October 20, 2026

1345 Avenue of the Americas
27th Floor
New York, NY 10105
Phone: (202) 448-1985
Fax: (866) 516-6923

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549–1090

Dear Ms. Countryman,

RE: Regulation Crypto Assets File Number S7–2026–27

We appreciate the opportunity to comment on the Securities and Exchange Commission (SEC) Regulation Crypto Assets File Number S7–2026–27. XBRL US is the nonprofit data standards organization that supports open, structured data standards to produce economies of scale and ensure good quality, transparent, accessible data for market participants. The eXtensible Business Reporting Language (XBRL) standard is required for financial data disclosures submitted to U.S. regulators including the Federal Deposit Insurance Corporation (bank Call Reports since 2005), the SEC (US GAAP financial statements since 2009), and the Federal Energy Regulatory Commission (utilities since 2021).

XBRL is widely used around the world for reporting by millions of entities under the jurisdiction of hundreds of global regulatory agencies. Reporting entities, including private and public companies, banks, utilities, and government entities, have been preparing data in structured (XBRL) format for decades, resulting in a significant pool of historical and regularly updated structured, machine-readable data relied on by investors, regulators, researchers, and other data consumers worldwide.

We support the Commission's goal of facilitating capital formation and accommodating innovation within the crypto asset markets while ensuring that investors are adequately protected and provided with the information they need to make informed investment decisions. We agree with the SEC focus on making reporting as effortless as possible for filers, however we disagree with the proposal to require data to be reported in a custom schema and in HTML. Collecting data in this fashion would be a significant step backward compared to the transparent, accessible data that the SEC requires for many other reporting entities including public companies and investment management companies. It would not stand up a strong, well-functioning framework for this emerging financial ecosystem to nurture investor interest and expand the industry going forward.

We make the following recommendations summarized here and explained in greater detail below:

- Collect data reported in all proposed forms in conformance with the XBRL semantic data model (taxonomy/ontology) to reduce costs across the supply chain and to generate data that is machine-readable, and of the highest quality because data can be automatically validated.
- Require identifiers for the entity and the digital asset: the Legal Entity Identifier (LEI) for each issuer, and the ISO 24165 Digital Token Identifier (DTI) for the subject crypto asset.
- Ensure data on digital assets is ready for AI.
- Give issuers reporting flexibility within a standardized structured reporting program.
- Align reporting requirements with the FDTA and other stablecoin regulatory programs.
- Enable the Form 1-CRYPTO Part I template to generate data in XBRL format.
- Make certain values mandatory for all issuers so that investors have material information they need and data can be compared across issuers and stablecoins.
- Require all data to be reported to the SEC's Electronic Data Gathering and Retrieval (EDGAR) System rather than solely to a corporate website posting to ensure ease of data access.
- Require each report to include (i) a Merkle root of its own disclosures and (ii) the Merkle root of the issuer's prior report, creating a tamper-evident chain of filings which follows the Haber–Stornetta[1] method of time-stamping digital documents, which links each record to the one before it and groups many records under a single hash-tree root.

Note that throughout the recommendation section, individual questions posed in the proposal are identified and addressed.

Recommendations

Collect data in conformance with the XBRL semantic data model

The Commission proposes requiring data reported in Parts II and III of Form 1-CRYPTO, and for other forms, including Form NOR and Form TR, in HTML. The lack of structure in an HTML file means there is no digitally understandable meaning in an HTML report. Using an HTML report requires manual reading and rekeying of data which will have a negative impact on the efficiency of basic data management. In addition, machine learning tools cannot gauge meaning from HTML files with accuracy or consistency.

AI tools can however, understand data in structured format, when that data is anchored to a clearly defined taxonomy/ontology. We urge the Commission to require the reporting of all data in all

[1] Stuart Haber and W. Scott Stornetta, How to Time-Stamp a Digital Document, 3 J. Cryptology 99 (1991), https://doi.org/10.1007/BF00196791; Dave Bayer, Stuart Haber and W. Scott Stornetta, Improving the Efficiency and Reliability of Digital Time-Stamping, in Sequences II: Methods in Communication, Security and Computer Science 329 (1993); https://doi.org/10.1007/978-1-4613-9323-8_24 Satoshi Nakamoto, Bitcoin: A Peer-to-Peer Electronic Cash System, § 3 (2008), https://bitcoin.org/bitcoin.pdf (citing both).

forms to be prepared in structured XBRL format and provide technical specifications to allow users the opportunity to develop structured data form within internal software tools.

