

Chairman Paul S. Atkins
Commissioner Hester M. Peirce, Chair of the Crypto Task Force
Crypto Task Force
U.S. Securities and Exchange Commission
100 F Street, NE Washington, DC 20549-0213

Dear Chairman Atkins, Commissioner Peirce, and Members of the SEC Crypto Asset Task Force,

R3 appreciates the opportunity to provide formal comments in support of the Securities and Exchange Commission's Crypto Asset Task Force, following the questions issued to the public on February 21, 2025. The Task Force's thoughtful approach and invitation for industry response are commendable. Thank you for your time in person; it was a pleasure to meet with the SEC Crypto Task Force.

About R3

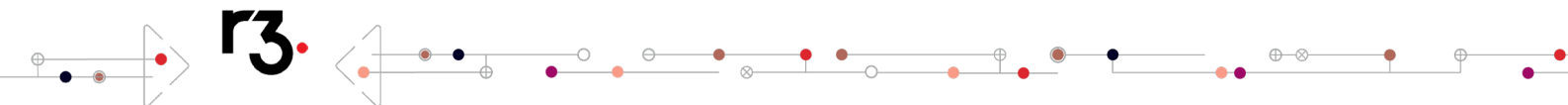
R3 is the leader in digital currency, digital assets, and interoperability solutions. We are driving market digitization and bridging the largest on-chain real-world asset (RWA) ecosystem with the public, decentralized finance (DeFi) ecosystem of Solana. Our recommendations are based on ten years in the digital asset marketplace, providing the underlying technology to some of the world's most innovative solutions and market leaders.

Today, over \$15bn in tokenized RWAs have been issued on our platform, Corda – making it the largest ecosystem of live, regulated on-chain assets. From our outset, R3 has supported central banks, corporates, and financial market infrastructures (FMIs) by providing solutions to progress financial markets digitization. Corda's innovators have spent over a decade solving the market's toughest challenges – privacy, compliance, integration, and automating complex workflows – so regulated financial institutions and corporates can confidently bring RWAs on-chain.

In May this year, R3 and Solana launched a collaboration to deliver the first permissioned consensus on a Layer-1 network for RWA tokenization and transfer. By combining the strengths of private and public blockchain infrastructure, this collaboration is paving the way for internet capital markets—enabling scalable RWA distribution, new institutional use cases, and a more efficient and liquid market. Backed by rising regulatory clarity, institutional momentum, and DeFi's growing appetite for high-quality, on-chain assets, this union of R3's leading enterprise private blockchain and Solana's high-performance public blockchain marks a defining moment in the convergence of traditional finance (TradFi) and decentralized technology.

Delivering Impact

R3's Corda platform has powered some of the world's most advanced large-scale initiatives, including tokenized central bank money projects with leading institutions such as the Banque de France, Swiss National Bank, Bank of Canada, Bank of Japan, the European Central Bank, the Monetary Authority of Singapore, and the Central Bank of the UAE. Corda is also at the core of major private-sector digital currency initiatives, including projects with Six Digital Exchange (SDX Coin) and Progmatic Coin.



Beyond tokenized money, Corda underpins critical digital asset infrastructure and next-generation financial market systems. Euroclear's D-FMI platform—used by the World Bank in 2023 to issue a digital bond—is built on Corda, showcasing its role at the heart of public-private innovation. Industry leaders like HQLA^x and SDX also rely on Corda to power institutional-grade platforms for the world's largest banks. Just last week (June 27, 2025), German development bank [KfW successfully issued and settled a CHF 140 million senior unsecured native digital bond on SDX](#)—the first of its kind by a German issuer in Switzerland. In Italy, Corda powers Spunta, a DLT-based payments reconciliation system that has been live for over five years, supporting the entire national banking sector through ABI Labs. These implementations aren't pilots—they're real-world deployments driving network effects and foundational to digital transformation.

R3's initial private network strategy has driven the industry forward, enabling ambitious TradFi players to implement innovative DLT solutions and prove the value of the technology to the broader industry. While there has been a longstanding debate over whether public or private solutions would win out, we believe collaboration between highly successful private networks and the broader public ecosystem will drive market adoption. Our work with Solana places us at the forefront of this convergence.

