

April 1, 2026

Sebastian R. Astrada
Director for Licensing
Midsize, Trust, Credit Card, and Novel Banks
Office of the Comptroller of the Currency
400 7th Street SW
Washington, DC 20219

Re: Objection to the Charter Application of ZeroHash National Trust Bank, N.A.

Dear Director Astrada,

The Independent Community Bankers of America (“ICBA”)¹ submits this letter in opposition to the application filed by Zero Hash US LLC and its parent, ZeroHash Holdings LTD., to charter ZeroHash National Trust Bank (“ZNTB”) as a national trust bank with the Office of the Comptroller of the Currency (“OCC”). ICBA has significant concerns regarding the applicant’s business model and the broader policy considerations raised by this application. ICBA urges the OCC to deny the application outright. At a minimum, the OCC should defer any action until full disclosure of the application materials and independent validation of the Applicant’s risk-management capabilities.

ZeroHash’s February 27, 2026 application seeks full fiduciary powers to operate a de novo national trust bank headquartered in Asheville, North Carolina. The proposed institution would provide an extensive suite of digital-asset services, including custody of digital assets, fiat currency, and other assets; custodial staking and validation activities; transfer-agent services; trade execution; stablecoin management; and settlement, clearing, and escrow services. These activities would be conducted without federal deposit insurance and would serve as the regulated banking arm of a Chicago-based crypto infrastructure company whose stated mission is to deliver a “financial system 2.0” to developers, neo-banks, payment processors, and liquidity providers.

ICBA has three overarching concerns: (1) the proposed business model exceeds traditional trust powers; (2) the charter structure enables regulatory arbitrage; and (3) OCC’s accelerating pace of approvals and policy changes outstrips its capacity for deliberate and transparent policymaking.

¹ The Independent Community Bankers of America® has one mission: to create and promote an environment where community banks flourish. We power the potential of the nation’s community banks through effective advocacy, education, and innovation. As local and trusted sources of credit, America’s community banks leverage their relationship-based business model and innovative offerings to channel deposits into the neighborhoods they serve, creating jobs, fostering economic prosperity, and fueling their customers’ financial goals and dreams. For more information, visit ICBA’s website at [icba.org](https://www.icba.org).

The Proposed Business Model Exceeds Traditional Trust Powers and Raises Fundamental Supervisory Concerns

National trust banks were historically chartered to perform classic fiduciary functions—acting as trustee, executor, or custodian of traditional securities and estates. ZeroHash’s proposal, however, contemplates a far broader and more complex hybrid of activities: issuing or managing stablecoins, providing custodial staking services that expose the bank to validator and slashing risks, executing trades, and operating as a central settlement and clearing hub for digital assets. These functions are not incidental to trust powers; they replicate core banking activities—payments rails, deposit-like liabilities, and market-making—while operating outside the full prudential framework Congress designed for insured depository institutions.

The OCC recently codified its 2021 Interpretive Letter #1176 through rulemaking, expanding the powers of national trust banks beyond traditional fiduciary custody, and opening the door for companies like ZHTB to use the charter to act as non-fiduciary custodians in the management of stablecoin reserves.² ICBA has consistently maintained that this interpretation exceeds the OCC’s statutory authority. The rulemaking did not adequately address substantial public comments raising concerns about statutory overreach, safety and soundness, and the erosion of the traditional banking charter.

Stablecoin management and custodial staking, in particular, create functional equivalents of demand deposits: instruments that are instantly transferable, redeemable at par, and integral to payment systems. Yet ZNTB would benefit from nationwide preemption and bank-like authorities without corresponding obligations, including FDIC insurance, consolidated supervision under the Bank Holding Company Act, or Community Reinvestment Act requirements. This form of regulatory arbitrage would place community banks at a distinct competitive disadvantage.

