트레이드 렌즈
TRADE LENS

Bringing investing into focus.

CRYPTO INSIGHT / No.09

GENIUS Act · OCC final rule · Banks and nonbank issuers

U.S. Stablecoin Rules Finalized

Who Gains the Edge: Banks or Nonbank Issuers?

Reserves, redemption and capital meet distribution costs and deposit opportunity costs

18 JAN 2027	At least 1 : 1	12 months
OCC rule effective date [2]	Reserve backing [1]	Total-expense operating backstop [3]

The economics of balances matter more than a label.
Win customers. Retain income. Execute redemption.

Trace regulatory clarity and fixed costs to the conditions under which banks, nonbanks and distributors capture value.

Analysis date 7 November 2026

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Regulation · Business models · Competition · Value capture

01 / RESEARCH VIEW

A bank label does not determine the winner

TradeLens view | Distribution, redemption execution and net economics shape competitive strength.

Core conclusion

In near-term distribution, issuers with **established payment channels and recurring balances** have an advantage. Banks can gain in corporate treasury and settlement, but must account for deposit substitution and the costs of the issuing entity. The greatest pressure may fall on **small standalone entrants without a customer base**, rather than on all nonbanks.

What changed

The OCC finalized reserve, redemption and capital standards. Finalizing a rule is not approving a particular issuer. [2] [4]

When banks gain

When recurring corporate settlement generates more new service contribution than the deposit franchise it replaces.

When nonbanks gain

When existing channels sustain balances at a low marginal cost, after distribution and compliance expense.

What changes the view

Rapid, low-cost bank balance growth, or sharply rising nonbank distribution and redemption costs, would alter the advantage.

Clarity creates both commercial options and funding needs

A clearer permission framework can facilitate customer, custodian and partner contracts. Separate capital and operating-backstop requirements also increase the minimum viable scale. The OCC's decision not to impose one brand per issuer leaves meaningful room for shared infrastructure and partnership models. [3]

The decision rule

Start with average balances multiplied by the yield retained after variable costs, less fixed expense. Then add deposit opportunity costs, capital demands and stressed redemption capability before deciding who benefits.

02 / REGULATORY BASELINE

OCC rules are final; competition starts before go-live

As of 7 November 2026. Legislation, agency rules and individual approvals are separate events.

Authority / document	Status and timing	Scope used in this report
GENIUS Act [1]	Enacted 18 Jul 2025	Common statutory framework for issuers, reserves and the yield prohibition
OCC final rule [2] [3]	Announced 21 Oct; published 23 Oct 2026 Effective 18 Jan 2027	OCC-jurisdiction issuers, foreign issuers and related custody activities
Federal Reserve [5]	Proposed 29 Sep 2026 Comments due 30 Nov	Distinguish proposed standards for Board-supervised entities from final rules
FDIC [6]	Proposal announced 7 Apr 2026	Proposed issuer, custody and deposit standards under FDIC oversight
Treasury certification [7]	Interim final rule: 30 Sep 2026	State-regime certification procedures, not approval of individual issuers

Incumbents face a transition task too

OCC guidance permits waiver requests where a substantially complete application is pending on or before 18 January 2027. A waiver is discretionary and can last up to 12 months; it is not an automatic extension. Intake is subject to OMB information-collection approval and a separate announcement. [4] [9]

“Rules finalized” in the title refers to enacted legislation and the OCC final rule. It does not mean that every agency’s rules, the separate AML/sanctions framework or all individual issuer approvals are complete. [2] [5] [6]

Economic implication

Signing distribution contracts before go-live is insufficient. Entity-level approval, migration of reserves and redemption arrangements, and any waiver conditions determine continuity of the business.

03 / ENTRY ROUTES

Identify the issuing entity before classifying the group

Statutory eligibility and a group's commercial brand are different classifications. [1]

Issuance route	Core structure	Competitive implications
Depository-institution subsidiary	Approved bank subsidiary or other eligible subsidiary; relevant federal regulator	Use existing relationships but build entity-level reserve and redemption arrangements
Federal qualified issuer	OCC-approved nonbank, uninsured national bank and other statutory categories	Federal access is available to nonbanks; a bank name does not confer deposit insurance
State qualified issuer	State route at consolidated outstanding issuance of $10bn or less, subject to conditions	Assess substantial-similarity requirements and the cost of transition after growth
Foreign issuer	Comparable overseas regime and U.S. registration requirements	Overseas scale alone does not ensure U.S. access

What happens above $10bn?

