

MEMORANDUM

To: Crypto Task Force Meeting Log
From: Crypto Task Force Staff
Re: Meeting with Franklin Resources, Inc.

On February 28, 2025, Crypto Task Force Staff, met with representatives from Franklin Resources, Inc. (Franklin Templeton).

The topic discussed was approaches to addressing issues related to regulation of crypto assets. Franklin Templeton representatives provided the attached document, dated February 10, 2025, which was discussed during the meeting.

Request by Franklin Templeton to Meet with SEC Crypto Task Force

Anticipated Franklin Templeton Attendees:

Roger Bayston, EVP/Head of Digital Assets
Mike Muir, SVP/Head of Digital Assets Technology
Alison Baur, Deputy General Counsel
Navid Tofigh, Senior Associate General Counsel
Sarah Bessin, Senior Associate General Counsel

Proposed Meeting Agenda:

- Brief background on Franklin Templeton’s experience and plans in the digital assets space:
 - Recent developments and plans for the [Franklin OnChain US Government Money Fund](#) (Benji)
 - Franklin’s digital asset ETFs - e.g., [Franklin Bitcoin ETF \(EZBC\)](#), [Franklin Ethereum ETF \(EZET\)](#), [Franklin Crypto Index ETF \(EZPZ\)](#) (currently in registration)
- Discussion of SEC regulatory issues that have been an impediment in developing these products and potential solutions:
 - Adviser’s Act/1940 Act custody rules as applied to digital assets
 - Special purpose broker-dealer position
 - Treatment of staking programs and, potentially, crypto lending
 - Streamline process for approval and trading of crypto ETFs
 - Ability to use tokenized assets for the same purposes as those assets can be used in non-tokenized form
 - Intersection of crypto and clearing agency and transfer agent rules – use of tokenized securities and blockchain technology to modernize the financial markets
- Additional issues the Task Force should consider:
 - Clarify application of insolvency rules and bankruptcy remoteness to DeFi space/digital assets
 - Clarify and streamline KYC/AML process for digital assets
 - Appropriate regulatory framework for secondary market trading of digital assets
 - The regulatory cross-border sandbox concept mentioned by Commissioner Peirce in her recent [statement](#)

- Ability of crypto ETFs to purchase and redeem creation units in kind

Please note that we may revise the agenda in advance of our meeting and will provide an updated, final agenda to the Task Force prior to the meeting.