July 9, 2026

via regulations.gov

Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street NW
Washington, DC 20581

Re: Request for Information: Identifying Regulations to Facilitate Innovation and Competition to Financial Products and Services for Fintech Firms; RIN 3038-ZA24

Dear Mr. Kirkpatrick:

Solana Policy Institute ("SPI")[1] appreciates that the Commodity Futures Trading Commission ("CFTC" or "Commission") is seeking comment on regulations, guidance, orders, no-action letters, and other regulatory items that may unduly impede financial technology firms, including digital-asset and blockchain firms, from working with CFTC registrants and registered entities ("CFTC Registrants and Registered Entities").[2] These comments focus on three areas where targeted clarification would facilitate innovation and competition without weakening market integrity, customer protection, the financial integrity of transactions, or Commission oversight. The Commission has practical tools it can use now, including guidance, no-action relief, interpretive relief, and exemptive relief under Section 4(c) of the CEA, to fulfill these objectives.[3]

The Commission should apply its rules in a technology-neutral, principles-based, and outcomes-focused manner. This means that the Commission should focus on achieving the regulatory objectives embedded in the Commodity Exchange Act ("CEA") and the corresponding regulations rather than focusing on whether blockchain-based markets or user interfaces replicate every legacy feature of intermediary-based architecture. To that end, the

[1] Solana Policy Institute is a non-partisan, non-profit organization focused on educating policymakers on how decentralized public blockchain networks like Solana are the future of the digital economy—and why the people building on and using them need legal certainty to flourish.

[2] CFTC, Request for Information: Identifying Regulations to Facilitate Innovation and Competition to Financial Products and Services for Fintech Firms, 91 Fed. Reg. 36,774, 36,774 (June 18, 2026) (RIN 3038-ZA24).

[3] CEA § 4(c), 7 U.S.C. § 6(c). In a prior Section 4(c) exemptive order, the Commission quoted Congress's statement that Section 4(c)'s goal "is to give the Commission a means of providing certainty and stability to existing and emerging markets so that financial innovation and market development can proceed in an effective and competitive manner." CFTC, Order Exempting the Trading and Clearing of Certain Products Related to iShares COMEX Gold Trust Shares and iShares Silver Trust Shares, 73 Fed. Reg. 79,830, 79,831 (Dec. 30, 2008).

Commission should make three targeted clarifications: (1) software should not be treated as intermediation merely because it helps users prepare and submit their own transactions; (2) compliance obligations should account for markets that operate continuously; and (3) reliable blockchain records should be usable for reporting, recordkeeping, and audit-trail purposes where they provide complete, durable, retrievable, and usable information.

I. The Commission should clarify that non-custodial user interfaces and wallets are not introducing brokers or associated persons solely because they help users prepare and submit user-directed transactions.

The CFTC's March 2026 no-action letter to Phantom Technologies Inc. (the "Phantom Letter") was a helpful first step. The Market Participants Division stated that, subject to the facts and conditions described in the letter, it would not recommend enforcement against Phantom for failing to register as an introducing broker ("IB") or against certain Phantom personnel for failing to register as associated persons ("APs") solely as a result of engaging in the proposed activities.[4] But the Phantom Letter is a staff-level, fact-specific position. It does not bind the Commission[5] and does not answer broader questions facing the providers of wallets, front ends, and other non-custodial user interfaces (together, "Front Ends").[6]

The IB and AP categories were designed for persons who solicit or accept customer orders and for persons associated with those intermediaries.[7] They were not created for neutral software that displays market data, connects a self-custody wallet, or converts user-selected transaction parameters into blockchain-legible instructions.[8] Ordinary software marketing,

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[4] CFTC Staff Letter No. 26-09, No-Action Position Regarding Introducing Broker Registration Requirement Under Section 4d(g) and Associated Person Registration Requirement Under Section 4(k) of the Commodity Exchange Act (Mar. 17, 2026).

[5] *See* 17 C.F.R. § 140.99(a)(2) (no-action letters are staff positions and do not bind the Commission).

