

# CHAPMAN

# On-Chain Spotlight

March 16, 2026

## On-Chain in the News

### Regulatory Happenings

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- **March 12:** The CFTC issued an advisory supporting innovation in prediction markets but reminded issuers that contracts based on individual actions, officiating decisions, or player conduct present heightened manipulation risks, urging designated contract markets to proactively engage with regulators and sports leagues before listing such products. Simultaneously, the CFTC issued an Advance Notice of Proposed Rulemaking seeking public comment on a wide range of regulatory issues for prediction markets, including manipulation risks, public interest standards, and potential advertising restrictions – read the advisory [here](#) and the notice of proposed rulemaking [here](#).
- **March 11:** At the American Bankers Association's Washington Summit, FDIC Chairman Travis Hill stated that the agency plans to propose rules clarifying that stablecoins are not eligible for FDIC pass-through insurance, while tokenized deposits will be eligible for such insurance. This move aims to align with the GENIUS Act and ensures that tokenized deposits receive the same regulatory treatment as traditional deposits – read the statements [here](#).
- **March 11:** The SEC and CFTC signed a Memorandum of Understanding to coordinate and harmonize regulation in areas of shared interest, including digital assets, by sharing information, aligning policy, and conducting joint examinations and enforcement. The memorandum seeks to reduce regulatory overlap, provide clarity for market participants, and support innovation while maintaining market integrity and investor protection. At the Futures Industry Conference, SEC Chair Paul Atkins emphasized the importance of regulatory harmonization and this memorandum for the US derivatives market – read the memorandum [here](#) and Atkin's statements [here](#).
- **March 9:** In a statement at the Global Cleared Markets Conference, CFTC Chairman Mike Selig further discussed plans for regulatory clarity and active oversight of DeFi, crypto derivatives, and prediction markets, emphasizing collaboration with the SEC, addressing software provider registration, and supporting innovation in AI and automated trading systems – read the statement [here](#).
- **March 9:** The US Treasury Department released a report signaling a shift in its stance on crypto mixers, acknowledging their legitimate privacy uses for shielding transactions, while urging Congress to clarify anti-money laundering obligations for DeFi and strengthen compliance measures – read more [here](#) and see the report [here](#).
- **March 9:** Former CFTC Chair Christopher Giancarlo argues that banks would benefit greatly from the stalled Digital Asset Market Clarity Act, as its passage would provide regulatory certainty for investing in new digital payment infrastructure. Senators are reportedly working on a compromise to allow transaction-based stablecoin rewards, while banning interest on static holdings, to move the crypto Clarity Act forward and address banking industry concerns – read more [here](#) and [here](#).
- **March 6:** Oregon lawmakers passed H.B. 4116 to limit out-of-state bank interest rates by opting out of federal rate exportation under DIDMCA, joining Colorado and sparking industry opposition over concerns it will reduce credit access and create a patchwork of lending rules – read more [here](#).
- **March 6:** Florida passed the nation's first state-level stablecoin regulatory framework with Senate Bill 314, establishing consumer protections and financial stability guidelines for payment stablecoin issuers, prohibiting interest payments when federally banned, and aligning with GENIUS Act standards – read more [here](#) and see the bill [here](#).

