

The SEC on Crypto Assets: 2026 Developments

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Despite the U.S. Senate's failure to advance the Digital Asset Market Clarity Act, the U.S. Securities and Exchange Commission (SEC) continues to move forward with proposed rules and releases related to crypto assets.¹

INTRODUCTION

On September 17, 2026, the SEC issued a temporary, conditional "Innovation Exemption" to facilitate trading in tokenized National Market System (NMS) stock.² SEC Chairman Paul S. Atkins stated the Commission was "taking a significant step forward, within its statutory authority, to bring America's capital markets into the digital age by facilitating onchain trading of certain tokenized stocks through the 'Innovation Exemption.'"³ Chairman Atkins characterized the measure as provisional, explaining that it "would allow [Tokenized Securities Venues] to trade tokenized NMS stock in a permissioned environment today while the Commission considers the need for additional action" and inviting "public comment on all aspects of the Innovation Exemption."⁴

The SEC's most recent action adds to what has been a notable 2026—a year that included its

March 17, 2026, Interpretive release explaining how federal securities laws apply to certain crypto assets and transactions (2026 Interpretive Release), and its August 21, 2026, proposed rule, "Regulation Crypto Assets."⁵ Together with the September 17, 2026, Innovation Exemption, the proposed rules and releases generally address crypto assets on three fronts: (i) how crypto assets are classified under the federal securities laws, (ii) how those that are subject to the securities laws may be offered, and (iii) how tokenized securities may be traded.

This article provides an overview of the 2026 Interpretive Release, Regulation Crypto Assets, and the recently announced Innovation Exemption along with implications of which securities are covered and what restrictions are placed on trading venues.

- The 2026 Interpretive Release classifies crypto assets into five categories—namely, digital commodities, digital collectibles, digital tools, stablecoins, and digital securities. It provides guidance on when a crypto asset may be a security and when a non-security may still be subject to an investment contract.
- The proposed Regulation Crypto Assets proposes a "tailored offering regime"—two registration exemptions and a safe harbor—for issuers of covered investment contracts.

- The Innovation Exemption addresses how tokenized NMS stocks can be traded, temporarily permitting permissioned trading of tokenized U.S. stocks (Tokenized NMS Stock) through automated market makers (AMMs) and liquidity pools.

This article provides an overview of the 2026 Interpretive Release, Regulation Crypto Assets, and the recently announced Innovation Exemption along with implications of which securities are covered and what restrictions are placed on trading venues.

2026 INTERPRETIVE RELEASE

The 2026 Interpretive Release classifies crypto assets into five categories based on their characteristics, uses, and functions: (i) digital commodities, (ii) digital collectibles, (iii) digital tools, (iv) stablecoins, and (v) digital securities.⁶ The release separates assets by what they do, how they derive value, what rights they confer, and whether purchasers reasonably rely on someone else's managerial efforts for profits. As per the release, the first three categories and the GENIUS Act-compliant stablecoins are not considered securities.

The U.S. Commodity Futures Trading Commission (CFTC) joined the Interpretive release to provide guidance that it will administer the Commodity Exchange Act (CEA) in a manner consistent with the SEC's views, and that certain non-security crypto assets could qualify as "commodities" under the CEA.

Figure 1 summarizes the five primary categories from the 2026 Interpretive Release.

Figure 1: Crypto Asset Categories as Established by the SEC and CFTC in the 2026 Interpretive Release

Asset Category	Security	Description	Examples
Digital Commodity	No	Programmatic operation of the system	ADA, ALGO, APT, AVAX, BCH, BTC, DOGE, DOT, ETH, HBAR, LBC, LINK, LTC, SHIB, SOL, XLM, XRP, and XTZ
Digital Collectible	No	Artistic/cultural/entertainment value	CryptoPunks, Chromie Squiggles, Fan Tokens, WIF, and VCOIN
Digital Tool	No	Practical/functional utility	ENS domain names (.eth) and CoinDesk's 'Microcosms' NFT Consensus Ticket
Payment Stablecoin (subject to the GENIUS Act)	No (statutory carve-out)	Peg to reference asset (e.g., USD)	Payment stablecoins issued by Permitted Payment Stablecoin Issuers
Stablecoin (other)	Depends	Depends on facts and circumstances	Stablecoins not issued by a permitted payment stablecoin issuer
Digital Security (Tokenized Security)	Yes	Rights to ownership or economic distributions of enterprise	Tokenized security

Source: "Application of the Federal Securities Laws to Certain Types of Crypto Assets and Certain Transactions Involving Crypto Assets," Release Nos. 33-11412; 34-105020; File No. s7-2026-09 (March 17, 2026)

Note: The security classification is presented as defined in the 2026 Interpretive Release. See 2026 Interpretive Release, pp. 15, 18, 20, 22, 24 ("A digital commodity itself, as described in this release, is not a security because it does not have the economic characteristics of a security;" "A digital collectible itself, as described in this release, is not a security because it does not have the economic characteristics of a security;" "A digital tool itself, as described in this release, is not a security because it does not have the economic characteristics of a security;" "These crypto assets categorically will not be securities by operation of statute after the effective date of the GENIUS Act;" "Stablecoins other than payment stablecoins issued by a permitted payment stablecoin issuer may meet the definition of 'security' depending on the facts and circumstances;" "A security is a security regardless of whether it is issued, or otherwise represented, offchain or onchain."). The descriptions are drawn from the 2026 Interpretive Release, pp. 14, 16, 19-24 and GENIUS Act, § 2(22) for payment stablecoins. The examples of digital commodities, digital collectibles, and digital tools are drawn from the 2026 Interpretive Release, pp. 14, fn. 51, 16, 17, 20, and GENIUS Act, § 2(22)-(23) for payment stablecoins. This table summarizes classifications as set forth in the 2026 Interpretive Release. Cornerstone Research does not express any view as to whether any particular crypto asset is a security or as to the sources of value for any particular crypto asset.

