals to engage in lawful, direct digital asset transfers that do not involve a financial intermediary with another individual that lawfully self-custodies digital assets.

Figure 2. Principles of self-custody from the PWG Report.<sup>5</sup>

Congress and the Trump Administration recognize the importance of self-custody, and SCWs are critical to the pursuit of these principles. By providing custody solutions for individuals that are secure and afford transactional independence and privacy, SCWs enable users to achieve the self-sovereignty that has been a cornerstone of the sector.

The competition among SCWs on the market, as well as between self-custody and custodial offerings, has become fierce. Blockchain interfaces and platforms are pushing to become more useful and more user-friendly. As a result, every SCW on the market today is more than just a key manager. They generally incorporate offerings into the interface to make SCWs more useful and intuitive for consumers (“Wallet Services”).

Without these services embedded in the SCW to facilitate transactions, most users would be less safe when using stablecoins, as connecting to third party interfaces entails greater risks of interacting with malicious actors attempting to steal funds. These in-wallet services have become an essential element of meaningful self-custody.

## 2. Background on Consensys and MetaMask

Consensys builds tools and infrastructure that powers the Ethereum network, the largest programmable blockchain in the world. Ethereum, in short, is the most credibly neutral and

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<sup>4</sup> The White House, *Digital Assets Report* (pursuant to Exec. Order No. 14,178, July 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/07/Digital-Assets-Report-EO14178.pdf>. Note that while the President was discussing proposed market structure legislation, these principles are readily generalisable.

<sup>5</sup> *Id.* at 108.

ensorship-resistant computer in the world, as it is operated by a decentralized community of self-selecting contributors and participants who value security, privacy, and open access. We firmly believe it is a foundation for a more secure, open and programmable society where consumers face fewer toll takers and enjoy more freedom and autonomy. Currently, Ethereum supports a stablecoin supply of around \$163 billion and a decentralized finance ecosystem with total value locked of around \$85 billion.<sup>6</sup>

Consensys's flagship offering is a SCW called MetaMask. Similar to how browsers serve as a gateway to the internet of today, a SCW serves as a gateway to blockchain protocols and decentralized applications ("Dapps"). Unlike a physical wallet which you keep in your pocket to hold your payment cards, cash, and photo identification, a SCW is an application on your phone or an extension to your internet browser that allows you to securely send payments or execute financial transactions yourself using a permissionless blockchain network. A great deal of time, financial investment, effort, and care are put into developing a SCW like MetaMask to ensure it is reliable, secure, privacy preserving, intuitive, and useful to consumers. MetaMask has over 100 million users worldwide.

MetaMask changed crypto when it came on the scene in 2016. In the early days of Ethereum, there were no wallets like there are today, and Dapps created their own application-specific wallets. This meant that users could not easily port their funds from one Dapp to another manually, putting them at persistent risk of loss to mishap or malicious actors. MetaMask allowed users to control their tokens and execute transactions more safely across all interoperable Dapps. This was a huge leap forward for the ecosystem that engendered a great deal of Dapp development, including some of the most prominent Dapps today.

In order to improve the SCW user experience, MetaMask has evolved beyond the stage of merely allowing users to create and manage their private keys. Today, the MetaMask interface also makes available a number of crypto-native Wallet Services to users. These offerings are generally facilitated by third parties, but they are offered through the wallet's interface itself as opposed to requiring the user to "sign in" to a third party Dapp interface with their SCW. Such services have become very popular, leading to meaningful growth in MetaMask's user base. Certain of the Wallet Services implicate stablecoins. Those include:

1. *Swap and Bridge*. A swap is an exchange of one token for another on the same blockchain network, and a bridge transaction is an exchange of one token for another on different blockchain networks. This feature allows a user to forgo linking their wallet to a third party website in favor of offering access inside the SCW itself to a range of third party swapping and bridging on-chain protocols. Once a user selects a transaction, he uses the wallet to cryptographically sign the selected transaction logic, and that

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<sup>6</sup> DefiLlama, *Ethereum Chain Overview*, <https://defillama.com/chain/ethereum> (last visited Oct. 31, 2025)

transaction package is then sent to the blockchain for execution. Two critical differences between this offering and comparable centralized services are that (i) MetaMask never has custody or control over any user funds and (ii) the infrastructure and coding logic that constitutes the substance of the transaction is not provided by MetaMask at all but by a third party software protocol. The most prominent swapping and bridging pairs to date have generally included at least one stablecoin.