When data is reported in conformance with a clearly defined XBRL taxonomy, the quality and consistency of data reported will improve and greater comparability will be enabled. XBRL is an open, nonproprietary data standard used worldwide for reporting. An XBRL taxonomy (which is also an ontology) contains the labels, definitions, references, and relationships that allow all stakeholders (issuers, data intermediaries, the regulator, data consumers) to have a concrete shared understanding of what is reported. An example of a full taxonomy for Regulation Crypto Assets was submitted to the SEC by one of our members; Auditchain labs AG[2].

For disclosure topics proposed in Rule 103 (b), general descriptions of what should be reported and in some cases, more prescriptive lists of values that must be reported are noted. Paragraph (b)(2) - Offering, for example, is described as including number of units covered and purchase price per unit. Paragraph (b)(5) - Associated Crypto Network/Application; Plan of Development, is described as including information about the architecture, network protocols and functionality, and security and source code. Paragraph (b)(3) - Subject Crypto Asset is described as "... *a description of the name and the material aspects of the subject crypto asset.*"

It is imperative that the Commission provide more concrete definitions and details about what it expects these values to represent. Is the number of units covered an aggregate computed over a certain time period? Is purchase price per unit calculated as the average of all units over a period of time, or is it the price per unit at the start or end of a period? How does the Commission define network protocols and functionality? What should be included in "*a description of the name and the material aspects of the subject crypto asset*"? Furthermore, the term "units" is not defined. The Commission should recognize that the term "unit" can be defined multiple ways and issuers need a concrete definition to ensure stakeholders are speaking in the same language. The ambiguity in the rule proposal will lead to inconsistent reporting, confusion, and misinterpretation.

These problems could be resolved if the Commission were to create and provide issuers with a clearly defined taxonomy/ontology that contains the terms, definitions, and relationships that ensure consistent communication across stakeholders. With a taxonomy, an XBRL concept applied to a value reported by an issuer comes with an associated definition, label, data type (for example, the value must be reported as an integer or percent or text string), units of measure where appropriate, label, and other properties that make it unambiguously understood by the reporting entity and by the consumer of the data. Information required to be reported such as "*description of the material aspects of the subject crypto asset*" could be clearly defined using an XBRL taxonomy text block concept. The use of a taxonomy makes it easier not only to consume data about stablecoins, but it also makes it easier to report the data because issuers are given concrete direction on what and how to report.

[2] Auditchain Labs AG submission in response to SEC proposed Regulation Crypto Assets, Release Nos. 33-11434; 34-106150; File No. S7-2026-27; RIN 3235-AN38 https://www.sec.gov/comments/S7-2026-27/s7202627-1098139-3867107.pdf

Establishing a taxonomy, which represents the semantic data model of what needs to be reported, makes it much easier to revise reporting requirements for the regulator. When a change is needed, the revision is made once in the taxonomy and then automatically communicated out to all stakeholders through reporting tools, collection tools, consumption tools, and analytical tools. Reporting in conformance with a taxonomy will produce machine-readable data that can be automatically consumed and automatically validated for accuracy, and that will produce economies of scale to keep the costs of data reporting, collection, extraction, and analysis low.

Response to question 99

We urge the Commission to require the disclosures in Part I of proposed Form 1–CRYPTO to be submitted using XBRL rather than a custom XML schema and we urge the Commission to require Parts II and III of Form 1-CRYPTO (as well as data reported in other forms) to also be submitted in XBRL rather than in HTML format as proposed for the following reasons.

Using XBRL will reduce the cost of initially standing up the regulatory data collection program and will ensure the lowest ongoing maintenance cost for regulators and data consumers. XBRL is an open, nonproprietary standard that is widely used in regulatory implementations worldwide. As an open standard there is no cost for regulators or software developers to build custom reporting, collection, extraction, or analysis tools. Because XBRL is so widely used, there is already a robust infrastructure of open-source and commercial off-the-shelf tools to support any program that calls for XBRL. This competitive ecosystem ensures the lowest costs for tools by all stakeholders.

