

**Date:** 1-27-20

**Received from:** Sandra Ro <sandra@vectorcryptocapital.com>

Dear NYSDFS,

Thank you for your public release of proposed guidance with regards to crypto currencies.

In principal, I agree with the proposal to try to eliminate some red tape in the crypto listing process, whilst allowing BitLicense holders to set up robust processes to self-certify coins.

However, I object to the concept of the DFS acting as a 'certifier' of certain crypto currencies over others. Specifically,

1. A proposed DFS web-page that will contain **a list of all coins that are permitted for the Virtual Currency Business Activities of the VC licensees, without the prior approval of DFS**, which list may be updated from time to time, as long as such listed coins have not been subject to any modification, division, or change after their listing on the DFS web-page.
  - a. Essentially, BitLicense holders would be able to do business with certain cryptocurrencies without seeking approval first. NYDFS states that they are currently considering including **Bitcoin, Bitcoin Cash, Ether, Ether Classic, Litecoin, Ripple, Paxos Standard, and Gemini Dollar on this list.**

I recommend NYSDFS refrain from 'pre-clearing' certain cryptocurrencies (listed above) over others as it will inadvertently 'favor' certain cryptocurrencies over others, causing potential 'pricing premiums' over others, not 'pre-cleared' by NYSDFS. This action may inadvertently skew market pricing and unfairly advantage some over others that are not designated on the NYSDFS list.

For example, you do not list the Stellar Foundation's lumens in this list. Is there a clear reason why not? and what specifically is the criteria for 'pre-clearing' some over others? And more troubling, a few of the aforementioned cryptocurrencies are 'owned' by private companies (Ripple, Paxos, Gemini) which potentially puts them at an 'advantage' over others and how these may trade versus others. One of these companies has recently announced it may IPO in 2020 and therefore, causes further concern that a 'pre-cleared' status will inadvertently advantage this cryptocurrency in particular.

I suggest removing NYSDFS from the equation from such subjective listings by allowing the market to decide and putting the onus on the Bitlicense holders to develop rigorous methodologies as to why they may list one versus another.

NYSDFS should remain neutral on the stance of which cryptocurrencies are listed by Bitlicense holders and rather, focus its efforts on enforcing proper guidelines and methodologies at the Bitlicense holder level.

Please feel free to contact me on the below mobile number or email address for further discussion.

Best,  
Sandra Ro  
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