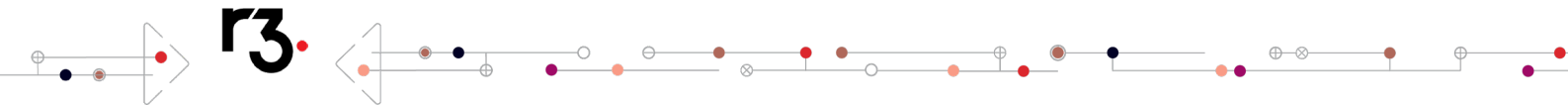
The Strategic Convergence of TradFi and DeFi

Public and private ecosystems have developed separately for valid reasons. Public blockchains fostered DeFi, with innovative assets like cryptocurrencies, non-fungible tokens, and stablecoins. TradFi innovators chose permissioned platforms, like Corda, to tokenize regulated assets and build future market infrastructure. Our collaboration with Solana marks the beginning of the convergence of these two worlds.

Permissioned blockchains like Corda provide the foundations for regulated markets: privacy, scalability, governance, and identity. Our success in tokenized currencies and RWAs reflects this. While permissioned platforms may be criticized for centralization, their characteristics contain the foundations for governance, sovereignty, and regulatory compliance.

Public Layer 1s have evolved to include features like transaction finality and Byzantine fault tolerance. This is certainly true of Solana, where robust on-chain smart contracts and token standards like SPL and Token-2022 now enable regulatory compliance on public chains. These advances create opportunities for convergence with permissioned networks, enabling true atomic settlement between regulated assets on permissioned networks and high-quality stablecoins on public networks. The result is mutually reinforcing—improving settlement quality for regulated networks while driving demand for trusted assets in the breadth of the public ecosystem.

The convergence of TradFi and DeFi—and the integration of public and permissioned networks—creates an ecosystem where sovereign networks can transact with atomic finality. By anchoring private networks to public chains, seamless asset bridging becomes possible. This final “last mile” of connectivity would allow the \$15 billion in tokenized assets in Corda's ecosystem to flow freely, creating a pathway for onboarding trillions in legacy assets into the digital economy.



Realizing the Potential of Tokenized RWAs

DLT is enabling the next evolution of financial markets through the tokenization of RWAs. This reduces costs, mitigates risks, and expands market access. We believe these benefits will extend across the market—from international corporates to individual investors.

Corda enables secure, private, and programmable tokenization in permissioned environments. However, unlocking this value requires overcoming interoperability challenges. Through our work with Euroclear, SDX, and HQLA[®], we've addressed issues such as integrating off-chain logic and automating market-level processes. Joint efforts with Solana are advancing interoperability further, enabling seamless interaction across blockchain ecosystems and expanding interoperability between permissioned networks.

R3 recognizes that interoperability is key to breaking down legacy system silos. Corda was designed to support seamless cross-network interactions, enabling value movement and unlocking liquidity. Corda leverages a peer-to-peer privacy model in which data is shared only with participants relevant to a given transaction. Our technology not only supports the transfer of assets where required but primarily facilitates atomic exchanges—allowing assets to remain on their native networks while securely transferring value. We have long envisioned a world where sovereign ledgers transact seamlessly—not isolated systems behind walled gardens. Ecosystem diversity fosters resilience.

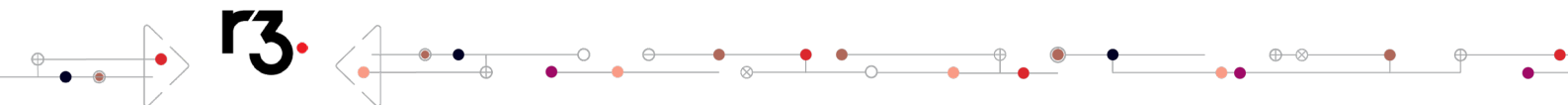
Tokenized securities offer compliance built into smart contracts—covering AML/KYC, jurisdictional limits, sanctions, and more. They enable remediation in cases of error or fraud through minting/burning, freezing tokens, and legal enforcement. Programmability and interoperability unlock new opportunities, including DeFi integration.

Work of the Crypto Task Force

We welcome the support for the crypto industry from President Trump and SEC Chair Paul Atkins. Tokenization represents the future of markets. The SEC's regulatory clarity and pro-innovation mindset are essential. We are confident this approach will strengthen the US's global leadership.

The industry is at an inflection point, driven by TradFi and DeFi convergence, DLT adoption, and cross-sector collaboration. Our collaboration with Solana is laying the foundation for this transformation. It allows regulated financial institutions to access the openness and efficiency of Solana while preserving privacy, control, and compliance. We've always believed TradFi holds the largest RWA-driven value opportunity for DeFi, and this move reflects our conviction that public blockchains are now institutionally viable—and that integration must be done responsibly. Achieving regulatory clarity on crypto assets is a critical milestone in building institutional confidence.