Crypto Asset Taxonomy

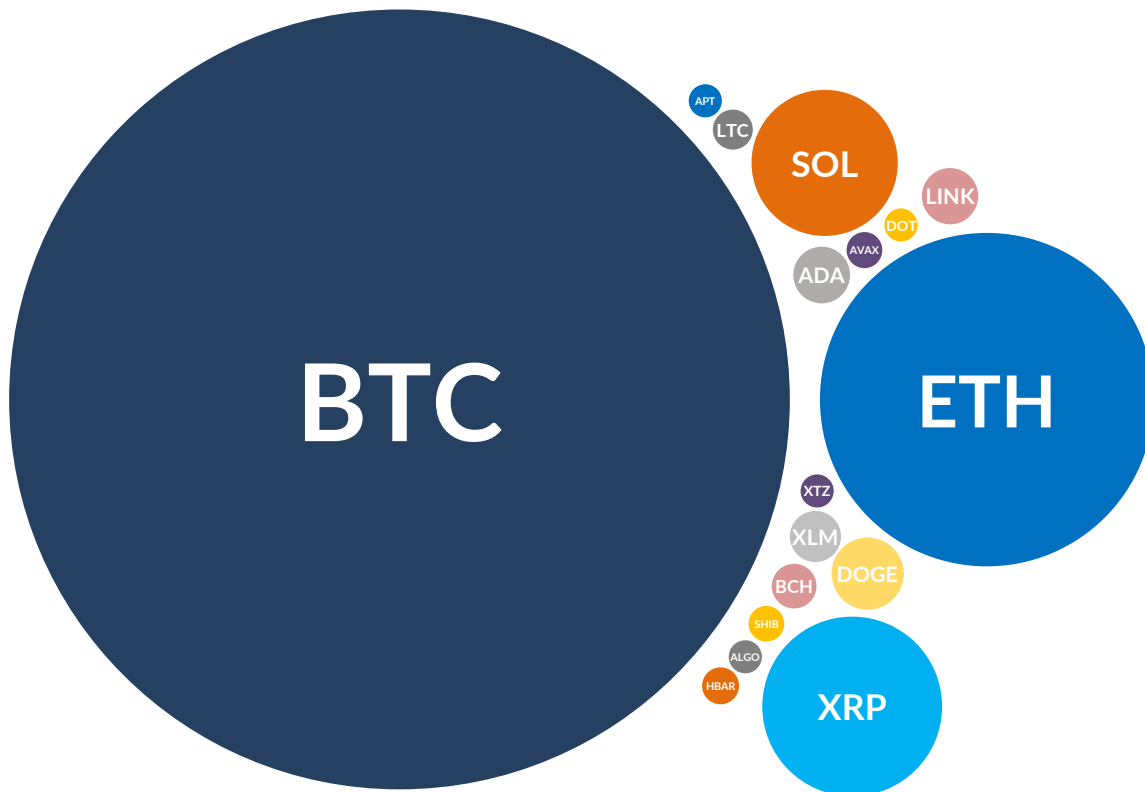
Digital Commodities

The 2026 Interpretive Release defines “digital commodities” as crypto assets that are intrinsically linked to and derive their value from the programmatic operation of a functional crypto system and supply/demand dynamics, not from the managerial efforts of a development team or issuer.⁷ The Commission defines a crypto system as “functional” if “the system’s native crypto asset can be used on the system in accordance with the programmatic utility of the system.”⁸ Additionally, the network must operate autonomously with no person, entity, or group exercising operation, economic, or voting control.

The release identifies the following as digital commodities (and therefore non-securities) as of March 17, 2026: Cardano (ADA), Algorand (ALGO), Aptos (APT), Avalanche (AVAX), Bitcoin Cash (BCH), Bitcoin (BTC), Dogecoin (DOGE), Polkadot (DOT), Ether (ETH), Hedera (HBAR), LBRY Credits (LBC), Chainlink (LINK), Litecoin (LTC), Shiba Inu (SHIB), Solana (SOL), Stellar (XLM), XRP (XRP), and Tezos (XTZ).

Figure 2 illustrates the market capitalization of the listed digital commodities as of August 2026. Bitcoin and Ether have the largest market capitalizations (\$1.4 trillion and \$253 billion, respectively). The other tokens range in size from \$229 million to \$73 billion—eight of the listed digital commodities have a market capitalization over \$5 billion.

Figure 2: Relative Market Capitalization of Crypto Commodities
August 2026



Source: CoinGecko

Note: The bubble size is proportional to average market capitalization during August 2026 with an exception that a small minimum bubble size is applied so the smallest tokens (ALGO, APT, DOT, XTZ) can carry a label. Market capitalization is calculated as circulating supply multiplied by price. LBC is excluded due to de minimis market capitalization of about \$1 million. See, e.g., “LBRY Credits,” *Crypto.com*, <https://crypto.com/en/price/library-credits>

