

May 31, 2016

Mr. Thomas J. Curry
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street, SW
Washington, D.C. 20219

Dear Mr. Curry,

Thank you for providing the OCC's vision for responsible innovation in the federal banking system as well as the opportunity to provide comments. We strongly believe major innovations forward can bring the financial services industry significant benefits and in a manner that is not just responsible but also compatible with the existing financial structure.

COEPTIS is in the forefront of innovation and technological change with the launch of the Global Standard System. The Global Standard System is a centralized platform on which circulates an electronic currency valued in and 100% reserved by physical gold. Payments are immediate, final, and secure. All persons have direct access to the settlement platform where payments are direct person to person transactions; yielding significant efficiency. The speed of payment is improved, customer privacy is protected, and fees are much lower than traditional payment systems.

The model has been developed to work in concert with the existing financial infrastructure. Though identified as a Money Services Business by FinCEN we have implemented an anti-money laundering and customer identification verification program more comparable to the banking industry. The gold reserve is held in a very strong governance model keeping the currency free from default and protecting customer value. The benefits of the System work as well internationally as domestically. We will only operate where authorized, having secured licensure or been notified a license is not required in 31 U.S. states representing well over 2/3rds the U.S. population. Our intent is to gain approval in all 50 U.S. states, Canada, and Europe then expand to serve a truly global marketplace. We believe we have blended innovation with responsibility, managing the inherent risk possible with anything new.

As noted in your paper many of the new ideas in fintech are coming from non-banking companies. The lack of clarity for banks as well as many of the fintech start-ups has caused a difficult situation for the two groups to work together. As noted above, in our model we have structured to collaborate with traditional systems to achieve benefits for consumers and all the institutions involved. The lack of governing clarity on how these relationships should progress inhibits them from progressing as well as possible, to the detriment of all. Even those innovators who understand and meet regulatory guidelines can be encumbered by the ones who do not or simply by general misunderstanding. Many other existing industries tap and integrate the entrepreneurial energy found not at larger institutions, but in start-up companies. Improved clarity could assist this process in banking. The paper is completely accurate in saying "Through strategic and prudent collaboration, banks can gain access to new technologies, and nonbank innovators can gain access to funding sources and large customer bases," though in addition

CCEPTIS



EMERGING INSTITUTIONS FOR A GLOBAL ECONOMY

those customer bases can also benefit. A bank by integrating its operations with our model can derive several opportunities to serve customers and drive additional revenue streams. The speed of payment that occurs with direct access to settlement would be a significant improvement for customers and produce efficiencies at a bank. Providing exchange services not unlike any foreign currency exchange would be a new revenue stream. A truly innovative bank could hold broad money deposits of the base money circulating on the Global Standard Platform adding a service for customers to safely hold value in a gold denominate currency and a bank could gain revenue that is derived from exchange simply by book entry and the use of the deposits for any traditional banking services.

The nine Guiding Principles accurately reflect on what is required to achieve providing clarity to all market participants. Opening clear lines of communication and fostering the use of those lines will begin to facilitate a clearer understanding. Using the lines of communication to share expertise could be vital to the small innovators who may have a good idea but not depth of experience and talent necessary to manage all the peripheral and necessary requirements. Encouragement, fair access, risk management, and integration with longer term planning will all help enhance clarity.

Of particular note is the Principle concerning collaboration with other regulators. Innovation happens quickly and it is a challenge to stay on top of it. Different types of innovative activity as well as different companies in the same area may also find it a challenge to know where to turn. The more collaboration the better. This is becoming more and more of a global market place. Part of encouraging innovation should be support of U.S. companies in this global market place; assist in their ability to compete. As an MSB we see responsibilities at the federal level, and are licensed by the states. Recognizing differing states have different statutory requirements is important and officials in each state work diligently to ensure public policy is implemented. Further collaboration could reduce the time and cost placed on the innovator and allow more resources to be put on international competition along with bringing improvements to consumers sooner. In the European Union a company can receive a license in one country and “passport” it elsewhere with less effort than individual applications. A similar model spurred by more collaboration among regulators could greatly improve efficiency with innovations and most likely also with regulatory authorities. Any effort applied in this area could yield large benefit.

Thank you for the opportunity to provide our perspective on your efforts.

Sincerely,

WCS

William Cunningham
CEO
COEPTIS

927 E. New Haven Ave., Suite 209
Melbourne, FL 32901
855-673-7176

bcunningham@coeptis.com
www.coeptis.com

CCEPTIS

EMERGING INSTITUTIONS FOR A GLOBAL ECONOMY