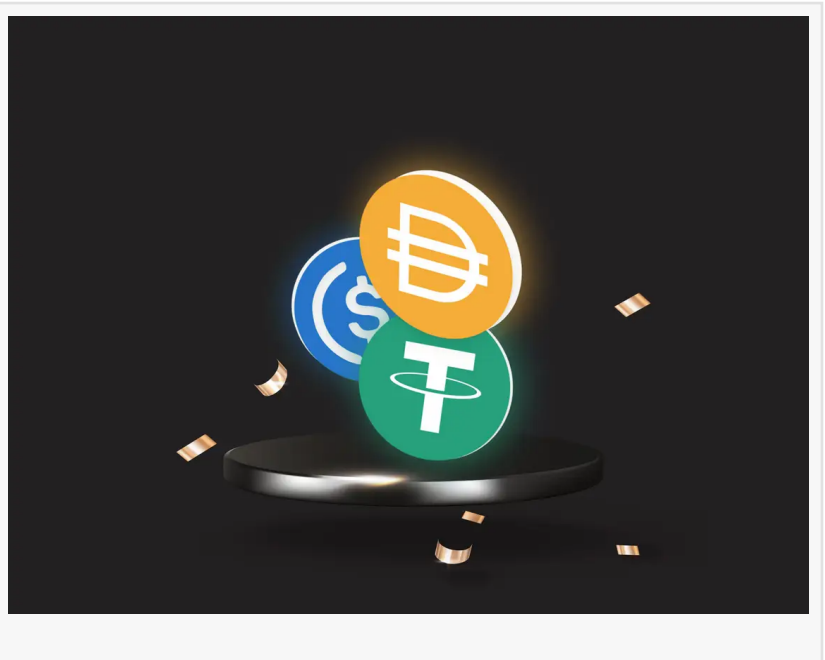


CATAWBA DIGITAL ECONOMIC ZONE ISSUES PROPOSED BANKING AND FINANCIAL SERVICES CODE & FRAMEWORK FOR REGULATING STABLECOINS

The Catawba Digital Economic Zone, for web3 and fintech companies, has issued a Notice of Proposed Rules on stablecoins, bank chartering, and bank regulations.

ROCK HILL, SOUTH CAROLINA, UNITED STATES, October 27, 2022

/EINPresswire.com/ -- The Catawba Digital Economic Zone, the first jurisdiction in the US designed for web3 and fintech companies, has issued a Notice of Proposed Rules on stablecoins, bank chartering, and bank regulations.



This Notice has been released after integrating public comments from the Zone's Advanced Notice of Proposed Rulemaking in September (<https://zoneauthority.io/advance-notice-of-proposed-rulemaking-anprm-on-stablecoins/>). This Notice of Proposed Rule gives the public a final opportunity to comment on the draft [Banking and Financial Services Code](#) and [Stablecoin Regulation](#) before a vote by the Zone Authority Commissioners. We welcome feedback on the draft Banking and Stablecoin regulation via Airtable forms (Banking Code: <https://airtable.com/shrwlLtfhezYccI2u>) (Stablecoins: <https://airtable.com/shrSUkvXbphTDcME7>), on the CDEZ's Zone Authority website, email (stablecoins@zoneauthority.io), or on the [CDEZ Discord server](#). The comment period ends on November 26th, 2022.

The regulations are comprised of two separate documents: a banking code, which allows for the Zone Authority to charter banks and regulate them, and a framework for the regulation of stablecoins. The banking code allows a large range of regulated institutions, including trusts, Special Depository Institutions, money transmitters, and full-scale banking corporations. The stablecoin framework complements the draft banking code, and specifies the regulated entities

that are permitted to issue stablecoins. This framework is guided by financial stability and consumer protection, requiring that all stablecoins be issued by regulated entities, holding a 1-1 ratio of assets to stablecoin tokens, and limiting those assets only to high-quality, liquid ones.

The draft banking code is based on three state-level banking codes, South Dakota, Wyoming, and North Dakota. Wyoming was selected because of its provisions allowing banks to conduct digital assets business. Unlike Wyoming, this ability is not limited solely to special depository institutions. The framework takes most of its inspiration from South Dakota, which is the most widely used banking framework in the United States, holding the most assets under the management of any State. The code also ensures that each bank is held accountable for the highest standards of compliance, including in money laundering, financial stability, and consumer protection.

The proposed banking regulation draws on North Dakota for its implementation of a Public Bank. Like North Dakota, the Catawba Public bank is a “bank of banks”, facilitating payment rails and regulation of banks chartered within the Zone. The Banking Code also provides support in engaging key financial and regulatory stakeholders.

ABOUT THE CATAWBA DIGITAL ECONOMIC ZONE'S ZONE AUTHORITY

The CDEZ is a for-profit sovereign regulatory zone, established and backed by the Catawba Indian Nation. The CDEZ moves at the speed of innovation. Founders and developers that incorporate in the CDEZ can rest assured that they will have a clear regulatory and legal framework that adapts based on their needs - without the need for archaic paperwork and in-person headaches.

Press Kit: Press releases, and high-res photos

<https://drive.google.com/drive/folders/1tUfrRqIKzQEE59jaHDs2KgsgU711lu6N>

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This press release can be viewed online at: <https://www.einpresswire.com/article/598159944>

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