Digital Collectibles

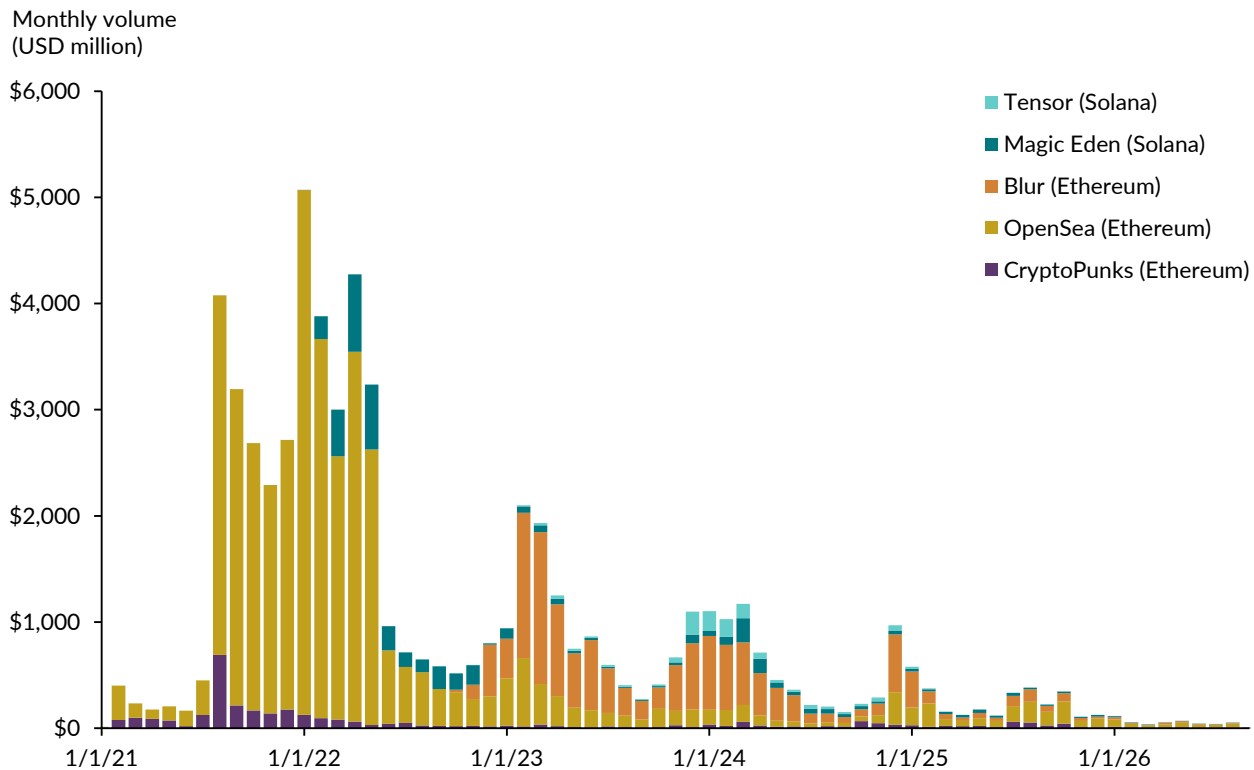
The SEC defines “digital collectibles” as crypto assets that are designed to be collected or used, such as NFTs representing art, music, videos, trading cards, in-game items, or meme-based tokens.⁹ The SEC explains that the value of these assets is based on “supply and demand, which in many cases depends on the subject matter, popularity, or scarcity of the digital collectible, as is the case with physical collectibles.”¹⁰ Named examples include CryptoPunks, Chromie Squiggles, Fan Tokens, WIF, and VCOIN.¹¹

Fractionalized digital collectibles, where multiple parties hold interests in a single NFT, *could* constitute an investment contract. As explained in the Commission’s release, “the offer and sale of a digital collectible that either is fractionalized

or otherwise enables individuals to acquire a fractional ownership interest of a single digital collectible, could constitute the offer or sale of a security because it may involve essential managerial efforts from which a purchaser would reasonably expect to derive profits and, therefore, may be offered and sold as an investment contract.”¹²

The scale of the digital collectible market can be illustrated by NFT market trading volumes on popular smart-contract platforms. Figure 3 depicts monthly volumes on Ethereum and Solana. Ethereum supports collectibles like CryptoPunks and Bored Ape Yacht Club NFTs. Solana is another blockchain supporting NFTs with marketplaces like Magic Eden and Tensor.