An affected state-qualified issuer generally must transition to the federal framework within 360 days or cease new issuance until transition. Statutory waiver options exist. Moving to federal supervision does not necessarily mean converting to a bank charter. [1]

Separate the issuer, custodian and distributor

A bank providing a wallet or reserve custody is not necessarily the issuer. A nonbank group forming an uninsured trust bank does not turn the whole group into an insured deposit bank. First identify the redemption obligor and the legal controller of reserves in the relevant contracts. [1] [3]

TradeLens interpretation

Entity-level costs and access to customers matter more than regulatory labels. The state route is not a permanent small-firm exemption, and bank affiliation does not eliminate the issuing entity's costs.

04 / RESERVE ECONOMICS

Customer principal funds redemption, not revenue

One-to-one backing creates economics distinct from a deposit-funded lending business. [1] [3]

Customer funds Token issuance > **Eligible reserves** Principal backing > **Reserve income** Issuer revenue > **Distribution / opex** Residual earnings

Component	Statutory / final-rule structure	Economic meaning
Reserve amount	At least outstanding issuance value at all times	Circulation is not company revenue or equity
Eligible assets	Cash, eligible deposits, short Treasuries, qualifying repos and government MMFs	Not a model of freely increasing returns through lending or risky investment
Treasury maturity	Statutory remaining or original maturity of 93 days or less	Rate changes can pass through to reserve income relatively quickly
Yield / insurance	Issuer yield prohibition; tokens are not FDIC/NCUA insured	Classify the product separately even when a bank is involved

Focus on average balances and retained income

Reserve income depends on average balances, asset composition and realized net yield. Distribution, redemption operations, audit, technology and security expenses must be deducted to assess recurring issuer earnings. Identical dollar tokens can have very different economic value when retention costs differ.

The same constraint applies to banks

Do not apply a bank's loan yield to the entire stablecoin reserve. Eligible-reserve earnings in the issuing business and earnings from the group's deposit-and-loan franchise require separate calculations. [1] [3]

05 / WHAT THE FINAL RULE CHANGED

More flexibility, but economic obligations remain

OCC proposal versus final rule. Do not treat abandoned proposals as current obligations. [3]

Issue	Final-rule choice	Competitive significance
Daily liquidity	At least 5% of required reserves in specified on-demand deposits or account funds	Lower than proposed 10%; stressed redemption capacity still matters
Weekly / maturity rules	No final 30% weekly minimum or 20-day weighted-average maturity requirement	Greater flexibility, not elimination of liquidity and custody risk management
Counterparty concentration	Generally no more than 40% exposure to one counterparty, with specified exceptions	Apply government, eligible-custody and centrally-cleared-repo exceptions correctly
Rewards	Rebuttable third-party presumption removed; issuer yield ban retained	Partner rewards are neither automatically permitted nor universally prohibited
Multiple brands	No one-brand-per-issuer restriction	Room for white-label models and fixed-cost sharing
Redemption spikes	Automatic seven-day extension above 10% removed	Pre-positioned liquidity and operational capacity remain essential

The 40% cap is not simply a rule about the number of banks. Specified U.S. government, eligible custodial and centrally cleared repo exposures are excepted. The rule also does not itself grant access to a Federal Reserve account. [3]

TradeLens interpretation

The rule accommodates competing business models rather than selecting one. Shared infrastructure can become more attractive, but distribution costs, compliance expense and redemption failure risk do not disappear.