[6] For purposes of this submission, "Front Ends" refers to the same general category of user-interface software that the SEC Division of Trading and Markets described as a "Covered User Interface": an interface provided by a website, browser extension, or other software application, including one embedded in or associated with a wallet, designed to assist users in user-initiated transactions on blockchain protocols or blockchain-based smart contracts using a self-custodial wallet. *See* SEC Division of Trading and Markets, Staff Statement Regarding Broker-Dealer Registration of Certain User Interfaces Utilized to Prepare Transactions in Crypto Asset Securities (Apr. 13, 2026).

[7] *See* CEA § 1a(31), 7 U.S.C. § 1a(31) (introducing broker definition); CEA § 4d(g), 7 U.S.C. § 6d(g) (IB registration requirement); 17 C.F.R. §§ 1.3, 3.10; CEA § 4k, 7 U.S.C. § 6k (AP registration provisions); 17 C.F.R. §§ 1.3, 3.12(a) (AP definition and registration requirement).

[8] Introducing Brokers and Associated Persons of Introducing Brokers, Commodity Trading Advisors and Commodity Pool Operators; Registration and Other Regulatory Requirements, 48 Fed. Reg. 35,248, 35,250 (Aug. 3, 1983) (stating that "the phrase 'soliciting or accepting orders,' as it is used in Section 2(a) of the Act, must be construed to encompass not just the literal solicitation or acceptance of customers' orders, but also the solicitation of customers [or] acceptance of their orders for referral to [a futures commission merchant] for the institution of a trading relationship and the execution of those orders"). The Phantom Letter also cites prior technology service vendor letters, including CFTC Staff Letters No. 06-29, 08-07, and 08-12, under which staff found certain technology service vendors not required to register as IBs based on specified representations. *See* Phantom Letter at 3-4 nn.9-11.

educational materials, objective market displays, and disclosed technology fees should not, without more, convert a software provider into a registered intermediary.

The Commission should publish guidance, or otherwise provide durable relief, clarifying that an independent software vendor, technology service vendor, wallet provider, or Front End provider is not required to register as an IB, and that its personnel are not required to register as APs, solely because the provider offers non-custodial software that helps users prepare, sign, and submit their own transactions to a registered venue or smart contract protocol.

That functional approach would align the CFTC's treatment of Front Ends with the core regulatory distinction between intermediation and software. A Front End that translates a user's own instructions into code is materially different from accepting an order, exercising discretion, executing a trade for a customer, or holding customer assets. Other user-interface guidance has drawn the same line when the provider does not custody assets, exercise discretion, make individualized recommendations, or execute trades for users.[9]

II. The Commission should update legacy rules to reflect 24/7 onchain markets.

Onchain markets operate continuously. Trading, collateral movements, margin updates, liquidations, settlement, and other risk events can occur at any time. Each event can carry a UTC timestamp, transaction hash, and other verifiable data. Those data points give regulators and market participants a clear record of what happened and when.

Many CFTC rules still assume that compliance occurs during business days or business hours. For example, Part 45 defines "business day" by excluding Saturdays, Sundays, and legal holidays, and defines "business hours" by reference to consecutive hours during business days.[10] While those concepts continue to work for many legacy markets, they do not fit as cleanly when execution, settlement, margin, liquidation, and risk events occur around the clock.

The Commission should update its rules, guidance, and processes that depend on business-day, business-hour, or similar timing. For onchain activity, the Commission should allow UTC-based or calendar-time compliance where that better matches the market and does not weaken the substantive protection the rule is meant to provide. These changes would make deadlines, record creation, incident notices, surveillance, margin, settlement, and risk controls clearer for CFTC Registrants and Registered Entities and technology providers that integrate with onchain markets.

III. The Commission should modernize reporting and recordkeeping rules to account for onchain execution, settlement, and auditability.