An XBRL-supported data collection relies on a single semantic data model (taxonomy) which is referenced by all in the reporting supply chain including issuers, regulators, software providers that support the market, and data consumers. If a change needs to be made to reporting requirements or even instructions, the regulator can make the change once in the taxonomy and it will be communicated to all whenever they need to report, collect, or extract data. This eliminates the need to update forms and instruction manuals and reduces the chance of outdated forms being used. Changes made to the taxonomy by regulators do not require technical knowledge as change management can be performed easily by business managers (no need to engage IT staff or outside consultants). Changes made to the taxonomy are digitally communicated to the various supporting software tools used by issuers and data consumers for reporting, collection, and analyzing/extracting data, without the need for costly upgrades or retrofitting of tools.

Economies of scale and reduced costs will not be recognized by adopting regulator-built custom schemas in XML or JSON. Custom schemas, as proposed for Part I of Form 1-CRYPTO, require custom tools for reporting, collecting, extracting, and analyzing data. When regulators build custom data collection programs, software providers must build tools tailored to a single reporting situation. When a standard semantic data model like XBRL is used, tools that are created for one XBRL program can be repurposed for another XBRL program, regardless of the entity, regulator, or specific data reported. The economies of scale recognized in an XBRL

implementation that lead to lower costs and less expensive ongoing maintenance for all, will not be achieved in a program that requires reports to be prepared using a custom-built schema.

Structured XBRL data is more easily (inexpensively) checked for consistency and errors, producing higher quality, more comparable data. Requiring stablecoin issuance data to be prepared and collected adhering to a standardized semantic data model (XBRL) will enhance the quality, utility, and clarity of information collected. Data prepared in conformance with a taxonomy which provides concretely defined labels, data types, definitions, and other properties, such as balance type and authoritative references is rich in context which gives AI tools robust information to discern meaning. This makes it crystal clear which concept is the right fit for a reported value, both for the issuer and for the data users.

When data is prepared in digitally structured, standardized format, it can be more easily validated with checks to evaluate for signage, scaling, accounting rules, reasonableness, and more complex testing to catch inconsistencies and errors that can be resolved before submission to the regulatory authority. While custom XML or JSON schemas can also build validation to check data integrity, the XBRL taxonomy has built-in validation rules that automatically test for correct data types and relationships. Developers building a custom schema will need to build their own custom validation rules, recreating what XBRL already provides.

Data prepared in structured XBRL format optimizes AI tools. Data in structured, machine-readable, standardized format can be efficiently queried with AI tools to perform robust comparative evaluation and ad hoc analysis. AI is proven to perform more consistently and accurately when operating on structured, standardized machine-readable data. A research study[3] that compared the use of AI on data in XBRL, HTML, and text format found a significantly lower error rate in XBRL SEC reported data because of the rich context embedded in each XBRL-prepared value. A recent comment letter to the SEC submitted by the CFA Institute[4] stated, "*Studies have shown that structured and tagged data produces more accurate information. Specifically, that AI makes fewer mistakes extracting information and hallucinates less with structured data*." As pointed out by NVIDIA CEO Jensen Huang in his March 2026 keynote[5], "*The concept of structured information and generative AI will repeat itself in one industry after another. Structure data is the foundation of trustworthy AI*."

XBRL implementations keep reporting costs low for issuers. Economies of scale, as noted above, will also benefit payment stablecoin issuers because the reporting applications used to prepare disclosures will be less expensive than tools built to satisfy a single reporting situation. One tool can support multiple programs when it is based on a standard, widely used semantic data model, thus development costs are shared across many more markets and customers. As noted earlier, this is not possible when every regulator builds their own custom schema. Adhering

[3] AI determinants of success and failure: The case of financial statements: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5316518.
[4] CFA Institute SEC Comment Letter RE: File No. CLL-15, Chair Atkins Statement on Reforming Regulation S-K, May 8, 2026: https://www.sec.gov/comments/CLL-15/cll15-773527-2366334.pdf
[5] NVIDIA GTC Keynote 2026: https://youtu.be/jw_o0xr8MWU?t=899

to a digital semantic data model (XBRL) enables economies of scale in the software tools used for reporting which keeps the cost of tools low. Structured reporting can be more easily assisted with machine-learning tools that can reference a clearly defined taxonomy and automate the initial pass of associating the correct concept (tag) with a reported value.