06 / CAPITAL & OPERATING BACKSTOP

Three separate purposes for three pools of funds

OCC §§15.40 - 15.42. The capital floor alone does not measure the required own resources. [3]

The final rule requires an **ongoing $5m minimum capital floor** and capital commensurate with risk. A separate eligible operational backstop equals the prior 12 months of total expenses. Qualifying subordinated debt can fund up to 50% of that backstop; the equity-funded portion is deducted in calculating regulatory capital. [3]

Reserves

Back token principal

Operating backstop

Support continuity / wind-down

Capital

Absorb business risks

Independent illustration	All-equity funding	Maximum qualifying debt
Tokens and matching reserves	1,000 each	1,000 each
Assumed operational backstop	12	12
Qualifying backstop debt	0	6
Simple equity requirement	17 = 5 + 12	11 = 5 + (12 − 6)
Capital after backstop deduction	5	5

USD million. Assumes total annual expenses of 12, minimum capital of 5 and no other deductions or additions. Actual licensing or risk requirements may be higher. Debt must satisfy maturity, subordination, non-affiliate funding and other conditions. [3]

Separate expense from committed funding

Capital of 5 and backstop assets of 12 are not annual expenses to deduct in full each year. Required returns on committed equity and debt interest still affect economics. Total expenses of 12 here are not the fixed-cost F used in the later earnings model.

07 / REDEMPTION AS A COMPETITIVE CAPABILITY

Redemption combines asset quality with execution

The two-business-day standard has a defined start and completion point. [3]

Request / onboarding	Mobilize reserves	Issuer payment	External receipt
Legal conditions	Obtain liquidity	Send / credit	Payment-rail timing

The clock starts once a request is received, holder onboarding is complete and legal conditions are met. Completion is measured by the issuer's sending value or crediting the holder's account, not necessarily final arrival through an external bank. Onboarding must not unduly delay redemption; stress-processing capacity is required. The baseline ceiling is two business days, subject to regulatory exceptions. [3]

Stressed redemption illustration

USD million

1,000	50	150	100
Total reserves	5% daily liquidity	15% requested	Further monetization

Illustration: $1bn outstanding and reserves; $50m in daily liquidity; $150m requested. Assumes no inflows or other liquidity, and no loss in monetizing assets. The statutory 5% is not an estimate of sufficient actual liquidity.

Requests exceeding 10% of any one brand's outstanding issuance within 24 hours require notice to the OCC within 24 hours. An extension is subject to a request and supervisory discretion; the final rule does not automatically grant seven days. [3]

Evidence of competitive strength

Look beyond a normal-time reserve ratio to monetization, onboarding and payment success during stress. Bank payment rails and nonbank automation can both help, but test simultaneous bank, custodian and chain outages as well.

08 / THE BANK CASE

Banks bring customers—and a deposit opportunity cost

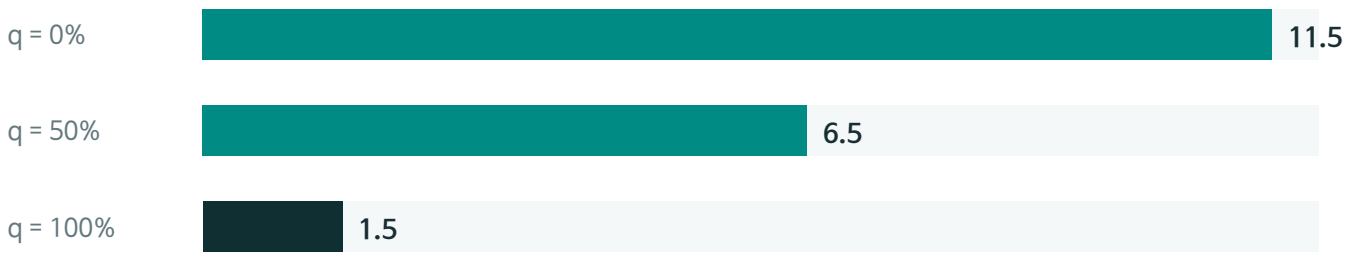
TradeLens analysis | Standalone issuer earnings can differ from group-level incremental contribution.

Potential advantage	Condition for realizing it	Associated cost
Corporate treasury	Integrate payments, collateral and reconciliation for existing clients	Integration, sales conversion and customer support
Redemption / cash	Link established payment, custody and liquidity operations	Entity separation, compliance and resilience
Customer relationships	Retain balances by improving existing workflows	Possible substitution of deposit and transfer earnings

Illustration: issuer earnings of 11.5 need not mean group earnings of 11.5

Group contribution by deposit-substitution share

USD m / year



Annual USD million. Assumes token balances of 1,000, standalone contribution of 11.5 and a 1% net contribution on deposits displaced. q is the share replacing the group's existing deposits. Incremental contribution = 11.5 − 1,000 × q × 1%. Not an estimate of bank NIM, credit losses or outflows.

