



April 2, 2026

VIA ELECTRONIC SUBMISSION

Members of the Crypto Task Force
U.S. Securities and Exchange Commission
100 F Street NW
Washington, D.C. 20549-0213

Re: Request for Clarification Regarding a Broker-Dealer's Use of Dinari, Inc.'s Technology for Creating and Maintaining Blockchain-Based Secondary Records of Certain Securities Transactions and Positions

Dear Crypto Task Force:

Dinari, Inc. ("Dinari") submits this letter to seek clarification that the Staff of the U.S. Securities and Exchange Commission ("SEC") would not view a broker-dealer's use of Dinari's technology for creating and maintaining blockchain-based secondary records of certain securities transactions and positions as inconsistent with the broker-dealer's recordkeeping and record retention obligations and related supervisory obligations when certain conditions, as set forth below, are satisfied.

I. Background

Dinari is a Delaware-incorporated financial technology company that develops and licenses proprietary software, including software used to support blockchain-based recordkeeping of U.S. equity securities. Dinari does not operate as a broker-dealer. Instead, it licenses its technology to its wholly owned subsidiary, Dinari Securities, LLC, a registered broker-dealer, and anticipates licensing its technology to additional, unaffiliated registered broker-dealers in the future. Broker-dealers can use Dinari's technology to create a supplemental record of security ownership in the form of digital tokens.

Specifically, Dinari's proprietary software creates a secondary on-chain record—i.e., a token—held in a digital wallet that mirrors a securities position maintained offchain in the account of a broker-dealer or clearing firm ("Dinari's Blockchain Technology"). Broker-dealers will execute their customers' underlying securities orders through existing, traditional market centers (e.g., exchanges, alternative trading systems, market makers), and the securities transactions will clear and settle through existing processes. If a customer bought a security, Dinari, on behalf of the broker-dealer, will mint a corresponding digital token to the customer's wallet reflecting the purchased security. If the customer sold a security, Dinari, on behalf of the broker-dealer, will burn the corresponding digital token in the customer's digital wallet to reflect the sale of the asset.

In this scenario, the blockchain records created by Dinari's Blockchain Technology will allow broker-dealers and their customers to view records of their positions in their digital

wallets, but these will be wholly secondary records. Initially the token will be created as part of a “proof of concept” to confirm that an onchain record can remain in sync with an offchain record. For this reason, the token will allow customers to view their securities positions in token form in a digital wallet, the tokens cannot be transferred, and they convey no economic or governance rights independent of the underlying security.

The official books and records remain the broker-dealer’s offchain records (including records maintained by its clearing broker) that are maintained in compliance with Rules 17a-3 and 17a-4 under the Securities Exchange Act of 1934, as amended (“Exchange Act”), which require broker-dealers to make, keep current, and retain certain books and records relating to their business. The blockchain record is updated only to mirror the transactions already reflected in these offchain records.

II. Request for Clarification

We are writing to seek clarification from the Staff that a broker-dealer’s use of Dinari’s Blockchain Technology as a secondary record of security ownership is not inconsistent with its broker-dealer recordkeeping, record retention and supervisory obligations when certain conditions are satisfied.

Specifically, we are seeking clarification that the use of Dinari’s Blockchain Technology would not be inconsistent with a broker-dealer’s obligations when the following conditions are satisfied: (i) a broker-dealer’s primary records are created and kept in the normal course of business consistent with Exchange Act Rules 17a-3 and 17a-4; (ii) the blockchain records are wholly duplicative of the offchain primary records and the related crypto asset reflecting an offchain securities position is non-transferrable and without any independent value; and (iii) the broker-dealer maintains policies and procedures to ensure alignment between the primary offchain and secondary onchain records. These conditions are described in greater detail below.

- (i) *The broker-dealer’s primary records are created and kept in the normal course of business consistent with Exchange Act Rules 17a-3 and 17a-4.*

As discussed above, the broker-dealer’s primary records remain the offchain records that are created through the underlying securities transaction. The broker-dealer (including the clearing broker) will create and maintain such records in compliance with Exchange Act Rules 17a-3 and 17a-4, in the same way that such records are created and maintained today for any transaction. Dinari’s Blockchain Technology only mints or burns the corresponding token, as applicable, as a secondary record mirroring these offchain records.

- (ii) *The blockchain records are wholly duplicative of the offchain primary records and the related crypto asset reflecting an offchain securities position is non-transferrable and without any independent value.*

The blockchain records are wholly duplicative of the offchain primary records. The only value of the tokens at this time is the ability to view a record of the security position in token form in the customer’s digital wallet: the tokens cannot be transferred, and they convey no economic or governance rights independent of the underlying security.

(iii) *The broker-dealer maintains policies and procedures to ensure alignment between the primary offchain and secondary onchain records.*

Even though the onchain records will be secondary records only, the broker-dealer acknowledges that it is obligated to ensure that the onchain records remain in sync with the authoritative offchain records and are not false or misleading, including so that whenever the customer views their onchain position in their digital wallet, that position aligns with their securities position as reflected in the broker-dealer's offchain books and records. For example, a broker-dealer might set up a daily comparison of transaction information from its offchain books and records and the blockchain records and generate an exception report if discrepancies are identified. Such report could be subject to supervisory review. The broker-dealer's procedures might also contain a process for reconciling the onchain records to the offchain records in the event of a mismatch.

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Dinari is seeking the Staff's confirmation at this time because, even though this proposed functionality has limited utility because the secondary records it creates are duplicative of the primary records and are not transferrable, it is an important and necessary step as broker-dealers and traditional markets come onchain. Allowing broker-dealers to create blockchain-based secondary records at this stage would enable firms to gain practical experience with blockchain-based recordkeeping and digital wallet infrastructure in a controlled, low-risk manner. This experience will better position firms to integrate additional functionality as further regulatory guidance develops, without disrupting existing investor protection or recordkeeping safeguards.

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We appreciate your consideration of our request and are prepared to discuss it further at your convenience.

Respectfully submitted,

/s/ Chas Rampenthal
Chas Rampenthal
Chief Legal Officer

cc: Tiffany J. Smith, WilmerHale
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