2. *Fiat On-Ramps and Off-Ramps (“Ramp”)*. When a user wants to convert fiat currency into digital assets or vice versa, they use a service often referred to as a “ramp.” In MetaMask, this offering allows a user to access, from inside the wallet interface, regulated third party money services businesses to buy digital assets with fiat via debit, credit, or local payment methods or to convert digital assets back to fiat currency. The MetaMask interface displays information provided by the third party ramp provider like rates and fees. Like swap and bridge, Consensus never takes custody of any digital assets or fiat currency that belong to the user. The third party money services business will conduct KYC due diligence on the individual user in order to comply with its regulatory obligations, and that information is never shared with Consensus. Users frequently purchase stablecoins using fiat currency through this offering.<sup>7</sup>

We view stablecoins as an important part of the broader ecosystem and critical to blockchain becoming the primary payment rails of the future. That vision motivated us to collaborate with stablecoin issuer Bridge and the M<sup>0</sup> protocol to bring MetaMask USD (or “mUSD”) to the market as the first stablecoin aligned with a SCW. Consensus’s product offerings, like MetaMask, and initiatives in the digital asset ecosystem, like mUSD, are designed to bolster technological development in and use of the broader Ethereum ecosystem. Consistent with that overarching goal, we believe it is critical to the U.S.’s leadership in blockchain technology development that federal regulations pertaining to digital assets accurately reflect important distinctions Congress has made between the intermediated and disintermediated crypto space.

### **3. SCWs are not DASPs**

#### ***How GENIUS defines DASPs***

The Act defines a DASP as a person who, for compensation or profit, engages in the business in the United States (including on behalf of U.S. users) of: exchanging digital assets for monetary value; exchanging digital assets for other digital assets; transferring digital assets to a third party; acting as a digital asset custodian; or participating in financial services relating to digital asset issuance. The Act also explicitly excludes from the definition: a distributed ledger protocol; developing, operating, or engaging in the business of developing distributed ledger protocols or self-custodial software interfaces; an immutable and self-custodial software interface;

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<sup>7</sup> In addition to these, Consensus offers a number of other products, including staking, that generally do not implicate stablecoins and so are not discussed here.

developing, operating, or engaging in the business of validating transactions or operating a distributed ledger; or participating in a liquidity pool or other similar mechanism for the provisioning of liquidity for peer-to-peer transactions.

DASPs are prohibited under Sec. 3 of the Act from engaging in certain activities. They cannot offer or sell payment stablecoins to persons in the United States unless said payment stablecoins are issued by “permitted payment stablecoin issuers.” They also cannot offer, sell, or otherwise make available in the United States payment stablecoins issued by non-compliant “foreign payment stablecoin issuers.”

***SCWs are not DASPs under Sec. 2 of the Act, even when they offer Wallet Services.***

The Final Rule must hew closely to the policy goals of GENIUS around self-custody not only to be consistent with Congressional intent, but also to bolster self-custody blockchain technology here in America.

You have asked:

*“3. Is the scope of the term ‘digital asset service provider’ sufficiently clear as defined in the GENIUS Act? If not, what additional clarification should be provided?”*

The Final Rule interpreting GENIUS should explain that SCWs are not DASPs under both the primary inclusive language of Sec. 2(7)(A) and the exclusionary language of Sec. 2(7)(B).

First, SCWs that also offer Wallet Services do not engage in the enumerated activities that indicate status as a DASP. Second, SCWs are broadly excluded from the category of DASP, whether or not they offer Wallet Services, because they are “developing, operating, or engaging in the business of developing distributed ledger protocols or self-custodial software interfaces.”

***Wallet Services are not DASP activities.***

As the developer of MetaMask, Consensus does not perform the GENIUS DASP activities set out in Sec. 2(7)(A). Below, we consider each of the enumerated activities in turn and explain why MetaMask and SCWs generally do not belong in that category.

*(i) exchanging digital assets for monetary value.*

The core functioning of a SCW like MetaMask is not engaged in the exchange of digital assets for monetary value. Instead, that functioning includes (i) maintaining cryptographic keys that enable users to securely custody cryptocurrency assets, (ii) generating and signing transactions at the user’s direction, and (iii) interacting with smart contracts on public blockchains to carry out those transactions. None of these core services constitute exchanging digital assets for monetary value.