Furthermore, AI can reduce report preparation burden. Report preparation tools are increasingly leveraging artificial intelligence to expedite XBRL "tagging," the process in which a taxonomy concept is associated with a data point in a report. Issuers can then double check the corresponding "tags" before regulatory submission. When reports are prepared for the subsequent weekly or quarterly reporting period, the taxonomy concept selected from the prior period is applied, thus further reducing the cost of reporting. Technology changes enabled through machine learning increasingly improve reporting efficiency.

Response to question 104

To align with the requirements and structure of U.S.GAAP financial statements included in disclosure documents submitted by other entities reporting to the SEC, Inline XBRL tagging should be required for Part F/S of Form 1–CRYPTO. Documents prepared in Inline XBRL are both human-readable (in HTML) and machine-readable (in XBRL). Since public companies have been reporting this way since 2009, there is a robust market of tools available to prepare and consume data in XBRL using the US GAAP Financial Reporting Taxonomy which is maintained by the Financial Accounting Standards Board (FASB).

Response to question 116

The Commission should require all forms listed in Appendices A through D to be prepared and submitted in structured, digital format and submitted as filings through the EDGAR System for ease of consumption and access. Triggering events reported on Form 1-UC could be categorized with codes to identify common events such as bankruptcy or receivership, change in auditor, or change in control. Data related to an event should be captured in machine-readable format to easily track date, event type, and affected parties, to facilitate ease of data consumption and monitoring.

Response to question 128

Investors and market participants will benefit from access to data reported on Form TR in Rule 400(b), however we urge the Commission to require Form TR to be prepared as structured filings built on the same taxonomy as Form 1-CRYPTO. The filing of Form TR under Rule 400 marks the point at which a crypto asset is no longer subject to an investment contract, and market participants need to detect that event reliably. A structured Form TR should contain electronically tagged values including, at a minimum, the issuer LEI, the asset identifier, the rule under which it is filed, and the effective date.

Require identifiers for the entity and the digital token

The LEI should be included as a required identifier for crypto asset issuers in the new EDGAR collections forms: Form ID, Form 1-CRYPTO, Form 1-KC, Form 1-SC, Form 1-UC, Form TR, and Form NOR. The LEI already exists on Form ID as an optional identifier for first time filers of EDGAR. Requiring the LEI for regulatory reporting is essential to eliminate data ambiguity, ensure high quality, and improve systemic risk monitoring, benefiting both the agency and the nascent stablecoin industry. The LEI provides uniqueness, global standardization, and ownership transparency. This is especially important in cross-border contexts, where reliance on entity names alone can produce inaccurate results due to spelling variations, language differences, and duplicate company titles.

Require the ISO 24165 Digital Token Identifier (DTI) of the subject crypto asset. The DTI is already relied upon by US agencies, for example, IRS Form 1099-DA reports the code assigned by the DTI registry. As a concept in an XBRL taxonomy, a DTI data type could be established that checks the identifier structure to ensure accuracy and to tie facts related to the stablecoin to its identifier.

Ensure required identifiers remain persistent across amendments, periodic reports, transition reports, and other filings so that investors and regulators can track the complete lifecycle of an issuer and crypto asset through time.

Ensure data on digital assets is ready for AI

Structured, standardized data prepared in conformance with a semantic data model (taxonomy) also has the important benefit of being more consistent and reliable when used in machine learning (AI) tools as it provides artificial intelligence tools the framework to more efficiently, accurately discern meaning from information provided. While data in a custom XML or JSON schema has structure, the lack of anchoring to a clearly defined semantic data model (taxonomy), makes it less dependable when machine learning is applied.