Group effects change if reserves are held as bank deposits or customers bring new funds. The example simply assumes a loss of the previous contribution on displaced funding. New settlement fees and customer-retention benefits also require separate assessment.

When banks have an edge

When new customer funds and recurring settlement generate more contribution than is lost from the deposit franchise. Custody, distribution or deposit tokens may be rational alternatives to standalone stablecoin issuance.

09 / THE NONBANK CASE

Distribution is an asset—and a recurring expense

TradeLens analysis | Separate scaled incumbents from new entrants rather than treating all nonbanks alike.

Model	Potential strength	When profitability weakens
Established independent issuer	Recurring balances across existing wallets, exchanges and payment channels	Higher platform fees, costly rewards dependence or lower yields
White-label / shared infrastructure	Multiple brands use common issuing and operating systems	Distributors demand too much income; cross-brand contagion
Small new issuer	Payments tailored to an industry, jurisdiction or workflow	Too few balances to spread fixed costs; costly bank and custodian access

Deleting a presumption does not authorize issuer interest

The OCC removed the rebuttable presumption for certain third-party arrangements but retained the ban on issuer interest or yield solely for holding, using or retaining a payment stablecoin. Payments on an issuer's behalf or evasive arrangements can remain within the prohibition. Existing rewards programs received no automatic safe harbor; specific facts and contracts matter. [1] [3]

It is therefore inaccurate either to call every distribution payment holder interest or to declare every partner reward lawful. The economic model treats commercial distribution expense as a cost, assuming legality; this report does not determine whether any individual rewards contract is lawful.

When nonbanks have an edge

When recurring balances can be sustained at low incremental cost and remain large enough to support operations after yields fall. If platforms controlling customers capture most of the income, circulation can grow without comparable growth in issuer earnings.

10 / UNIT ECONOMICS

The same $1bn can produce very different earnings

Illustrative annual model—not an estimate of actual bank or nonbank yields and costs.

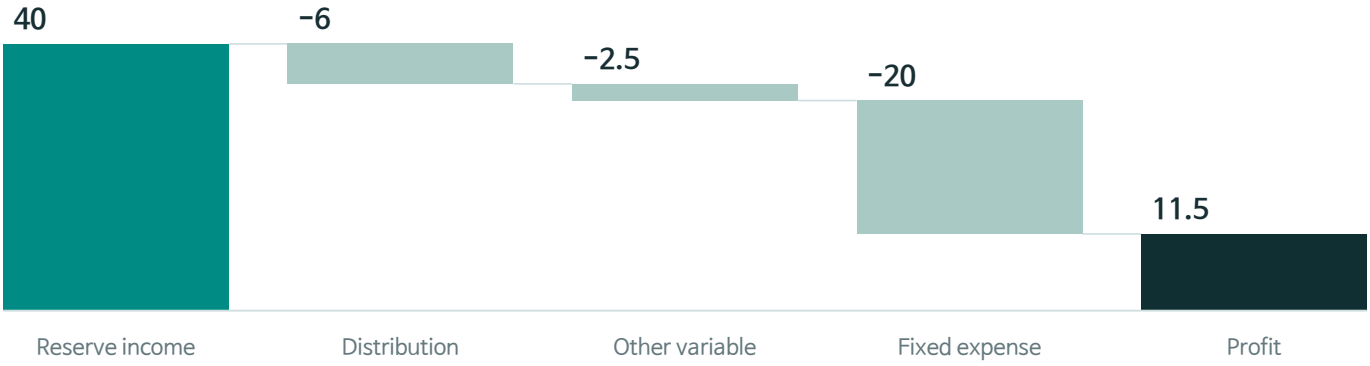
Annual profit = B × {y × (1 − s) − v} − F

B: average circulation · y: net reserve yield · s: distribution share of reserve income
v: other variable costs as a share of B · F: annual fixed operating expense

Assumptions and results	A · Direct-channel heavy	B · Partner-channel heavy
Average B / reserve yield y	1,000 / 4.0%	1,000 / 4.0%
Distribution s / variable rate v	15% / 0.25%	50% / 0.30%
Fixed operating expense F	20.0	10.0
Annual profit after costs	11.5	7.0

Annual earnings bridge: Model A

USD million



USD million. The 4% yield is an assumption, not a forecast. Banks or nonbanks can adopt either structure. Service revenue, taxes, equity opportunity cost, backstop income and transition costs are excluded. Distribution is commercial channel expense, not assumed interest paid to holders.