Swap and Bridge do not implicate this activity either. These services involve exchanging digital assets for other digital assets. The only Wallet Service described above that entails exchanging fiat for digital assets, or vice versa, is Ramp. But in that case, the SCW is not actually performing the exchange.

To use Ramp, the user will onboard and execute a transaction on a third party platform that is separately regulated to perform such money services business functions. It is widely understood across regulatory regimes that developing software to *provide access* to transactions does not constitute *performing* the transaction.<sup>8</sup> This is consistent with global regulatory standards, as well.<sup>9</sup> While the third party fiat-to-digital asset exchange would certainly qualify as a DASP, the SCW, in contrast, does not. It is only providing access.

This analysis mirrors the distinction Treasury has already made under the Bank Secrecy Act framework. There, Treasury through FinCEN determined that SCWs do not constitute money transmitters “in so far as the person conducting a transaction through the [SCW] is doing so to purchase goods or services on the user’s own behalf.”<sup>10</sup> In other words, a SCW is not performing a service that implicates money services business regulation.

*(ii) exchanging digital assets for other digital assets*

This DASP category, Sec. 2(7)(a)(ii), does not implicate MetaMask Ramp, where users exchange fiat for digital assets and vice-versa, but does raise a question about Swap and Bridge. Those offerings allow a user to trade one digital asset for another digital asset on their own behalf.

But here, too, MetaMask itself is not performing the exchange. The exchange itself is executed according to the transaction logic provided by decentralized exchange protocols that operate

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<sup>8</sup> See e.g. *Id.*; *Martinez v. Hutton (In re Harwell)*, 628 F.3d 1312, 1322 (11th Cir. 2010) (“This Court carved out an equitable exception to the literal statutory language of ‘initial transferee,’ known as the mere conduit or control test, for initial recipients who are mere conduits with no control over the fraudulently transferred funds.”); CFTC No-Action Letter No. 08-12, 2008 WL 2779593 (July 10, 2008), available at: <https://www.cftc.gov/csl/08-12/download> (excluding tech service providers from registration).

<sup>9</sup> See Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on Markets in Crypto-Assets, art. 3, recital 83, 2023 O.J. (L 150) 40 (“Hardware or software providers of non-custodial wallets should not fall within the scope of this Regulation.”), available at: <https://eur-lex.europa.eu/eli/reg/2023/1114/oj/eng>; HM Treasury, Future Financial Services Regulatory Regime for Cryptoassets: Response to Consultation and Call for Evidence § 8.13 (July 2023), (“On the use of self-hosted wallets, generally speaking, the activity of providing self-hosted wallet technology to a consumer is, in itself, not expected to fall under the definition of ‘safeguarding’ or ‘safeguarding and administering’ (i.e. the new regulated activity for custody).”) available at: <https://www.gov.uk/government/consultations/future-financial-services-regulatory-regime-for-cryptoassets>; Financial Action Task Force (FATF), Updated Guidance for a Risk-Based Approach to Virtual Assets and Virtual Asset Service Providers 76 (Oct. 2021), (“Nor does this limb typically cover software developers or providers of unhosted wallets whose functions are only developing and/or selling the software/hardware.”) available at: <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-rba-virtual-assets-2021.html>.

<sup>10</sup> Fin. Crimes Enf’t Network, *Application of FinCEN’s Regulations to Certain Business Models Involving Convertible Virtual Currencies*, FIN-2019-G001, at 16 (2019), available at: <https://www.fincen.gov/system/files/2019-05/FinCEN%20Guidance%20CVC%20FINAL%20508.pdf>

independently and are launched, governed and/or operated by third parties. Here, we have another situation where MetaMask is not performing the activity that would render it a DASP but instead has created an access point for a user to engage in that activity on their own, facilitated by third party on-chain software.

*(iii) transferring digital assets to a third party*

Simply said, no SCW transfers digital assets on behalf of a user. Indeed, this is the hallmark of self-custody that FinCEN credited upon declaring that SCWs were not engaged in money transmission.<sup>11</sup> If a SCW could send assets on the users behalf, it, by definition, would not be a SCW.<sup>12</sup> Every MetaMask transfer entails the user entering the destination wallet address, selecting an amount of digital asset, and initiating the transaction by cryptographic signature. At no point does Consensys take responsibility for the transferred tokens or otherwise control execution of the user's instructions.