Regulatory Arbitrage and the Uneven Playing Field for Community Banks

By adopting the structure of an uninsured national trust bank, ZeroHash would conduct bank-like activities without becoming subject to the full scope of bank regulations. ZNTB likely would compete directly with community banks for core deposits, which banks rely on to support small-business lending, agricultural finance, and residential mortgages. Treasury estimates suggest that stablecoin markets could reach \$6.6 trillion.³ Even partial migration at that scale would materially affect the funding base of community banks and reduce their ability to lend to small businesses, small farms, and consumers.

At the same time, ZeroHash’s global crypto infrastructure could be integrated with its U.S. trust bank to provide seamless on- and off-ramp services, staking yields, and near-instant settlement—all under the OCC’s umbrella but without equivalent capital, liquidity, or interest-rate risk

² 91 Fed. Reg. 9977.

³ See Department of the Treasury, TBAC Presentation “Digital Money” (April 30, 2025), available at: <https://home.treasury.gov/system/files/221/TBACCharge2Q22025.pdf>.

requirements. Community banks cannot compete on such asymmetrical terms. The result is a distorted competitive landscape that undermines both the dual banking system and the existing depository institutions that the OCC is charged with supervising.

Financial Stability, Consumer Protection, and Novel Risks

The application introduces concentrated crypto-market risk into the federal banking perimeter. Custodial staking exposes the bank to validator penalties, smart-contract vulnerabilities, and extreme price volatility. Stablecoin reserve management, even if 1:1 backed, has not been stress-tested at scale during a liquidity crunch or “crypto winter.” Operational and cyber risks are heightened by the Applicant’s reliance on affiliated technology platforms and third-party validators.

From a consumer-protection standpoint, retail and small-business customers may not appreciate that funds held in ZNTB wallets or stablecoin positions lack FDIC insurance. Marketing that emphasizes “bank-level custody” risks creating precisely the confusion ICBA warned about in prior letters concerning Circle, Ripple, Paxos, and Payoneer.⁴ Plain-language disclosures are necessary but insufficient if the OCC has not first validated the bank’s resolution plan and contingency liquidity arrangements.

OCC Supervisory Capacity and the Rapid Expansion of the Federal Banking Perimeter

In less than twelve months the OCC has conditionally approved or received applications from Circle Internet Group, Ripple, Paxos Trust, BitGo, Fidelity Digital Assets, Crypto.com, Payoneer (PAYO), and now ZeroHash. This pace—eleven filings or approvals in under one hundred days in some windows—precludes deliberate, transparent policymaking. The GENIUS Act provides a framework for stablecoin issuance but does not expressly authorize the OCC to charter trust banks as de-facto stablecoin and digital-asset market infrastructure providers. The OCC should not interpret its general chartering authority as a blank check for every fintech that seeks to “bank the unbanked” or “power Web3.”

Insufficient Public Transparency

Meaningful public comment requires access to the Applicant’s full business plan, financial projections, compliance program, intercompany agreements, capital adequacy assessment, and governance documents. While the public exhibits filed on February 27, 2026 provide a high-level overview, the substantive details remain confidential. ICBA respectfully requests that the OCC release a comprehensive, non-confidential summary of the application or the entire public file so that community banks, consumer advocates, and other stakeholders can provide informed input.

⁴ See ZeroHash, “Product: Qualified Custody”, available at: <https://zerohash.com/products/qualified-custody> (emphasizes that ZeroHash’s Qualified Custody Product offers “bank-level protection” and is “unbreachable by design”).

Conclusion

For the reasons set forth above, ICBA respectfully urges the OCC to deny the charter application for ZeroHash National Trust Bank. In the alternative, the OCC should defer action until it has conducted a thorough independent assessment of the Applicant's risk-management framework, provided full public disclosure of the application for meaningful comment, and completed a truly substantive rulemaking on the powers of national trust banks and their supervision.

Please do not hesitate to contact me at mickey.marshall@icba.org if you would like to discuss this letter.

Sincerely,

A handwritten signature in black ink that reads "M. Marshall". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mickey Marshall
Vice President and Regulatory Counsel
Independent Community Bankers of America