DLT's greatest value lies in modernizing infrastructure—enabling atomic, instant transactions that eliminate counterparty risk. Countries like Switzerland and the UAE have led with DLT-based solutions. The US is well-positioned to lead but must address both assets and infrastructure. Regulation of existing asset classes must be paired with guidance for RWA tokenization and discussion on how settlement, including central bank settlement, can increase adoption and build ecosystem utility.



Bridging TradFi and DeFi is vital. Our work with Solana is an example. TradFi participants on Corda can now engage with DeFi markets, unlocking new capital, distribution channels and bringing RWAs and tokenized settlement to a global scale.

Regulatory Clarity

We applaud the Trump administration's regulatory agenda, which, if enacted, will create a clear and competitive environment for digital assets. The SEC's industry engagement and policy changes are commendable. Cross-agency coordination will be essential to ensure consistency. We are confident the SEC aims to build a durable framework the industry can rely on to plan and innovate.

We welcome Congressional legislation on stablecoins and market structure. US Dollar-denominated coins, which dominate the market, will be strengthened by a robust regulatory regime. We believe the draft legislation before Congress provides a strong foundation, consistent with global standards from the EU and UK. Legislation establishing a clear framework for crypto assets will address a long-standing challenge in the U.S. market. The CLARITY Act will have to navigate a difficult and well-established regulatory landscape, identifying and solving for edge cases to be successful. We are confident that the SEC will support Congress in designing legislation that pursues a principles-based approach that advances the industry.

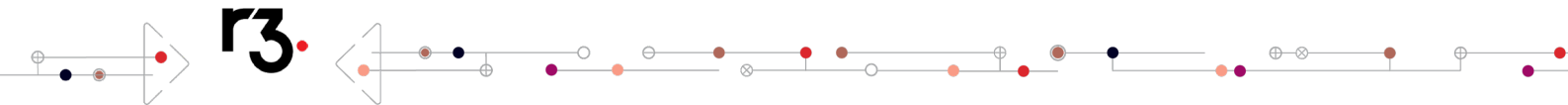
We welcome the SEC's public commitment to regulating economic activity, not technology. We strongly support the agency's stated willingness to support innovation through the issuance on guidance, exemptive relief and no-action letters to assist the market. DeFi introduces novel legal challenges, but not every legal issue needs to be resolved for DLT's benefits to be safely used by the market where participants can clearly articulate how risk is addressed and appropriately mitigated, and how regulations are being complied with. We believe that financial instruments should be regulated consistently to establish industry trust and confidence. Shifting from these principles is unlikely to create a durable regulatory framework.

Regulatory Sandboxes

R3 supports Commissioner Peirce's proposal for a digital assets sandbox, enabling the use of distributed ledger technology to issue, trade, and settle tokenized securities. Coupled with the agency's pro-innovation policy approach, a regulatory sandbox is a useful addition to the tools that the market can use to grow. Sandboxes are valuable, especially amid evolving regulations, and are most effective when they have clear goals, defined scope, transparent entry, strong risk controls, and structured timelines. R3's Corda has been used by partners in a number of sandboxes, including that offered by the UK Financial Conduct Authority.

Sandboxes offer two clear equally important roles, one is to facilitate the ability of market participants to innovate and the second is to provide an environment whereby the regulator can observe and comment on new solutions. It is important however that a sandbox not be seen as a destination itself, but as a milestone in the development of solutions that are ready and fit for the market.

In designing a digital assets sandbox, the Commission can learn valuable lessons from comparable efforts in the UK and EU, the Digital Securities Sandbox (DSS) and DLT Pilot regime respectively. These have perceived advantages and disadvantages which the



Commission may wish to better understand through an official comment period prior to the potential launch of its own.

International Cooperation

By its nature, finance is global and US institutions are very well placed to continue to dominate international finance as we move into in the age of tokenization of real world assets and regulated currencies. It is important that we do not see our ambition to make the US the home of crypto as being at odds with the continued leveraging of international cooperation.

International cooperation is essential to effectively regulate the evolving crypto markets. As digital assets and tokenized financial products operate across borders, fragmented regulatory regimes create challenges in ensuring investor protection, market integrity, and systemic risk oversight. Coordinated action with international regulators helps establish common standards for the classification, issuance, and trading of crypto assets, reducing opportunities for regulatory arbitrage and promoting legal clarity for market participants. It also enhances the SEC's capacity to monitor cross-border activity, investigate illicit behavior, and support the development of interoperable frameworks that enable innovation without compromising compliance. We are encouraged that Commissioner Peirce has stated her support for cross-border collaboration in this space.

We look forward to continued engagement with the SEC and supporting the work of the SEC Crypto Task Force. Please do not hesitate to get in touch.

Yours sincerely,

David E. Rutter
CEO and Founder, R3