

Subject: File No. SR-CboeBZX-2021-051
From: SAM AHN

This is my 23rd comment on bitcoin. All my writings on bitcoin, including this, are about intrinsic value. My previous comments can be found at these links:

Link 1: <https://www.sec.gov/comments/sr-cboebzx-2018-040/srcboebzx2018040-4206251-172835.htm>
Link 2: <https://www.sec.gov/comments/sr-nysearca-2017-139/nysearca2017139-4221685-172898.htm>
Link 3: <https://www.sec.gov/comments/sr-cboebzx-2018-001/cboebzx2018001-4226785-172988.htm>
Link 4: <https://www.sec.gov/comments/sr-nysearca-2018-02/nysearca201802-4240462-173003.pdf>
Link 5: <https://www.sec.gov/comments/sr-cboebzx-2018-040/srcboebzx2018040-4274529-173133.pdf>
Link 6: <https://www.sec.gov/comments/sr-cboebzx-2018-040/srcboebzx2018040-4530331-176071.pdf>
Link 7: <https://www.sec.gov/comments/sr-cboebzx-2018-001/cboebzx2018001-4581773-176242.pdf>
Link 8: <https://www.sec.gov/comments/sr-cboebzx-2019-004/srcboebzx2019004-4934624-178449.pdf>
Link 9: <https://www.sec.gov/comments/sr-cboebzx-2019-004/srcboebzx2019004-5180412-183546.pdf>
Link 10: <https://www.sec.gov/comments/sr-cboebzx-2019-004/srcboebzx2019004-5318047-183890.pdf>
Link 11: <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901-5524009-185228.pdf>
Link 12: <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901-5706832-185947.pdf>
Link 13: <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901-5717064-186027.pdf>
Link 14: <https://www.sec.gov/comments/sr-nysearca-2019-39/srnysearca201939-5810618-187451.pdf>
Link 15: <https://www.sec.gov/comments/sr-cboebzx-2021-019/srcboebzx2021019-8652267-231475.pdf>
Link 16: <https://www.sec.gov/comments/sr-cboebzx-2021-024/srcboebzx2021024-8664058-235363.pdf>
Link 17: <https://www.sec.gov/comments/sr-cboebzx-2021-029/srcboebzx2021029-8732324-237081.pdf>
Link 18: <https://www.sec.gov/comments/sr-nysearca-2021-31/srnysearca202131-8861698-240078.pdf>
Link 19: <https://www.sec.gov/comments/sr-nysearca-2021-37/srnysearca202137-8883651-240445.pdf>
Link 20: <https://www.sec.gov/comments/sr-cboebzx-2021-039/srcboebzx2021039-8895798-241277.pdf>
Link 21: <https://www.sec.gov/comments/sr-cboebzx-2021-019/srcboebzx2021019-9058723-246357.pdf>
Link 22: <https://www.sec.gov/comments/sr-nysearca-2021-57/srnysearca202157-9083087-246590.pdf>

This is about what to think of Quote 1 below, which appears Page 7 of Link 23.

Link 23: <https://www.sec.gov/rules/sro/cboebzx/2021/34-92543.pdf>

(Quote 1) The U.S. Office of the Comptroller of the Currency (the “OCC”) has made clear that federally-chartered banks are able to provide custody services for cryptocurrencies and other digital assets (Note 22). The OCC recently granted conditional approval of two charter conversions by state-chartered trust companies to national banks, both of which provide cryptocurrency custody services (Note 23).

The name “OCC” and the underlined “national banks” insinuate that bitcoin is getting into banking system where fiat currencies are getting deposited and lent. Digging deeper into the underlined notes, however, we can realize that the facts about the OCC decision is far from bitcoin banking.

Note 22 in the parentheses leads to Link 24.

Link 24: <https://www.occ.gov/news-issuances/news-releases/2021/nr-occ-2021-2a.pdf>

It is basically about stablecoins, which are fundamentally different from bitcoin and its kins. I have explained it at Link 17 above.

Note 23 in the parentheses leads to Links 25 and 26.

Link 25: <https://www.occ.gov/news-issuances/news-releases/2021/nr-occ-2021-6.html>

Link 26: <https://www.occ.gov/news-issuances/news-releases/2021/nr-occ-2021-19.html>

At these two links are letters of conditional approval, so we need to see what the conditions are.

Link 25 has this as Condition 1:

(Quote 2) ADB-NA shall limit its business to the operations of a trust company and activities related or incidental thereto. ADB-NA shall not engage in activities that would cause it to be a “bank” as defined in section 2(c) of the Bank Holding Company Act.

Link 26 has this as Condition 1:

PTBNA shall limit its business to the operations of a trust company and activities related or incidental thereto. PTBNA shall not engage in activities that would cause it to be a “bank” as defined in section 2(c) of the Bank Holding Company Act.

The underlined parts are self-explanatory. Those two banks in Quote 2 and Quote 3 are not allowed to treat bitcoin as an object of ordinary banking. Reference to the OCC in the document at Link 23 does not mean that bitcoin has obtained the OCC’s endorsement. Without careful examination of the applicants’ reference to various authorities, including the OCC, looks to me twinkling lures for one huge, explosive, real endorsement -- the SEC’s approval of one bitcoin ETF.