The question the model changes

A retains more revenue but carries higher fixed costs; B reduces fixed costs but shares more income. Achievable average balances and contractual revenue allocation—not the bank/nonbank label—determine the difference.

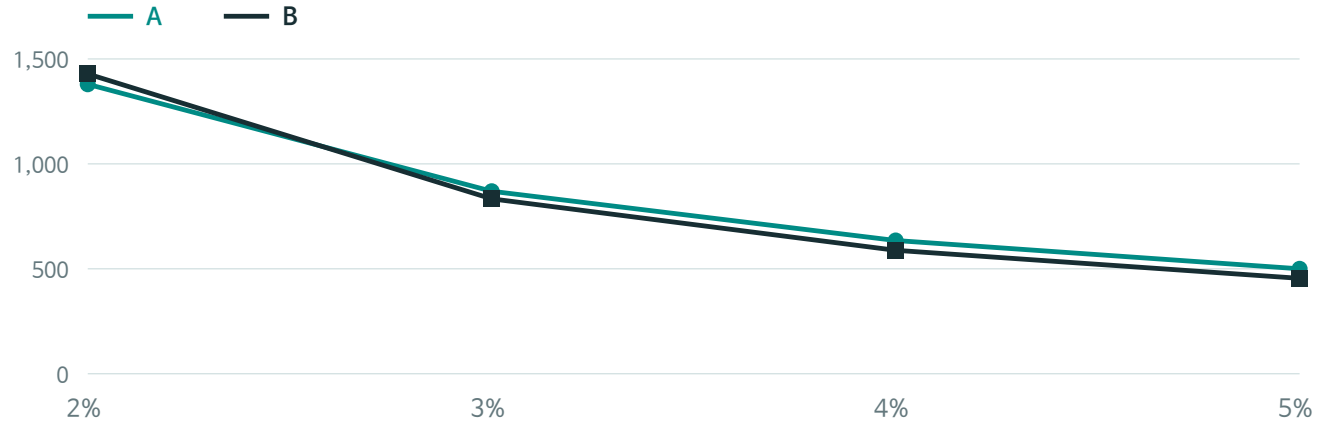
11 / RATE & SCALE SENSITIVITY

Lower yields raise the minimum viable scale

Same cost assumptions as the preceding page. Operating break-even excludes required returns on capital.

Break-even balances at different reserve yields

USD million



Net reserve yield	A break-even balances	B break-even balances
2%	1,379.3	1,428.6
3%	869.6	833.3
4%	634.9	588.2
5%	500.0	454.5

USD million. Break-even B = F ÷ { y × (1 − s) − v }, when the denominator is positive. These balances and cost terms are illustrations, not market-share forecasts or company targets.

Relative cost advantages can also reverse

At $1bn average balances, a fall in yield from 4% to 2% moves A's profit from $11.5m to −$5.5m and B's from $7m to −$3m. B has the lower break-even balance at 4%, but its larger distribution share means it requires more balances than A at 2%.

TradeLens interpretation

Balance growth cannot always offset lower rates. Fixed-cost efficiency, revised distribution terms and service revenue tied to real usage may be needed together. Cutting redemption or security controls to save money can undermine the balances themselves.

12 / THREE STRATEGIC PATHS

Must a bank issue its own stablecoin?

Preserve announcement dates and stages. Historical plans and conditional approvals are not current completed results.

01 Deposit tokens · J.P. Morgan

On 19 October 2026, JPM Coin expanded to Ethereum alongside Base as an institutional USD deposit token. Deposits are excluded from the GENIUS Act definition of a payment stablecoin. [10] [1]

Economic meaning This digitalizes institutional settlement while retaining a deposit relationship. It need not target the same users as a broadly circulated payment stablecoin.