Figure 3: NFT Trading Volume by Marketplace
January 2021–August 2026



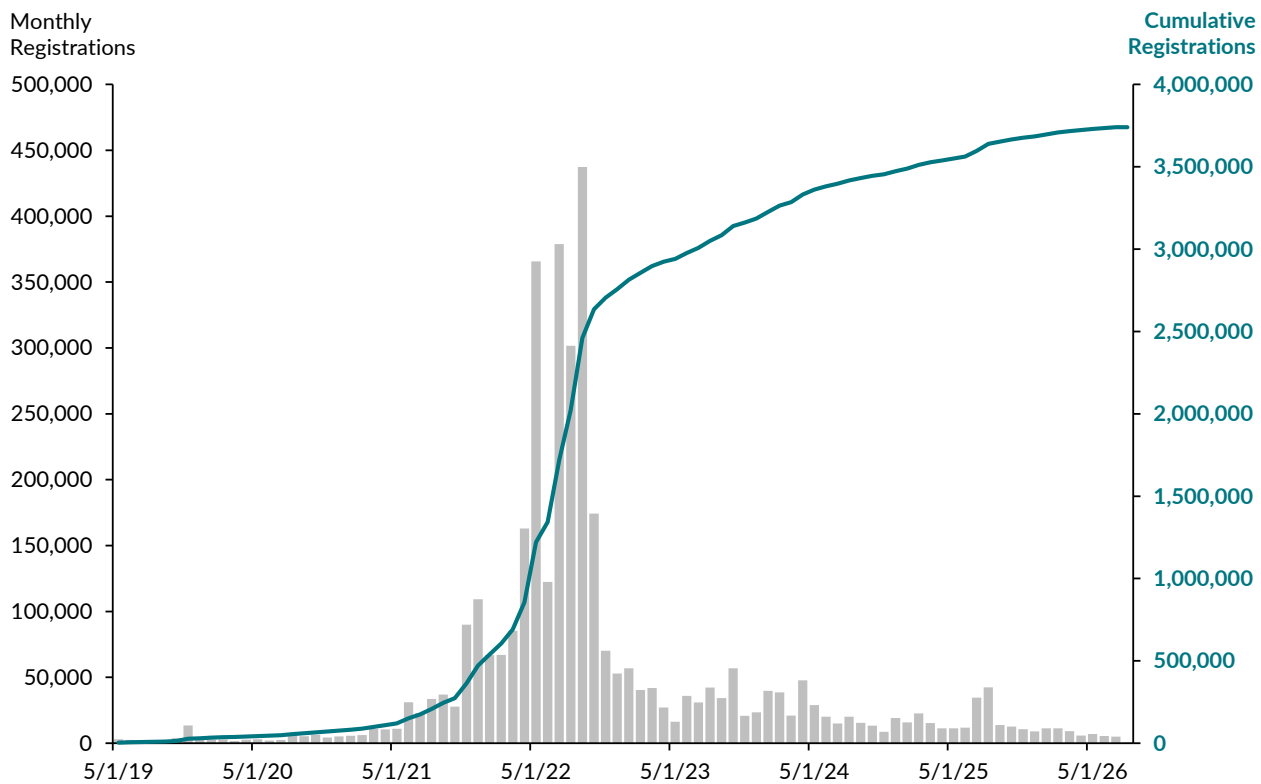
Digital Tools

The SEC defines “digital tools” as crypto assets that perform a “practical function, such as membership, ticket, credential, title instrument, or identity badge.”¹³ The value of these assets is derived from utility, not investment return. An example cited in the release is Ethereum Name Service (ENS) domain names (.eth addresses). ENS names function analogously to internet domain names (DNS), translating cryptographic wallet addresses into human-readable identifiers. These can be purchased for their functional

utility (e.g., simplifying transactions and establishing on-chain identity), similar to purchasing a website domain name. The release compares the purchase of a digital tool to acquiring “a museum membership.”¹⁴

Figure 4 illustrates ENS adoption. ENS launched in May 2017 and growth accelerated in 2021. As of August 2026, cumulative registrations surpassed 3.5 million “.eth” names, with approximately 800,000 unique owners and 750 integrations across wallets, apps, and social platforms.

Figure 4: ENS Names Monthly Registrations
May 2019–August 2026



Source: Dune Analytics

Stablecoins

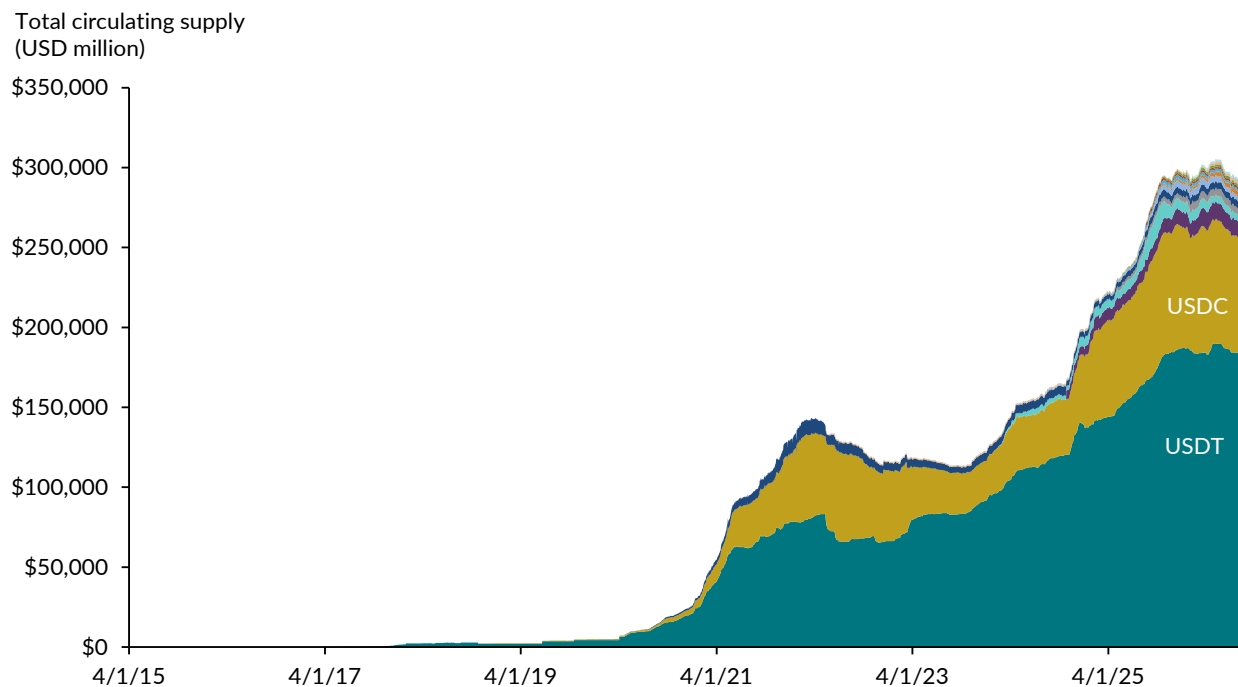
Stablecoins are crypto assets designed to maintain a stable value relative to a reference asset, typically the U.S. dollar. The 2026 Interpretive Release describes a bifurcated treatment for these assets. Stablecoins in compliance with the GENIUS Act that are “payment stablecoins issued by permitted payment stablecoin issuers”¹⁵ are expressly excluded from the definition of a security. However, as explained by the SEC, stablecoins “other than payment stablecoins issued by a permitted payment stablecoin issuer may meet the definition of ‘security’ depending on the facts and circumstances.”¹⁶