Investors increasingly obtain information from AI chatbots. OpenAI alone reports 1.2 billion weekly users, and two in five retail investors use AI for research every week. Crypto investors already depend on information published by exchanges, apps, and data providers, and more and more of it now reaches them through a chatbot. If disclosures are not provided in a standard format with cryptographic proof, someone can alter what a chatbot retrieves, and neither the chatbot nor the investor will be able to tell that it no longer matches what the issuer filed. Crypto disclosures should therefore be verifiable to the same standard as the technology the Commission will supervise[6].

[6] OpenAI, DevDay 2026 Recap (Sept. 29, 2026), https://openai.com/index/devday-2026-recap/ ("our collective 1.2B weekly users"); Finimize, Modern Investor Pulse, Q3 2026 (July 7, 2026), https://finimize.com/business/press/modern-investor-pulse-2026-q3-40-per-cent-of-retail-investors-use-ai-for-research-weekly (40.9% of 2,808 retail investors surveyed use AI for research at least weekly); see, e.g., CoinGecko, CoinGecko MCP, https://docs.coingecko.com/docs/mcp-server ("Connect AI agents to real-time crypto data"), and CoinMarketCap, CoinMarketCap AI Agent Hub Is Now Live,

Give issuers reporting flexibility within a standardized structured reporting program

The Commission could provide flexibility to issuers (as it proposed to do with principles-based reporting) by allowing them to identify what they need to report based on the concepts contained in the taxonomy. A single issuer is likely to report using a subset of all taxonomy concepts; a second issuer would report using a different subset of taxonomy concepts, but the overlap in reporting concepts across the two entities will provide comparability and ease of data access for those areas where information overlaps.

Further flexibility could be enabled by making the taxonomy "extensible" which means that an issuer could opt to create a custom concept to report a value that it deemed to be material but that was not currently available in the taxonomy.

Leveraging a taxonomy will improve comparability of information across issuers and transactions and make the reporting process easier for issuers by giving them clear guidance in what to report. Allowing extension concepts will provide the Commission with a valuable tool to help track and identify other information issuers deem to be material and want to report to their investors that may not have been considered at the writing of the final rule. We recognize that this is an emerging industry and is likely to change in terms of what investors need to know about digital assets to make informed decisions. The ability to easily update reporting requirements is important for the Commission to consider as it establishes this program.

Align reporting requirements with the FDTA and other stablecoin regulatory programs

A taxonomy-based approach also aligns with the Financial Data Transparency Act (FDTA) which requires agencies including the SEC to collect data that is fully searchable and machine-readable, defined by schemas and taxonomies, and filed in open, nonproprietary formats. The FDTA also requires the use of the Legal Entity Identifier (LEI) as the entity identifier for the issuer. The LEI should be included as a required identifier for crypto asset issuers in the new EDGAR collections forms: Form ID, Form 1-CRYPTO, Form 1-KC, Form 1-SC, Form 1-UC, Form TR, and Form NOR. Developing the six new data collections called for in Regulation Crypto Assets today in structured format with LEI requirements will ensure that they conform to the FDTA which is in the implementation phase right now.

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https://coinmarketcap.com/academy/article/coinmarketcap-ai-agent-hub-now-live; National Institute of Standards and Technology, Adversarial Machine Learning: A Taxonomy and Terminology of Attacks and Mitigations, NIST AI 100-2e2025, § 3.4 (Indirect Prompt Injection Attacks and Mitigations) (Mar. 2025), https://doi.org/10.6028/NIST.AI.100-2e2025; Soheil Khodayari et al., Indirect Prompt Injection in the Wild: An Empirical Study of Prevalence, Techniques, and Objectives, arXiv:2604.27202 (Apr. 29, 2026) https://arxiv.org/pdf/2604.27202 (15.3K injected instructions found in web pages, most of them hidden from human readers, some telling AI assistants to send users to another site).

We also encourage the SEC to coordinate stablecoin reporting requirements with other agencies such as the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Administration (NCUA) which are establishing rules regarding digital assets as well. These agencies also fall under FDTA requirements. Alignment across agencies will result in economies of scale, reduced costs, and more consistent, usable reporting.

Enable the Form 1-CRYPTO Part I template to generate data in XBRL format

The approach the Commission proposes is to allow crypto issuers to use a principles-based approach to disclose information to investors which allows issuers to deem what they consider to be of material interest. For Part I of Form 1-CRYPTO, the SEC proposes providing a fill-in template which is similar to forms provided for Regulation A and Regulation CF. These forms are designed to generate data in a custom XML schema. Parts II and III of Form 1-CRYPTO, as well as other forms required, including Form NOR, and Form TR, are required to be reported in HTML.

