



March 5, 2026

Paul Atkins, Chairman  
United States Securities and Exchange  
Commission

Hester Peirce, Commissioner  
United States Securities and Exchange  
Commission

Dear Chair Atkins and Commissioner Peirce,

We appreciated your joint remarks at ETHDenver and are encouraged by the Commission's stated interest in providing durable clarity for crypto markets. The agenda you outlined reflects a welcome shift toward prospective rulemaking, public participation, and regulatory coherence.

We write to offer two constructive suggestions, and a general policy approach guided by Coin Center's mission to defend *permissionless* and *open* cryptocurrency technologies and the rights of Americans to use them freely and privately.

First, with respect to no-action letters and exemptive relief, we urge the Commission to prioritize rulemaking wherever possible. Individualized relief can provide short-term clarity, but it risks fragmentation, implicit merit regulation, and uneven treatment across projects. The true value of crypto networks lies in their character as utility-like public goods rather than as services operated by private corporations or associations. If relief is granted selectively, the regulator inevitably puts its thumb on the scale in favor of networks or intermediaries that have the resources and incentives to pursue it.

A fully decentralized chain with strong security guarantees against self-dealing, internalization, opaque execution, and other investor harms may in many cases be preferable to a permissioned system reliant on trusted intermediaries. The wisest approach may be to permit tokenization, subject to appropriate investor protections, on both types of blockchain platforms. Only rulemaking can accomplish this because it is general and prospective. A truly decentralized network will not petition the Commission for exemptive relief, and market participants should not be denied access to superior systems simply because no identifiable sponsor seeks regulatory sign-off. A formal safe harbor adopted through notice and comment would enhance clarity, legitimacy, and durability.

Second, regarding transfer agent modernization, we encourage the Commission to consider whether blockchain-based systems may in some cases obviate the need for a separate transfer

agent altogether. Where tokenized securities are recorded on a blockchain, the issuer can bear the relevant recordkeeping obligations directly, much as stablecoin issuers do today. Relatedly, the Commission should avoid assuming that blockchain transparency is necessary for compliance. Privacy-preserving chains are now available and offer meaningful benefits for user safety and commercial confidentiality. These systems can incorporate credential verification, view keys and related tools that allow issuers to retain visibility and control over relevant records and grant selective access to regulators or third-parties as needed. The recordkeeping obligations should rest with the issuer, and issuers should remain free to delegate those functions to a third-party service-provider by choice rather than by regulatory mandate.

More broadly, we urge the Commission to resist unnecessary reintermediation. Securities laws should be rules of general applicability, and the hook for enforcement should sit with the least cost avoider given the availability of permissionless infrastructure. In many cases that will be the issuer, which can be required to deploy compliant logic and maintain appropriate records, while retaining the option to delegate functions to service providers. Many objectives historically associated with brokers, dealers, exchanges, and transfer agents can now be achieved through automatically executing code and robust user-sovereign identity tools that operate at the moment investors interact with a tokenized security. Compliance conditions (e.g. who is and is not permitted to purchase the security and what minimum standards for trade execution are required) can be embedded in the instrument itself and enforced without human intervention.

We recognize that some industry associations may resist this approach because their business models depend on state-mandated intermediation. These arguments should be evaluated carefully to ensure they do not amount to efforts to preserve rents extracted from regulatory chokepoints. Where automated logic can reliably replace those chokepoints, the law should allow it to do so and place responsibility on the issuer rather than require the continued insertion of an unnecessary middleman. To borrow an analogy from history, the goal should be rules for safely connecting calls, not the mandatory inclusion of a nosey and expensive human operator at a switchboard when none is required.

We commend the Commission's commitment to thoughtful engagement and stand ready to assist as these initiatives advance.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Van Valkenburgh". The signature is stylized with a large initial "P" and a long, sweeping underline.

Peter Van Valkenburgh  
Executive Director, Coin Center