Passed in July 2025, the GENIUS Act establishes a regulatory framework for payment stablecoins offered to U.S. persons. Under the act, only Permitted Payment Stablecoin Issuers (PPSIs) may issue a payment stablecoin for use by U.S. persons, subject to certain exceptions and safe harbors. The act defines a “payment stablecoin” as a digital asset that is (or is designed to be)

used as a means of payment or settlement, whose issuer is obligated to redeem the asset for a fixed amount of monetary value and “represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value.”¹⁷ The GENIUS Act explicitly excludes the following digital assets from the definition of a payment stablecoin:¹⁸ national currency, bank deposits (including “a deposit recorded using distributed ledger technology”¹⁹), and securities as defined in U.S. securities laws. The Commission’s release adopts the GENIUS Act framework for establishing that payment stablecoins are not securities.

Figure 5 shows the market growth in stablecoin market capitalization since 2018. As of August 2026, there are 14 stablecoins with market capitalizations over \$1 billion. This growth reflects both increased interest and the entry of institutional issuers such as PayPal (PYUSD) and Ripple (RLUSD).

Figure 5: Circulating Supply of Stablecoins
January 1, 2018–August 31, 2026



Source: CoinGecko

Note: Only stablecoins with a circulating supply over \$1 billion are included. According to CoinGecko, as of August 31, 2026, those were USDT, USDC, USDS, USDE, USD1, DAI, PYUSD, USDG, USDF, BFUSD, RLUSD, USDD, USDGO, and U.



Digital Securities or “Tokenized Securities”

The Commission defines “digital securities” as financial instruments “enumerated in the definition of ‘security’” that are “formatted as or represented by a crypto asset, where the record of ownership is maintained in whole or in part on or through one or more crypto networks.”²⁰ These assets are subject to SEC oversight and existing securities law requirements. Their treatment under this release is that existing securities law applies in full.

Investment Contracts and Market Activities

The Commission explained that non-security tokens may still be subject to SEC oversight if they are offered and sold as part of an investment contract. In particular, according to the 2026 Interpretive Release, a “non-security crypto asset becomes subject to an investment contract when the issuer offers it by inducing an investment of money in a common enterprise with representations or promises to undertake essential managerial efforts from which a purchaser would reasonably expect to derive profits.”²¹ Whether such expectations are reasonable “depends on the specific facts and circumstances, taken as a whole, under which those representations and promises are made,” including “the source of the representations or promises.”²²

For example, the release states that representations or promises “to develop and achieve functionality for a non-security crypto asset and/or develop an associated crypto system together with a business plan containing detailed milestones, a timeline, information about personnel, sources of funding and other resources needed to meet those milestones . . . likely would reasonably create an expectation of profit.”²³ However, representations that are “vague or contain no semblance of an actionable business plan, such as those lacking milestones, funding, or other plans for needed resources, likely would not create reasonable expectations of profit.”²⁴

Non-security crypto assets can also cease to be subject to an investment contract when certain conditions are met.²⁵ This occurs when the issuer either (i) fulfills its representations or

promises, for example, by delivering a fully functional, decentralized network; or (ii) fails to satisfy them.²⁶ According to the Commission’s release, if either of these conditions is met, “the non-security crypto asset separates from such representations or promises, and thereafter the non-security crypto asset is not subject to the Federal securities laws.”²⁷

The 2026 Interpretive Release also addresses the treatment of four market activities:

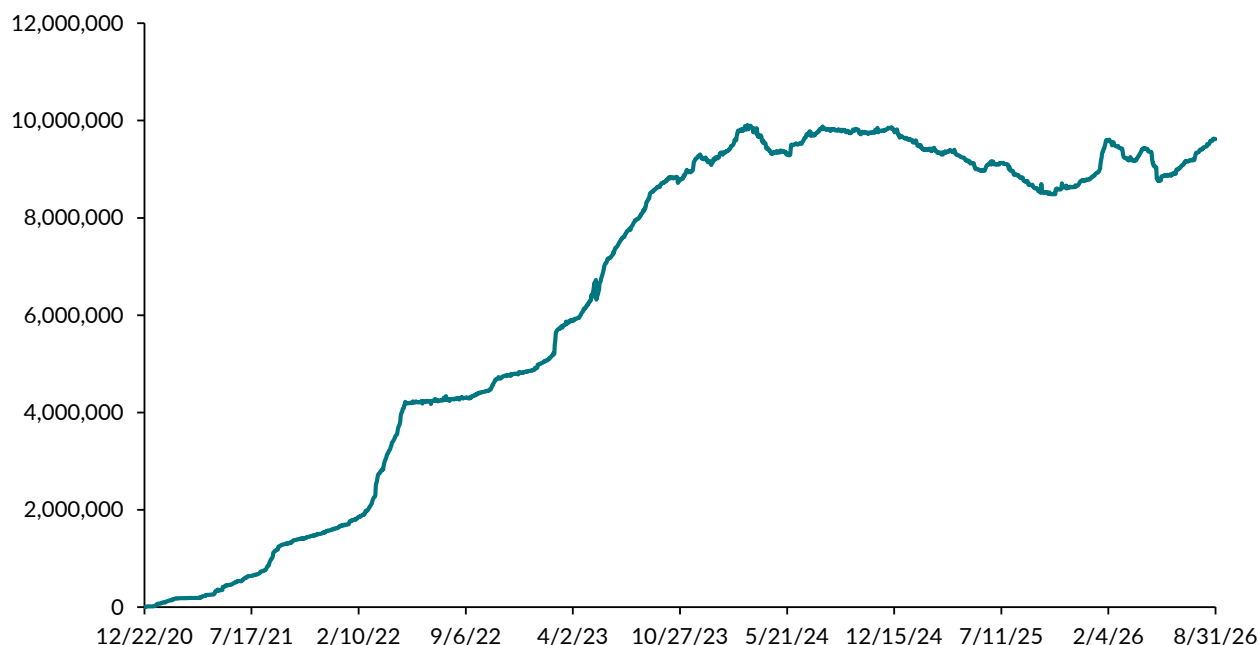
(i) protocol mining, (ii) protocol staking, (iii) wrapping, and (iv) airdrops.