While the template provided by the SEC for Part I of Form 1-CRYPTO is designed to simplify the reporting process, the data generated from this form will not be simple to use because it will not be interoperable with data produced in any other custom schema. The XML schema for Reg A is different from the XML schema for Reg CF and will be different from the XML schema for Form 1-CRYPTO. Lack of interoperability means that the data cannot be collected, commingled, extracted, or analyzed together, or with any other data collected by the SEC because the structure of the data is completely different. Tools and data collection systems established for one dataset cannot be repurposed for another dataset. This siloed approach to each data collection means that there are no economies of scale and the cost of data management is high, not only for the regulator but also for reporting entities, data intermediaries, and data users. The cost of changing reporting needs is also high because a single change must be made multiple times in every application used to report, collect, extract, and analyze data.

The Commission can however, achieve its goal of simplifying the reporting process for issuers by constructing the form submission such that the data is generated in conformance with the widely used semantic data model XBRL, anchored to a clearly defined taxonomy/ontology. An XBRL taxonomy is a standardized representation of the data required to be reported. It includes labels and definitions for every value an issuer may consider to be of material interest to report as well as other properties like data type, references, and units of measure to ensure complete clarity. An XBRL taxonomy is also an ontology because it embeds relationships between values reported so that those reporting and those using the data thoroughly understand how data interacts, for example, how subtotals add up and where values may be required or precluded from existing in the same report with other values reported.

As noted on the SEC Online Forms page, reporting entities have options in how they choose to report. They can: 1) use the online template form, 2) use commercial or open-source reporting software to prepare their submission, or 3) develop their own interface to prepare the form.

The Commission could produce an online form that follows a widely used semantic data model like XBRL. While it would need to create a supporting XBRL taxonomy, this development would require the same amount of work as creating the proposed custom XML schema. The advantage of using a taxonomy is that regulators can reduce the data management burden when changes are needed because changes to reporting requirements can be made once, in the taxonomy, and those changes are communicated to issuers through the software they use to report (which reference the taxonomy) and to the SEC provided templates (which also reference the taxonomy). This approach has the benefits of data interoperability and economies of scale which keep costs low.

Make certain values mandatory for all issuers

Response to question 28

We believe that Rule 103 should require more specified disclosure requirements. The SEC has opted for a principles-based approach to disclosure, asking issuers to provide information about the stage of development of the issuer, the subject crypto asset and the associated crypto network or application. For those entities relying on the startup or fundraising exemption, the rule would provide issuers with a list of ten topic areas, for example (1) covered investment contract, (2) offering, and (3) subject crypto asset, among others. These topics must be addressed in the issuer's disclosures. The Commission notes that issuers are required to tailor their disclosures based on their own facts and circumstances.

While we understand the Commission's desire to give issuers flexibility in what they report, a principles-based approach, in which issuers base their disclosures on what they deem to be material, has certain obvious drawbacks. First, only investors can appropriately determine what information is material to their investment decisions. Issuers cannot make that judgment call. Second, giving issuers the ability to choose what information they disclose makes it impossible to reliably compare offerings and issuers, further impeding the ability of investors to make informed decisions.

We urge the Commission, at a minimum, to require certain facts to be reported by all issuers including:

- The ISO 24165 Digital Token Identifier (DTI) of the subject crypto asset.
- The Legal Entity Identifier (LEI) of the issuer and of each entity that comprises it.
- A list of the issuer's established public communication channels (website, social media accounts, whitepapers, and code repositories) on which the Rule 103(a) consistency requirement already depends.
- Indication as to whether the issuer has conducted an offering under Reg CA in the previous 12 months, with a description of and a link to each such offering.
- Schedules of the issuers and its affiliates' participation in the associated crypto network and other networks (stake, validator slots, share of the network, and the related revenue and expenses), drawn from the Blockchain Network Participation (BNP) framework, which

inform Rule 103(b)(4) and (b)(9) as detailed by Auditchain Labs AG in its submissions to other regulators - https://auditchain.com/about/policy/