Nor do the Swap, Bridge, or Ramp offerings entail Consensys transferring a MetaMask user's digital assets on their behalf. In each case, when digital assets are transferred, it is the MetaMask user himself that is signing and sending the transaction. At no point can Consensys arrest the transaction, reverse it, alter it, or seize the funds.

*(iv) acting as a digital asset custodian*

SCWs clearly abstain from this activity as well. The fundamental feature of all SCWs is that they are "self-custodial." This means that the developer never takes custody or control of the assets. And as explained above, none of the Wallet Services discussed herein could ever present a circumstance where Consensys has access to or control of a MetaMask user's funds. A MetaMask user and only that user has access to his private key, which is necessary in order to access a user's funds. MetaMask was designed so it is impossible for Consensys to know a user's private key at any point, whether they use the Wallet Services or not.

*(v) participating in financial services relating to digital asset issuance*

Sec. 2(7)(a)(v) is an important section for Treasury to interpret clearly in the Final Rule, as it presents the greatest risk of becoming a catch-all for individuals and entities that GENIUS never intended to be DASPs.

The crux of this activity is "issuance." The proper interpretation of this prong is that, for a service to be implicated, it must engage in services that directly facilitate the creation or minting of a digital asset token. In the case of stablecoins, issuance generally occurs when a centralized

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<sup>11</sup> *Id.*

<sup>12</sup> *See Id.* ("Unhosted wallets are software hosted on a person's computer, phone, or other device that allow the person to store and conduct transactions in CVC. Unhosted wallets do not require an additional third party to conduct transactions.").

party takes in a U.S. dollar and then executes a blockchain transaction that creates a corresponding token on the blockchain that represents the value of that deposited dollar.

In brief, SCWs do not participate in token issuance, let alone provide financial services.<sup>13</sup> As one district judge observed when considering SCWs, they did not “negotiate[] terms for the transaction, make[] investment recommendations, arrange[] financing, hold[] customer funds, process[] trade documentation, or conduct[] independent asset valuations.”<sup>14</sup> SCWs do not underwrite the creation of tokens by issuers, arrange for would-be dollar depositors to engage in transactions that result in new stablecoin tokens being minted, or advise either users or token issuers on any matters relating to token issuance. They are password keepers with specialized browser-like interfaces — mechanisms through which individuals may safeguard and send tokens only after they have been issued.<sup>15</sup>

None of the Wallet Services discussed herein implicate token issuance either. When someone swaps or bridges into a stablecoin or purchases stablecoins using fiat through the Ramp offering, the service is not creating or minting a token but instead providing the user access to a secondary market transaction.<sup>16</sup>

### ***Sec. 2(7)(B) Exempts SCWs***

In addition to Consensus not performing any of the activities set forth in Sec. 2(7)(a), we are also explicitly carved out of being a DASP by Sec. 2(7)(B)(ii) and (iii). There, Congress exempted “developing, operating, or engaging in the business of developing distributed ledger protocols or self-custodial software interfaces” and “immutable and self-custodial software interface[s]” from the definition of DASP.

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<sup>13</sup> In other contexts, Treasury has defined financial services to “include[] loans, transfers, accounts, insurance, investments, securities, guarantees, foreign exchange, letters of credit, and commodity futures or options.” 31 C.F.R. § 566.307 (2025).

<sup>14</sup> *Securities & Exch. Comm’n v. Coinbase, Inc.*, No. 1:23-cv-04738-KPF, slip op. at 81 (S.D.N.Y. Mar. 27, 2024), available at

[https://assets.ctfassets.net/c5bd0wqjc7v0/31xgWFLYsKNgu6YQzqkE3/e720ef7fc1fdf2edfd76f4525d851256/SEC\\_v\\_Coinbase\\_Opinion\\_and\\_Order\\_3.27.24.pdf](https://assets.ctfassets.net/c5bd0wqjc7v0/31xgWFLYsKNgu6YQzqkE3/e720ef7fc1fdf2edfd76f4525d851256/SEC_v_Coinbase_Opinion_and_Order_3.27.24.pdf).

<sup>15</sup> To the extent that any services built into a SCW entail some token minting or creation, such services tend not to be financial in nature, like protocol staking. See *Statement on Certain Protocol Staking Activities*, Div. of Corp. Fin., U.S. Securities & Exchange Commission (May 29, 2025), available at:

<https://www.sec.gov/newsroom/speeches-statements/statement-certain-protocol-staking-activities-052925> (“Protocol Staking remains an administrative or ministerial activity, and the expected financial incentive is derived solely from such activity and not the success of the PoS Network or some other third party.”).