Protocol Mining: On networks with Proof of Work (PoW) consensus mechanisms (e.g., Bitcoin), miners contribute computational work to validate transactions. Miners who solve computational puzzles receive newly minted tokens and transaction fees as algorithmic rewards. According to the release, protocol mining does not constitute the offer and sale of a security, whether through solo-mining or as part of mining arrangements (pools) that distribute rewards pro rata based on contributed computational power.²⁸

Protocol Staking: In Proof of Stake systems, validators stake tokens to participate in consensus and earn algorithmically determined rewards. The Commission’s release concludes that Protocol Staking Activities, “in the manner and under the circumstances described in th[e] release, do not involve the offer and sale of a security.”²⁹ The release also addresses “Liquid Staking,” whereby Depositors receive “Staking Receipt Tokens” that “evidence Depositors’ ownership of the deposited digital commodities and any rewards that accrue to the deposited digital commodities.”³⁰ The release concludes that the offer and sale of such tokens, when they are receipts for non-security crypto assets not subject to an investment contract, do not involve the offer and sale of a security.³¹

Liquid Staking adoption has seen an increase since 2020, as illustrated in Figure 6, which shows the total volume and value of ETH staked through Lido, a liquid staking protocol, from December 2020 through August 2026.³² Over this period, the amount of ETH staked with Lido grew to nearly 10 million ETH. In dollar terms, the value of this staked ETH stands at about \$25 billion as of August 2026.

Figure 6: Lido-Staked ETH
December 20, 2020–August 31, 2026



Source: CoinGecko

Wrapping: The release defines a “Redeemable Wrapped Token” as a crypto asset that represents a crypto asset on a different network or token standard and that is both backed and redeemable on a one-for-one basis.³³ For such tokens, the value “is derived from the value of the deposited crypto asset and not from the efforts of any third party involved in the wrapping process,” and the wrapping process itself is “an administrative or ministerial function.”³⁴ The release concludes that the offer or sale of such a token, when it is “a receipt for a non-security crypto asset that is not subject to an investment contract . . . does not involve the offer and sale of a security.”³⁵

Airdrops: The release specifies that “[w]here an issuer conducts an airdrop of non-security crypto assets in the manner and under the circumstances described in this release, the non-security crypto asset does not become subject to an investment contract” because airdrops (free distribution of tokens to network wallets) do not involve an “investment of money.”³⁶

REGULATION CRYPTO ASSETS

On August 21, 2026, the SEC proposed a rule called “Regulation Crypto Assets” that would “create a tailored offering regime for certain investment contracts involving crypto assets.”³⁷ The proposed rule would complement the 2026 Interpretive Release by creating a framework for issuers of covered investment contracts. As stated in the proposed rule, “the Commission’s existing rules are not fully ‘fit-for-purpose’ with respect to covered investment contract offerings.”³⁸

The proposed rule includes two exemptions from the registration requirements of Section 5 of the Securities Act. The first, a “startup exemption,” would permit offerings of up to \$5 million during a four-year period.³⁹ It would apply to issuers in the early stages of developing a crypto network or crypto application and would provide them with a period during which they may work toward fulfilling the essential managerial efforts they represented or promised to investors—for example, developing the functionality of, or pursuing decentralization with respect to, an associated crypto network or application.⁴⁰ The exemption would apply to capital-raising



transactions as well as other distributions that may be necessary in connection with the development of a crypto network or application, “including airdrops; distributions related to staking, governance, and gas fees that are intended to enable crypto network or application functionality; and paying fees for testing or other compensation.”⁴¹ Covered investment contracts issued under this exemption would not be restricted securities and would not be subject to rule-based resale restrictions or limits on sales to retail investors.⁴²

The second exemption, a “fundraising exemption,” would permit offerings of up to \$75 million during each 12-month period.⁴³ Modeled in part on Regulation A, it would consist of two tiers of offering limits. Issuers under both exemptions would be required to make certain principles-based narrative disclosures; the fundraising exemption would also require financial statements and ongoing reporting.⁴⁴ Issuers relying on either exemption would remain subject to the anti-fraud and anti-manipulation provisions of the federal securities laws.⁴⁵

The proposed rule also includes an “investment contract safe harbor.” Under proposed Rule 400, a covered investment contract would be deemed to have ceased to exist if two conditions are met. First, the issuer must have completed or permanently ceased all essential managerial efforts it represented or promised it would undertake.⁴⁶ Second, the issuer must file a transition report (Form TR) with the Commission.⁴⁷ The safe harbor would be available to any issuer that satisfies its conditions, whether or not the issuer has utilized either of the two proposed exemptions.

