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Sirs,

You have asked for comment on the Regulation of the Conduct of Virtual Currency Businesses. As this is a very long and complicated document, I will just pose a few pointed questions.

Why are Bitcoin businesses subject to any regulations that cash business are not? What is the fundamental difference other than who issued the exchange token?

If for some (unreasonable) reason 'Virtual Currency Businesses' translate to 'Bank' in your mind, why are the regulations more onerous for the Bitcoin business?

If a 'Virtual Currency Businesses' needs 100% reserves, why don't cash Banks (or any other business)?

If you concerned about money laundering, why put more restriction on the one entity that has a **fully public ledger** and not on the entity that does not?

If you concerned about money laundering, why are you doing just 'more of the same' in terms of new regulations and not using the current ones? Do you know of any class of business that launders more money than Banks?

All in all, the entire document reads like an attempt to protect existing banks and financial institution from Bitcoin. That is not your job, your job is to protect us from the banks and the unscrupulous people who run them.

If you really want to do some good in the world, enact regulations to prevent **existing** banks from using Bitcoin (and thus not exposing it to the known corruption) why mandating that they cannot exclude businesses solely busses that they use Bitcoin.

I get it, the existing banks and financial institutions are worried about and afraid of Bitcoin. That's their problem, not yours or mine., so why are you carrying their water for them?

Bitcoin has the potential to some wondrous things for the world while existing banks have done some of the worst. Why are you protecting them?

'I hold it that a little rebellion now and then is a good thing, and as necessary in the political world as storms in the physical.' - Thomas Jefferson

And just to let you know, I am not a Libertarian or Tea Party member, just a small business owner who has been on the receiving end of 'necessary regulation'.

Patrick T. Killian
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