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Dear Superintendent Lawsky,

I commend the New York Department of Financial Services for taking bold steps to advance the discussion toward a regulatory framework for digital currencies.

Early stage, resource-constrained companies will be a very key source of innovation in this arena. The proposed regulations, however, impose a fairly high upfront financial and compliance cost that would not be compatible with other initial risks that such young companies will face in developing their services. On the other hand, consumer protection and anti-money laundering laws must be upheld.

A possible solution, where consumer financial protection and AML are valid concerns with respect to actual money transmitters, could be to offer a license that will allow the technology and market experimentation necessary for such early stage companies to eventually co-opt additional resources. This could potentially be achieved, for example, by offering a 'test' license commensurate with the scale of such operations. Also, NYDFS is in a position to, and should work with other concerned regulatory bodies to simplify overall compliance requirements for new entrants into the money transfer space.

Regards,

**Chike Eleazu**

Founder & Principal  
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