02 Partner infrastructure · Fiserv

On 23 June 2025, Fiserv announced FIUSD/platform plans and an intention to use Paxos and Circle infrastructure; it also explored deposit tokens. This source documents a strategy announcement, not current volumes or earnings. [11]

Economic meaning Banks can control distribution and customer experience while using external issuance and technology. Customer ownership, fee allocation and outage liability become central contract terms.

03 Trust structure · Circle

Conditional national trust charter approval was announced on 12 December 2025. Circle described a reserve-management role on behalf of its U.S. issuer once fully approved. That historical conditional decision is not a current GENIUS issuer approval. [12] [13]

Economic meaning A bank-form infrastructure entity is not the same as an insured deposit bank's stablecoin. Nonbank groups can strengthen regulated custody and reserve-management capabilities too.

Strategic conclusion

Own issuance, partner distribution and deposit tokens can substitute for or complement one another. Compare customer functions and group incremental earnings; launching a token alone is not evidence of commercial success.

13 / WHO CAPTURES THE VALUE

Issuer revenue is shared across the supply chain

TradeLens analysis | Regulatory clarity does not benefit issuers alone.

Participant	Potential economic benefit	Constraints on capture
Issuer	Reserve income and genuine service fees	Distribution terms, fixed costs, capital and redemption operations
Bank / custodian	Reserve deposits, custody, payments and cash-management fees	Concentration limits, resilience and contractual liability
Wallet / platform / distributor	Compensation for customer access and bundled services	Legal structure of rewards; customer-retention costs
Audit / compliance technology	Recurring reporting, accounting, security and AML workflows	Issuer consolidation and common infrastructure can compress prices
Institutional / payment client	Faster settlement, reconciliation and collateral movement	Onboarding, redemption, fees and counterparty risk

Multiple brands can enable economies of scale

The OCC did not impose one brand per issuer, leaving room for several distribution brands to share an issuing infrastructure. The issuing entity and redemption obligations must remain clear. Separate issuer SPVs still face entity-level licensing and control requirements. [3]

Cost sharing may enable small institutions to offer new services, but powerful distributors can capture the savings rather than leaving them with the issuer. Within the same chain, adding circulation, token transaction volume and service revenue produces double counting.

A lens for Korean financial and payments firms

For U.S. market entry or partnerships, examine the licensed entity, redemption route, customer ownership and contractual fees before the prestige of own issuance. This is an analysis of U.S. regulatory economics, not a determination of issuance permissions in Korea.

14 / OUTLOOK & MONITORING

The base case is specialization, not a binary winner

Conditional industry outlook; no invented probabilities, market-share targets or price forecasts.

Path	Evidence required	Competitive outcome
Base · specialization	Incumbent balances persist; banks expand treasury, custody and partnerships	Large distribution/redemption platforms lead; smaller firms partner
Bank expansion	Low-cost recurring balances and service gains above lost deposit contribution	Banks capture incremental enterprise-finance and settlement earnings
Earnings pressure	Lower yields, high distribution charges and rising compliance/redemption cost	Balances can rise while profits fall; subscale issuers consolidate

Signals that would strengthen or change the view

Evidence to monitor	Strengthening signal	Weakening signal
Approval / transition [4] [9]	Approval or waiver conditions met	Delays or unmet transition conditions
Operating / financial reports [8]	Better retained income and adequate backstop	Costs outpace balance growth
Redemption performance [3]	Smooth payment and onboarding under stress	Repeated delays, concentration or partner outages
Bank group economics	New fees and customer funds	Lost deposit contribution exceeds new income

OCC reporting-form dates are subject to OMB approval: 25 Jan 2027 weekly report date and 31 Mar 2027 quarterly report date. This does not mean all supervisory reports are public. [8]

Final judgment

Regulatory clarity does not erase the advantages of nonbanks with established distribution. Banks gain when they convert existing relationships into actual settlement use and incremental earnings. Retained balance economics and stressed redemption execution—not a legal label—decide the outcome.