- A register of the issuer's smart contract deployments with corresponding contract name and address, the network, the contract address, the date and transaction identifier (TXID) of the deployment, a link to the transaction on a public block explorer, and the number of the promised essential managerial effort, if any, that the deployment fulfills (Response to questions 70 and 130).
- Indication as to whether the issuer has given up or transferred every administrative right and privileged role it held in the smart contracts, other than those it lists as retained, with the date, and, for each right, its disposition and the on-chain transactions that carried it out (Response to question 71).
- Parameters of the governance process: the thresholds to propose and to pass a proposal, the voting period, and any delay before execution.
- Require disclosure of material protocol changes as triggering events, including blockchain forks, protocol migrations, smart-contract replacements, governance transitions, and other events that may affect the identity, functionality, or continuity of the crypto asset. Such disclosures should identify the effective date of the change and any successor assets, contracts, or networks.

Response to questions 71 and 128

We also urge the Commission to require data to be reported on each permission and administrative role as called for in Rule 103 (b)(8) including what it can do (change supply, upgrade or pause a contract), who holds it, and whether the holder is the issuer or a related person. Each filing should also indicate whether the issuer has given up or transferred every administrative right and privileged role it held in the smart contract and specify the corresponding date, other than those it lists as retained.

Response to question 29

We support more prescriptive disclosure requirements to increase comparability of information reported and to give investors the ability to identify what they deem to be material to their investment decisions. Examples of required disclosures can be seen in our response to question 28 above.

Require data to be reported through the SEC EDGAR System

All data reported should be required to be submitted through the SEC Electronic Data Gathering and Retrieval (EDGAR) System.

Response to question 32

We encourage the SEC to prescribe the methods used to publicly provide investors disclosures in Rule 103. Issuers should require data to be submitted to the SEC EDGAR system to ensure ease of access by data consumers.

Response to question 56

To satisfy the disclosure and filing requirements in Rule 200(c), (d), and (e) as proposed in Rule 200(b)(5), the notice, the disclosure, and the transition report are what make the startup exemption verifiable. All should all be filed through EDGAR in XBRL which will allow the Commission to check each condition automatically: that the disclosure was available when Form NOR was filed, that each annual update was made within 30 days of year end, and that Form TR was filed within the four-year period. The same filings let the Commission aggregate data across every issuer relying on the exemption and oversee compliance automatically rather than expending unnecessary agency budgets by reviewing documents in displaced locations.

Response to question 64

The proposed disclosure requirements in Rule 200(d) call for website only posting of disclosures required under the startup exemption. This requirement does not strike the appropriate balance between avoiding undue burden on issuers and protecting investors because it does not ensure that investors are sufficiently informed. We urge the Commission to require all data to be reported to the Electronic Data Gathering and Retrieval (EDGAR) System for ease of access.

Response to question 65

The Commission Rule 200(d)(1) should require all data to be required by Rule 103 to be filed in the SEC's EDGAR System rather than only posted on company websites to ensure ease of access by data users. Finding data on corporate websites is time-consuming and labor-intensive. Visitors may run into firewall issues, registration requirements, and other hurdles that make it difficult to access the information they need. Public posting on a well-known, accessible central portal like EDGAR will ensure transparency and give the public quick, consistent access to information.

An issuer website is an uncontrolled environment. The issuer can edit or replace a page at any time, with no record of what changed or when. A site can go offline, a domain can lapse, and a lookalike site can copy a project's name and content. Investors have no reliable way to tell which version is authentic, or what it said on the day they bought.

Issuer websites are also exposed to cyberattacks. Crypto projects have been frequent targets of domain hijacking and front-end attacks, in which attackers take over a project's website or swap in a copy that sends users' funds to the attacker. An attacker who controls an issuer's site could change its Rule 103 disclosure without the issuer noticing. For example, the attacker could alter the token allocations, the release schedules, or the wallet and contract addresses investors are told to use. Investors could then rely on false disclosures that the issuer never made. The reverse risk matters too: an issuer facing a claim could argue that disputed statements were planted by

an attacker, and no independent record would show otherwise. Small startup issuers, the very issuers Rule 200 is designed for, are the least likely to have strong security in place.