INNOVATION EXEMPTION

On September 17, 2026, the SEC issued two temporary, conditional exemptions under Section 36(a)(1) of the Securities Exchange Act to permit permissioned trading of tokenized U.S. stocks (Tokenized NMS Stock) through automated market makers (AMMs) and liquidity pools.⁴⁸ These are collectively called the “Innovation Exemption.” The first, the “Tokenized Securities Venue” (TSV) exemption, relieves qualifying venues from the definition of “exchange” in Section 3(a)(1), so that a TSV need

not register as a national securities exchange or operate as an Alternative Trading System (ATS).⁴⁹ The second, the “Covered Firm” exemption, relieves liquidity providers that supply Tokenized NMS Stock to an AMM pool using proprietary capital from the “dealer” definition in Section 3(a)(5).⁵⁰ The SEC framed the action as “an interim, targeted measure” to facilitate on-chain trading while it considers future rulemaking.⁵¹ Both exemptions last for five years.⁵²

The relief provided by these exemptions involves various conditions. A TSV must be a U.S. person subject to Office of Foreign Assets Control (OFAC) sanctions compliance and must publish a plain-English public notice at least 30 calendar days before operating (and file a corresponding notice with the Commission). When a stock is tokenized by a third party unaffiliated with the issuer, the TSV must give the issuer 30 calendar days’ written notice, during which the issuer may file a “Notice of Issuer Objection” that prevents the venue from listing that stock.⁵³ Only secondary trading is permitted (no primary issuance), and the TSV must verify that the token conveys “the same rights and privileges” as the underlying share class, including equivalent dividends, voting rights, and residual-liquidation claims.⁵⁴

Trading is capped by tier under NMS LULD Plan Taxonomy: Tier 1 stocks are limited to 75 symbols and 0.25% of the prior month’s average daily volume (ADV), and Tier 2 stocks to 250 symbols and 2.5% of ADV, with a three-month trading pause triggered after a repeat volume breach.⁵⁵ Venues must also publish near-real-time, USD-denominated transaction data (updated within 10 minutes),⁵⁶ halt trading concurrently with any stoppage in the underlying stock,⁵⁷ deploy auditable smart contracts on a public, permissionless ledger,⁵⁸ and maintain books and records in the U.S. subject to SEC examination for three years after the exemption ends.⁵⁹ The order further prohibits any extension of credit, leverage, or hypothecation, and bars a TSV from representing that it is “registered” with or “approved” by the SEC.⁶⁰

The Innovation Exemption does not provide an exemption from the anti-fraud and anti-manipulation provisions for the Federal securities laws.⁶¹ The Innovation Exemption also does not “relieve a TSV or a TSV Participant from

any applicable registration requirements for securities transactions under the Securities Act.”⁶²

The Commission “anticipates that experience with the Order, both in the form of public input and the practical application . . . will help inform any future Commission actions in this area.”⁶³ The Commission states that the trading activity conducted under the Innovation Exemption will help to “evaluate the impact of trading Tokenized NMS Stocks” on the national market system and whether this trading should be integrated into the national market system through later rulemaking.⁶⁴

CONCLUSION

Taken together, the SEC’s 2026 actions address crypto assets on three fronts: (i) how crypto assets are classified under the federal securities laws, (ii) how those that are subject to the securities laws may be offered, and (iii) how tokenized securities may be traded.

March 17, 2026: The 2026 Interpretive Release classifies crypto assets into five categories by economic function—namely, digital commodities, digital collectibles, digital tools, stablecoins, and digital securities. It provides guidance on when a crypto asset may be a security and when a non-security may still be subject to an investment contract. The CFTC’s participation extends that analysis to the CEA, under which certain non-security assets may qualify as commodities.

August 21, 2026: The proposed rule, Regulation Crypto Assets, addresses how crypto assets can be offered. It proposes an offering regime with two registration exemptions for early-stage issuers and a safe harbor for issuers of covered investment contracts. The proposed rule does not change the existing anti-fraud and anti-manipulation provisions.

September 17, 2026: The Innovation Exemption addresses how crypto assets can be traded. This exemption is for five years, and it permits Tokenized Securities Venues to trade tokenized NMS stock on a temporary, conditional basis without being registered as an exchange or a dealer.

