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2026 DIGITAL ASSETS REGULATORY UPDATE: A LANDMARK 2025 BUT MORE DEVELOPMENTS ON THE HORIZON

In 2025, the U.S. regulatory perspective on digital assets and distributed ledger technology shifted from skepticism and concern to a focus on facilitating innovation. The SEC, CFTC, OCC, Executive Branch, and Congress have all acted to support building a flexible regulatory ecosystem for digital assets and distributed ledger technology. Ahead in 2026, market participants will grapple with navigating continued policy debates and addressing the practical implications of implementing new regulatory frameworks.

By Deborah North, Hugh C. Conroy, Jr., Brandon M. Hammer, Samuel Levander,
Alec Foote Mitchell, and Laurel Cunningham *

The U.S. regulatory and enforcement landscape for digital assets and distributed ledger technology changed dramatically in 2025. Virtually overnight, U.S. regulators shifted from an enforcement-heavy crypto-skepticism that effectively outlawed the participation of traditional financial institutions in digital asset and tokenization markets and threatened the core business of many fintech companies (“Fintechs”), to a determined focus on flexibility for market participants to engage with digital assets and distributed ledger technology. Most notably in 2025:

- The Securities and Exchange Commission (“SEC”) dropped nearly all of the enforcement actions commenced under the Biden Administration against

Fintechs that were based on allegations of unregistered broker-dealers, issuance, exchange or clearing agency activities, without accompanying fraud allegations.

- In conjunction with a new “Crypto Task Force,” the SEC and its staff adopted a variety of no-action letters, interpretative statements, and FAQs to clarify the interplay of U.S. securities laws and distributed ledger technology, including that:
 - Payment stablecoins are not securities;
 - Certain utility coins may not be securities;

** DEBORAH NORTH, HUGH C. CONROY, JR., BRANDON M. HAMMER, and SAMUEL LEVANDER are partners, and ALEC FOOTE MITCHELL is an associate at Cleary Gottlieb Steen & Hamilton LLP’s New York City office. LAUREL CUNNINGHAM is an associate at the same firm’s Washington, DC office. Their e-mail addresses are dnorth@cgsh.com, hconroy@cgsh.com, bhammer@cgsh.com, slevander@cgsh.com, almitchell@cgsh.com, and lcunningham@cgsh.com. The authors wish to acknowledge the contributions to the writing of this article by Effie Stathaki, law clerk.*

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