



July 13, 2021

VIA EMAIL: comments@fdic.gov

Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

RE: Comments to Insured Depository Institutions' Current and Potential Activities Related to Digital Assets, RIN 3064-ZA25 published for comments on May 17, 2021 (the "Request for Information and Comment on Digital Assets")

Our firm represents Telcoin, Inc. ("Telcoin"), a fintech company that has developed a user-owned, decentralized financial platform. Telcoin sponsored a 2021 initiative to draft Legislative Bill 649 in the State of Nebraska. The bill, titled the Nebraska Financial Innovation Act ("NFIA"), was officially signed into law by Gov. Pete Ricketts on May 25, 2021. It allows for the creation of digital asset depository institution banking charters, as well as digital asset depository departments for state-chartered banks in the State of Nebraska, and it requires compliance with the traditional banking industry as it exists today.

As the State of Nebraska is only the second in the United States to pass legislation of this type, we feel uniquely positioned to respond to this Request for Information and Comment on Digital Assets. We would respectfully request the Federal Deposit Insurance Corporation ("FDIC") consider the following:

- Question 2 under "Questions Regarding Current and Potential Use Cases" inquires about activities or use cases related to digital assets that insured depository institutions ("IDIs") are currently engaging in or considering.

Due to the new legislation, we can confidently say that there are state-chartered IDIs in the State of Nebraska actively considering applying for a charter or authority to operate a digital asset depository. Nebraska provides a safe ecosystem for the FDIC to evaluate the regulatory challenges associated with IDIs and digital assets because the Nebraska digital asset depositories are required to comply with the NFIA and existing regulatory framework for banks, which includes know-your-customer and anti-money-laundering laws. Digital asset companies like Telcoin are making sincere efforts to partner with state and federal regulatory agencies to provide digital assets to customers in a transparent manner, while also benefiting from the settlement and payment systems that IDIs can access.

- Question 14 under "Questions Regarding Deposit Insurance and Resolution" asks if the FDIC should consider any steps to ensure customers can distinguish between uninsured digital asset products and insured deposits.

We recommend that the FDIC considers a similar approach that the NFIA takes. It requires a disclosure to customers that includes the following:

- A schedule of fees and charges the digital asset depository may assess, how fees and charges are calculated (if not set in advance), and the timing;
- A statement that the customer's digital asset products are not protected by the FDIC;

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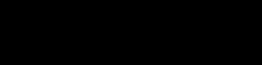
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- A statement regarding support for forked networks of the digital products;
- A statement that investments in digital products may result in total loss of value;
- A statement that any regulatory, legislative, or legal changes may impair the value of the digital products;
- A statement that customers should perform their own research before investing in digital products;
- A statement that digital product transfers are irrevocable;
- A statement regarding liability for an unauthorized, mistaken, or accidental transfer;
- A statement that digital assets are not considered legal tender in any jurisdiction;
- A statement that digital assets may be targeted by cyber theft and become unrecoverable;
- A statement regarding who maintains control, ownership, and access to private keys related to a customer's digital asset account; and
- A statement about the loss of private key information potentially resulting in permanent total loss of access to digital assets.

Thank you for the opportunity to present these comments on behalf of our client. If we may provide additional background, we would be happy to do so.

Very truly yours,



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