Rule 200(d) requires the website disclosure to be publicly accessible and free of charge, but nothing in the proposal makes that easy to keep or to check. An issuer can place its disclosure behind a sign-up form, a wallet connection, a geographic block, or a bot filter. Each of these is a barrier that falls short of a fee but still limits who can read the disclosure and how. Bot filters also block the data services and AI tools many investors now use to read disclosures. With hundreds of issuer sites, the Commission would have no practical way to confirm that each one stays open and free to access.

Response to question 69

Changes to information previously reported under Rule 200(d)(3) should be identified by the issuer through an amendment submitted to the EDGAR system to ensure ease of access and comparison to prior submissions.

Additional responses to questions

Response to question 33

For disclosures to be understood and used by all investors (including retail investors) to make informed decisions, the disclosures must be prepared and available in structured format. Investors increasingly read disclosure through software (exchange and wallet applications, data services, and AI assistants) that read data rather than documents. When every fact is machine-readable, the same filing can be shown as a one-page summary to a retail investor, as a full document to counsel and as a data set to an analyst, and each shows the same facts. A narrative posted in HTML can only be read as written.

Without structured machine-readable data, investors may be deprived of agentic delivery methods they otherwise would benefit from. Investors' use of AI models to retrieve information will be hindered if all disclosures are not filed through EDGAR. Furthermore, the Commission should remove any blockers that allow AI agents to crawl EDGAR and Reg CA filings to reduce the AI token model cost to investors for retrieval on demand, rather than from AI model memory which is cheaper for the public.

Response to question 34

Related persons of covered investment contract issuers pose heightened risks with respect to information asymmetries and misaligned incentives such that the disclosure of resale or transfer restrictions is warranted. The same risks exist and are addressed under the Securities Acts. Related persons' holdings, restrictions, and release schedules are among the facts markets most need to see, and they change over time. Data should be updated in each periodic report, so that changes can be followed from filing to filing.

The same disclosure helps to address a related risk: rumors about what insiders hold or intend to sell. Related persons are well covered under Section 16 and 13 of the 34 Act. In addition, custody

and handling of material nonpublic information are also well covered under the 34 Act. Issuers could also include a risk factor such as: "*Certain crypto market participants who have a large following on social media and may have unrealistic expectations and can spread fear, uncertainty and doubt if those expectations are not met that could impair the value of the crypto asset*." The best answer to that risk is a disclosure of related-person holdings, proximity to material nonpublic information and restrictions that anyone can check against the issuers' filings.

Response to question 36

We suggest modifying Rule 103(b)(10) to help ensure that risk factor disclosures address only material risks and is not a boilerplate disclosure by suggesting that the Commission require risk factors to be categorized and separately identified. This would ensure ease of data access and ensure that issuers are thoughtfully pointing out specific risks associated with their issuance, as well as more general market and technical risks.

Response to question 56

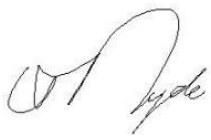
Issuers should be required to satisfy the disclosure and filing requirements in Rule 200(c), (d), and (e) as proposed in Rule 200(b)(5). The notice, the disclosure and the transition report are what make the startup exemption verifiable. Filed through EDGAR in XBRL, they let the Commission check each condition automatically: that the disclosure was available when Form NOR was filed, that each annual update was made within 30 days of year end, and that Form TR was filed within the four-year period. The same filings let the Commission aggregate data across every issuer relying on the exemption and oversee compliance automatically rather than expending unnecessary agency budgets by reviewing documents in displaced locations.

Response to questions 141, 142, and 143

Under Rule 500, state preemption for resales applies only while the issuer is current in its filing obligations. Brokers and trading platforms will need a reliable way to check whether the token is covered. We recommend that EDGAR publish, for each issuer, a machine-readable record of the exemption relied on, the filings due, the filings received, and any Form TR keyed to the issuer LEI and the asset identifier.

Thank you for the opportunity to provide input to this rule proposal. If you have questions or would like to discuss further, I can be contacted at (917) 582-6159 or Campbell.Pryde@XBRL.US.

Sincerely,



Campbell Pryde
President and CEO, XBRL US