

**Memorandum of Understanding**  
**between the**  
**New York State Department of Financial Services**  
**and**  
**The State University of New York**

**THIS Memorandum of Understanding** (“MOU”) is made by and between the New York State Department of Financial Services (“DFS”) and The State University of New York (“SUNY”) (each a “Party,” and collectively, the “Parties”).

**WHEREAS**

1. DFS regulates and supervises a wide range of financial services institutions, including the providers of virtual currency-related products and services; encourages, promotes and assists financial services institutions to effectively and productively locate, operate, employ, grow, remain, and expand in and throughout New York; and supports financial innovation, with a goal of improving consumer access and market resiliency;
2. SUNY has numerous academic programs and research efforts on its 64 campuses pertaining directly to next generation business and financial services; technological and cyber innovations with direct application to fintech applications; active startup and incubation activities that would both help drive and benefit from fintech advancement; and significant potential for staff, faculty and student involvement and interest in this sector; and
3. The Parties intend to cooperate with the aim of encouraging and enabling responsible innovation with respect to financial technology (“FinTech”), including but not limited to virtual currency-related innovation, in and throughout New York;

The parties have reached the following understanding:

**ARTICLE I. Scope of Cooperation**

The Parties intend:

1. to cooperate in order to explore a program to support the establishment and launch of virtual currency-related businesses (“SUNY BLOCK”) in connection with DFS’s conditional licensing framework. It is envisioned that under the SUNY BLOCK program:
  - a. SUNY will establish a SUNY-related entity authorized by DFS to conduct virtual currency business activity (the “VC Entity”), either under a “BitLicense” issued

pursuant to 23 NYCRR Part 200 or as a limited purpose trust company chartered under the New York Banking Law;

- b. Individual SUNY campuses will provide to entities from local communities, including entities started or run by students or alumni, guidance and encouragement in applying for and receiving conditional BitLicenses from DFS. Such applicants and conditional BitLicensees will collaborate and engage with the VC Entity for various services and support, such as those relating to structure, capital, systems, personnel, or any other support needed;
  - c. To help ensure the success and effectiveness of the SUNY BLOCK program, DFS will, at all stages, foster and encourage open communication with SUNY, applicants, the VC Entity, and conditional BitLicensees, in order that they may benefit from the expert knowledge of DFS staff;
2. to cooperate with respect to FinTech innovation in any other manner that is mutually agreeable to both Parties and consistent with each Party's powers and responsibilities; and
  3. as appropriate, to share information with respect to any relevant issue involving or related to FinTech.

## **ARTICLE II. Contact Points**

To facilitate cooperation under this MOU, each Party will designate a contact point as specified in Appendix A, which a Party may amend from time to time by transmitting revised contact information in writing to the other Party.

## **ARTICLE III. Nature of MOU**

1. This MOU is a statement of intent, which is *not* legally binding and does *not* create any direct or indirect enforceable right, obligation or liability; this MOU does *not* constitute any waiver of immunities or privileges on behalf of either Party or third parties; this MOU does *not* commit either Party or third parties to provide any funding or expend any resources in any manner.
2. The Parties will endeavor to fulfill their intents under this MOU, so far as consistent with applicable law and policy.
3. This MOU does not amend or supersede any law or regulation, or any provision under existing agreements in force and applicable to either Party or limit the terms of any future agreement.

4. This MOU does not contemplate roles, responsibilities or powers beyond those granted to the Parties under law.

**ARTICLE IV. Entry into Effect, Modification, and Termination**

1. This MOU will enter into effect on the date when it is signed by both Parties.
2. This MOU may be modified in writing if both Parties agree in writing to do so.
3. Either Party may terminate this MOU by giving 30 days' advance written notice to the other Party.

**Executed by the Parties:**

New York State Department of Financial Services	The State University of New York
	
Superintendent Linda A. Lacewell	Chancellor Kristina M. Johnson
Dated: 6-18-2020	Dated: 6-18-2020

## **Appendix A: Contact Details**

### **DFS**

Matthew Homer, Executive Deputy Superintendent, Research & Innovation  
New York State Department of Financial Services  
1 State Street  
New York, NY  
[matthew.homer@dfs.ny.gov](mailto:matthew.homer@dfs.ny.gov)

### **SUNY**

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