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ENDNOTES

- ¹ This article summarizes certain releases issued by the SEC and CFTC in 2026. It does not provide legal advice, define any market or asset class for purposes of economic or antitrust analysis, or express any opinion as to the regulatory status or classification of any particular crypto asset, transaction, protocol, or market participant. The views and classifications described herein are those of the SEC and CFTC as set forth in the cited releases.
- ² See U.S. Securities and Exchange Commission, “SEC Issues ‘Innovation Exemption’ to Facilitate the Trading of Tokenized NMS Stock and Request for Comment,” Press Release No. 2026-90, September 17, 2026, www.sec.gov/newsroom/press-releases/2026-90-sec-issues-innovation-exemption-facilitate-trading-tokenized-nms-stock-request-comment (“SEC Press Release, September 17, 2026”). See also U.S. Securities and Exchange Commission, “Order Granting Temporary Conditional Exemptive Relief,” Release No. 34-106402, File No. 4-927, September 17, 2026 (“Innovation Exemption”) <https://www.sec.gov/files/rules/exorders/2026/34-106402.pdf>.
- ³ SEC Press Release, September 17, 2026.
- ⁴ SEC Press Release, September 17, 2026.
- ⁵ See “Application of the Federal Securities Laws to Certain Types of Crypto Assets and Certain Transactions Involving Crypto Assets,” Release Nos. 33-11412, 34-105020, File No. s7-2026-09, March 17, 2026 (“2026 Interpretive Release”) <https://www.sec.gov/files/rules/interp/2026/33-11412.pdf>; “Regulation Crypto Assets,” Release Nos. 33-11434, 34-106150, File No. S7-2026-27, August 21, 2026 (“Proposed Regulation Crypto Assets”), <https://www.sec.gov/files/rules/proposed/2026/33-11434.pdf>.
- ⁶ 2026 Interpretive Release, p. 13 (“For purposes of this release, we classify crypto assets into five categories based on their characteristics, uses, and functions: (i) digital commodities; (ii) digital collectibles; (iii) digital tools; (iv) stablecoins; and (v) digital securities.”). The categories and specific tokens identified are those designated by the SEC in the 2026 Interpretive Release. This article does not express any view as to the classification of any particular crypto asset for purposes of any other analysis or proceeding.
- ⁷ 2026 Interpretive Release, p. 14.
- ⁸ 2026 Interpretive Release, p. 14, fn. 49.
- ⁹ 2026 Interpretive Release, p. 16.
- ¹⁰ 2026 Interpretive Release, p. 19.
- ¹¹ 2026 Interpretive Release, p. 17.
- ¹² 2026 Interpretive Release, pp. 19–20.
- ¹³ 2026 Interpretive Release, p. 20.
- ¹⁴ 2026 Interpretive Release, p. 21.
- ¹⁵ GENIUS Act, § 17(b)(1).
- ¹⁶ 2026 Interpretive Release, p. 22.
- ¹⁷ GENIUS Act, § 2(22)(A).
- ¹⁸ GENIUS Act, § 2(22)(B).
- ¹⁹ GENIUS Act § 2(8) (“The term ‘distributed ledger’ means technology in which data is shared across a network that creates a public digital ledger of verified transactions or information among network participants and cryptography is used to link the data to maintain the integrity of the public ledger and execute other functions.”).
- ²⁰ 2026 Interpretive Release, p. 23.
- ²¹ 2026 Interpretive Release, pp. 24–25.
- ²² 2026 Interpretive Release, p. 25.
- ²³ 2026 Interpretive Release, p. 27.
- ²⁴ 2026 Interpretive Release, p. 27.
- ²⁵ 2026 Interpretive Release, p. 28.
- ²⁶ 2026 Interpretive Release, pp. 29–32.
- ²⁷ 2026 Interpretive Release, pp. 28–29.
- ²⁸ 2026 Interpretive Release, pp. 38–39, fn. 105.
- ²⁹ 2026 Interpretive Release, p. 47.
- ³⁰ 2026 Interpretive Release, p. 43.
- ³¹ 2026 Interpretive Release, p. 52.
- ³² Lido is an illustrative example of liquid staking activity. Its inclusion in this article does not represent any view as to whether Lido or any associated tokens satisfy the conditions described in the release. As of October 9, 2026, Lido is listed

as the largest liquid staking protocol by market capitalization. See “Top Liquid Staking Crypto Coins,” *Forbes*, <https://www.forbes.com/digital-assets/categories/liquid-staking-tokens/>.

- ³³ 2026 Interpretive Release, p. 54, fn. 133.
- ³⁴ 2026 Interpretive Release, p. 57.
- ³⁵ 2026 Interpretive Release, p. 55.
- ³⁶ 2026 Interpretive Release, pp. 60–61, fn. 143.
- ³⁷ Proposed Regulation Crypto Assets, p. 1.
- ³⁸ Proposed Regulation Crypto Assets, p. 8.
- ³⁹ Proposed Regulation Crypto Assets, pp. 29, 70.
- ⁴⁰ Proposed Regulation Crypto Assets, pp. 70–71, 73–74.
- ⁴¹ Proposed Regulation Crypto Assets, pp. 76–77.
- ⁴² Proposed Regulation Crypto Assets, p. 74, fn. 194.
- ⁴³ Proposed Regulation Crypto Assets, p. 29.
- ⁴⁴ Proposed Regulation Crypto Assets, pp. 1–2, 29.
- ⁴⁵ Proposed Regulation Crypto Assets, pp. 1, 70–71.
- ⁴⁶ Proposed Regulation Crypto Assets, pp. 163–164.
- ⁴⁷ Proposed Regulation Crypto Assets, pp. 163–164.
- ⁴⁸ Innovation Exemption, p. 1. *See also* Securities Exchange Act of 1934 § 36(a)(1), 15 U.S.C. § 78mm(a)(1).
- ⁴⁹ Innovation Exemption, pp. 1, 14. *See also* Securities Exchange Act of 1934 § 3(a)(1), 15 U.S.C. § 78c(a)(1).
- ⁵⁰ Innovation Exemption, p. 4.
- ⁵¹ Innovation Exemption, pp. 6–7.
- ⁵² Innovation Exemption, pp. 6–7.
- ⁵³ Innovation Exemption, pp. 19–22.
- ⁵⁴ Innovation Exemption, pp. 22–23.
- ⁵⁵ Innovation Exemption, pp. 24, 26–27.
- ⁵⁶ Innovation Exemption, p. 28.
- ⁵⁷ Innovation Exemption, p. 30.
- ⁵⁸ Innovation Exemption, p. 18.
- ⁵⁹ Innovation Exemption, p. 35.
- ⁶⁰ Innovation Exemption, pp. 32–33.
- ⁶¹ Innovation Exemption, p. 15.
- ⁶² Innovation Exemption, p. 15, fn. 48.
- ⁶³ Innovation Exemption, p. 7.
- ⁶⁴ Innovation Exemption, pp. 6–7, 14–15.

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