<sup>16</sup> MetaMask does not offer a service whereby a user can deposit funds directly with a stablecoin issuer in order to create or mint a token. Whether such an offering would constitute the activity specified in Sec. 2(7)(a)(v) would require a focused inquiry on what precisely the SCW was doing and what activities third parties might be engaged in to be able to offer some judgment as to whether the conduct constituted “financial services” or whether the SCW was sufficiently involved to be said to be “participating.” But those inquiries are not required here, where MetaMask does not offer a service through which a stablecoin could be directly issued.

A plain reading of this text reveals a broad carve-out for operating a self-custodial interface such as a SCW, one that encompasses Wallet Services such as those discussed above. The Final Rule should set forth that this provision applies to all facets of the interface, such as the Wallet Services which have become part and parcel of the SCW user experience. Such a rule would strongly support users engaging in transactions on their own behalf without intermediaries, in line with the policy goals of both the Congress and the current Administration.

#### **4. Wallet Services are exempted from Sec. 3 of the Act by Sec. 3(h)(1)(C)**

Sec. 3 of the Act establishes the regulatory framework governing the issuance, offering, and facilitation of payment stablecoins by DASPs. It sets forth the conditions under which such stablecoins may be lawfully offered or sold, saying that a DASP may not offer a stablecoin “unless the payment stablecoin is issued by a permitted payment stablecoin issuer” and may not offer, sell or make available a foreign issued stablecoin, “unless the foreign payment stablecoin issuer has the technological capability to comply, and will comply, with the terms of any lawful order and any reciprocal arrangement pursuant to [the Act].”

These requirements could pose a significant compliance burden for a developer whose technology is used for peer-to-peer transactions, but the Sec. 3(h)(1)(C) mitigates that concern by establishing that SCW transactions do not implicate the requirements of Sec. 3. Specifically, Sec. 3(h)(1)(C) exempts “transactions by means of a software or hardware wallet that facilitates an individual's own custody of digital assets” from Sec. 3.

You have asked:

*“8. Are any regulations or guidance necessary to clarify the scope of these exempted transactions?”*

The Final Rule should clarify that all transactions executed using a SCW, including those that implicate Wallet Services are exempted from the Sec. 3 prohibitions. Courts have interpreted the phrase “by means of” to “indicate[ ] that the given result is achieved, at least in part, through the specified action, instrument, or method, such that the connection between the two is something more than oblique, indirect, and incidental.”<sup>17</sup> All transactions that occur with a SCW meet this standard, and so any transaction with at least one SCW as a signing party (a “SCW Transaction”) is a transaction “by means of” an SCW.<sup>18</sup> Sec. 3(h)(1)(C) reflects Congress’s clear intent to preserve the right of individuals to transact directly on open blockchain networks without relying on intermediaries. This is in line with the statute’s text which states unequivocally that, whereas

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<sup>17</sup> *Loughrin v. United States*, 573 U.S. 351, 363, 134 S. Ct. 2384, 2393 (2014).

<sup>18</sup> It is possible to imagine transactions structured to incidentally contain SCWs in order to avail of this suggested exemption, but such intentionally evasive transactions could be comfortably excluded from any Final Rule without undermining self-custody.

a DASP cannot facilitate certain transactions involving non-compliant stablecoins, no such prohibition exists if the same transaction was executed via a SCW interface like MetaMask.

Congress's choice to create a broad exemption makes a lot of sense because of the burdens that SCW developers would be saddled with if such prohibitions applied to them. Forcing SCWs to prohibit certain transactions, block certain tokens, or police certain users would fundamentally undermine what SCWs are, not to mention introduce completely new requirements that are generally foreign to SCW software developers. It would require disproportionate expense and encroach on the very self-custody and privacy priorities that are fundamental to the Act. That is why the Final Rule should state clearly that all SCW Transactions are exempt under Sec. 3(h)(1)(C).

### **CONCLUSION**

We are grateful to Treasury for engaging the public in advance of a formal rules notice about these important topics. GENIUS was passed into law to ensure a thriving and innovative digital asset economy that is closely tied to the US Dollar and American economic interests. Clarifying by way of a Final Rule that SCWs and their embedded service offerings are not DASPs would be an important step towards securing that future.

Respectfully submitted,

CONSENSYS SOFTWARE INC.

by:  
William C. Hughes

cc:  
Aaron J. Brogan