15 / SOURCE REGISTER

Primary law and supervisory standards

In-text references, source titles and OPEN SOURCE links lead to the same original.

01. U.S. Congress | GENIUS Act, Public Law 119-27

OPEN SOURCE

18 Jul 2025 · Enacted statute · §§2, 4, 5, 18: definitions, reserves, approval and state routes

02. OCC | GENIUS Act Regulations: Final Rule

OPEN SOURCE

21 Oct 2026 · Bulletin 2026-50 · Scope, 18 Jan 2027 effective date and separate AML rulemaking

03. OCC | GENIUS Act final rule: full text

OPEN SOURCE

23 Oct 2026 · 91 FR 67000 - 67194 · §§15.10 - 15.14, 15.30 and 15.40 - 15.42

04. OCC | Waivers and Application Submission Guidance

OPEN SOURCE

21 Oct 2026 · Bulletin 2026-51 · Substantially complete applications, waivers and OMB approval

05. Federal Reserve | Proposed GENIUS Act implementation

OPEN SOURCE

29 Sep 2026 · 91 FR 61580 · Proposed rule; comments due 30 Nov 2026

06. FDIC | Proposed GENIUS Act requirements and standards

OPEN SOURCE

7 Apr 2026 · Official release · Proposed issuer, custody and deposit provisions

07. U.S. Treasury | State-regime certification procedures

OPEN SOURCE

30 Sep 2026 · FR Doc. 2026-19966 · Interim final rule; regime certification, not issuer approval

Final-rule sections: yield and brands §15.10; reserves §15.11; redemption §15.12; reports §15.14; capital/backstop §§15.40 - 15.42. Federal Register pp. 67000 - 67194. Enacted law, proposals, final rules and interim rules are distinguished.

16 / SOURCE REGISTER

Implementation and strategic evidence

In-text references, source titles and OPEN SOURCE links lead to the same original.

08. OCC | Revised Reporting Forms and Instructions

OPEN SOURCE

21 Oct 2026 · Bulletin 2026-52 · Revised forms; reporting dates subject to OMB approval

09. OCC | GENIUS Act licensing guidance

OPEN SOURCE

Guidance as of 7 Nov 2026 · Application and waiver intake announcements

10. J.P. Morgan | JPM Coin goes live on Ethereum

OPEN SOURCE

19 Oct 2026 · Company announcement · Institutional USD deposit token on Base and Ethereum

11. Fiserv | FIUSD and digital-asset platform plans

OPEN SOURCE

23 Jun 2025 · Company plans · Paxos/Circle infrastructure and exploration of deposit tokens

12. Circle | Conditional national trust charter approval

OPEN SOURCE

12 Dec 2025 · Company release · Intended reserve-management role; conditional approval

13. OCC | Five conditional national trust bank approvals

OPEN SOURCE

12 Dec 2025 · News Release 2025-125 · Conditional charter and conversion decisions

Company releases evidence the business, plan or approval stage at the stated date. Fiserv's 2025 plans and Circle's conditional charter approval are not treated as 2026 volumes, earnings or completed GENIUS issuer approval. Undisclosed customer costs, earnings and contracts are not estimated.

17 / METHODOLOGY & USE

Methodology, disclaimer and permitted use

Separate enacted rules, proposals, company statements, TradeLens analysis and illustrations.

Item	Basis
Date / subject	7 November 2026 · U.S. payment-stablecoin issuer regulation and competitive economics, focusing on the statute and OCC final rule published 23 October 2026.
Regulatory scope	Do not apply OCC standards to all regulators. Distinguish Fed/FDIC proposals, Treasury certification and individual or conditional approvals.
Illustrations	Page 7 funding pools; page 8 redemptions; page 9 deposit substitution; pages 11 - 12 profit and break-even are independent illustrations, not company data or forecasts.
Units / costs	USD million unless stated otherwise. Statutory total expenses and the earnings model's fixed-cost F have different scopes. Calculations use unrounded inputs.
Evidence status	Historical releases support plans and conditional approvals at their stated dates. No determination of current issuer permission, individual rewards legality or customer rights.
Service scope	Regulation, business models, competition and value capture. No buy/sell view, trading timing, fair or target price, personalized investment or legal advice.

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