Reporting and recordkeeping remain central to regulatory oversight. Onchain transactions can create public, durable, timestamped, and independently verifiable transaction records at the moment of execution and settlement. When that record already contains the relevant information,

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[9] *See* Staff Statement, *supra* note 6; *see also* Andreessen Horowitz and DeFi Education Fund, Recommendations Regarding a Safe Harbor for Applications from the Broker Registration Requirements of the Securities Exchange Act of 1934 (Aug. 13, 2025) (submitted to SEC Crypto Task Force).

[10] 17 C.F.R. § 45.1 (definitions of "business day" and "business hours").

generating a duplicative offchain report of the same data can add cost and burden without improving oversight.

The Commission's existing reporting framework already points in this direction. The CEA and Part 43 use an "as soon as technologically practicable" standard for real-time swap reporting,[11] and the Commission's 2020 Part 45 amendments were intended to streamline reporting, harmonize data elements, and reduce unnecessary burdens.[12] The same principle should apply to onchain markets with a focus on reliable access to complete and usable data.

The Commission should clarify that CFTC Registrants and Registered Entities may satisfy or supplement reporting, recordkeeping, and audit-trail obligations through reliable access to onchain data, where that data is complete, verifiable, and available to the Commission in a usable form. The onchain record could serve as the source for execution and settlement information, with offchain records used for private or supervisory fields that are not appropriate for a public blockchain. The Commission should also clarify that onchain records may help satisfy recordkeeping and production obligations under Regulation 1.31 and swap recordkeeping obligations under Regulation 45.2, provided that the records are complete, durable, retrievable, and usable by Commission staff.[13]

This approach would preserve the Commission's anti-fraud, anti-manipulation, examination, and enforcement authority.[14] It would also be consistent with the Commission staff's recognition, in adjacent contexts, that distributed ledger technology can be used within the existing derivatives framework where the applicable legal, custody, segregation, risk-management, and operational requirements are satisfied.[15]

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[11] CEA § 2(a)(13), 7 U.S.C. § 2(a)(13); Real-Time Public Reporting of Swap Transaction Data, 77 Fed. Reg. 1,182, 1,182 (Jan. 9, 2012) (explaining that the CEA defines real-time public reporting as reporting swap transaction data, including price and volume, "as soon as technologically practicable" after execution, and that public dissemination is intended to "enhance price discovery"); 17 C.F.R. §§ 43.1, 43.3.

[12] Swap Data Recordkeeping and Reporting Requirements, 85 Fed. Reg. 75,503, 75,503 (Nov. 25, 2020) (stating that the amendments "streamline the requirements for reporting new swaps, define and adopt swap data elements that harmonize with international technical guidance, and reduce reporting burdens for reporting counterparties that are neither SDs nor MSPs"); 17 C.F.R. Part 45.

[13] 17 C.F.R. § 1.31 (regulatory records; retention and production); 17 C.F.R. § 45.2(c) (swap records must be retained throughout the life of the swap and for at least five years following final termination); 17 C.F.R. § 45.2(d) (specified records must be readily accessible via real-time electronic access during the life of the swap and for two years after final termination for SEFs, DCMs, DCOs, SDs, and MSPs).

[14] *See, e.g.*, CEA §§ 4b, 6(c)(1), and 9(a)(2), 7 U.S.C. §§ 6b, 9(1), and 13(a)(2); 17 C.F.R. Part 180.

[15] CFTC Staff Letter No. 25-39, Tokenized Collateral Guidance, at 3 (Dec. 8, 2025) (stating that none of the Commission's regulations require a particular technology or operational infrastructure for a registered entity or registrant to transfer or hold assets as eligible collateral, so long as the assets satisfy applicable regulatory requirements).

SPI appreciates the Commission's work to identify rules that may impede innovation and competition. The requested changes are narrow and practical. They would help Front End providers understand when they are providing software rather than acting as intermediaries; align timing rules with 24/7 onchain markets; and allow the Commission to use reliable, onchain records without requiring duplicative reports. SPI looks forward to working with the Commission on these issues.

Respectfully submitted,

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