## Market Happenings

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- **March 12:** Lido launched EarnUSD, its first stablecoin yield vault, allowing users to deposit USDC and USDT and earn returns through automated allocation across various Ethereum-based DeFi strategies. This expansion makes it easier for users to earn yield without managing strategies themselves and marking Lido's move beyond its traditional ETH-focused offerings – read more [here](#).
- **March 12:** Tether invested in Ark Labs to support the development of programmable infrastructure enabling stablecoins like USDT to move and settle directly on the Bitcoin network – read more [here](#).
- **March 12:** BlackRock launched the iShares Staked Ethereum Trust ETF (ETHB), its first crypto ETF to incorporate staking, allowing investors to earn staking rewards in addition to spot ether exposure – read more [here](#).
- **March 11:** Wells Fargo filed a trademark application for “WFUSD,” a digital asset-centric platform that would offer asset tokenization, cryptocurrency payments processing, and digital asset trading, according to a March 10 filing with the US Patent and Trademark Office – read more [here](#) and see the filing report [here](#).
- **March 11:** Mastercard launched its Crypto Partner Program, bringing together 85 digital asset and payments companies to collaborate on the future of cryptocurrency payments. The initiative aims to bridge on-chain innovation with established payment infrastructure – read more [here](#).
- **March 11:** Digital lender, Upstart, applied for a national bank charter and plans to seek approval from the Federal Reserve to become a bank holding company, aiming to launch an AI-native bank in the US – read more [here](#).
- **March 10:** Babylon Labs and Ledger have partnered to enable secure, self-custodial use of native bitcoin as DeFi collateral via Babylon's Trustless Bitcoin Vaults, allowing users to authorize transactions directly from Ledger devices without intermediaries or wrapped assets – read more [here](#).
- **March 10:** Circle launched Nanopayments on testnet, enabling ultra-small, gas-free USDC transactions designed for AI agents and autonomous software to make rapid, sub-cent payments for services like pay-per-call APIs and machine-to-machine marketplaces. The system aggregates transactions off-chain and settles them on-chain in batches, eliminating per-transaction gas costs – read more [here](#).
- **March 10:** Starknet is launching the STRK20 framework to enable privacy-focused stablecoins and assets with built-in confidentiality features, shielding transaction details by default while allowing regulators access via viewing keys for compliance – read more [here](#).
- **March 9:** Nasdaq partnered with Kraken's parent Payward to build infrastructure connecting tokenized equities with DeFi networks, using Kraken's xStocks framework to enable interoperability between regulated markets and blockchain ecosystems, with rollout expected in the first half of 2027 – read the announcement [here](#).
- **March 9:** Sonic Labs launched USSD, a native stablecoin backed by US government debt and built on Frax's infrastructure, to provide stable liquidity and support financial activity across its EVM-compatible blockchain, with cross-chain minting and redemption features integrated for interoperability with USDC – read more [here](#).
- **March 9:** Coinbase and Paxos used USDC and PYUSD stablecoins to pay insurance premiums to Aon, marking the first time a global insurance broker accepted stablecoins for premium payments and highlighting innovation supported by recent US regulatory developments like the GENIUS Act – read more [here](#).
- **March 9:** Stablecoin payments firm KAST raised \$80 million in a Series A round led by QED Investors and Left Lane Capital to expand its stablecoin-powered cross-border payments platform – read more [here](#).
- **March 7:** J.P. Morgan Payments and Mirakl announced a partnership to power agentic commerce, integrating Mirakl's AI-driven Nexus solution with J.P. Morgan's payment infrastructure to enable secure, auditable transactions by AI agents – read the announcement [here](#).

- **March 6:** 21Shares launched the first spot Polkadot ETF in the US, trading on Nasdaq under the ticker TDOT and seeded with \$11 million, as asset managers expand altcoin-based funds amid a more crypto-friendly regulatory environment – read more [here](#).
- **March 6:** The Bank of Canada and major lenders completed their first tokenized bond trial, issuing, trading, and settling a C\$100 million bond on a distributed ledger as part of Project Samara, with ongoing tests and new legislation planned to tighten oversight of digital assets and stablecoins – read the announcement [here](#).
- **March 5:** TD Cowen predicts more crypto firms will secure Federal Reserve master accounts this year following Kraken's approval, despite expected bank opposition and litigation – read more [here](#).

## Litigation, Enforcement, and Examinations

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- **March 12:** JPMorgan Chase has been named in a lawsuit alleging it knowingly allowed customer Goliath Ventures to operate a \$328 million crypto Ponzi scheme, with plaintiffs arguing the bank should have detected and stopped the fraud under its compliance obligations – read more [here](#).
- **March 11:** Binance has filed a defamation lawsuit against Dow Jones, publisher of The Wall Street Journal, over claims that the exchange mishandled Iran-linked transactions and retaliated against compliance staff. This lawsuit was raised as the DOJ reportedly investigates whether Iranian networks used Binance to move funds in violation of US sanctions, adding to the scrutiny already facing the exchange, which remains under a government-appointed monitorship following its 2023 guilty plea, which will persist until 2027 – read the article [here](#).
- **March 9:** Traditional banks and banking groups are considering a lawsuit against the OCC over its approval of national trust charters for crypto and fintech firms, arguing these charters weaken oversight and consumer protections, while the OCC continues to grant approvals and implement GENIUS Act standards despite opposition – read more [here](#).
- **March 2:** A judge in the Southern District of New York dismissed with prejudice a class-action complaint against Uniswap Labs, holding that the company could not be held liable for losses from “scam tokens” issued by unidentified third parties and traded on the platform. The ruling, rejected claims under state fraud, misrepresentation, unjust enrichment, and consumer protection laws – read the opinion [here](#).

## Sharing Our Insights

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Chapman attorneys have been focused on the cryptocurrency, digital asset, and blockchain ecosystem for many years, and we have assisted clients in shaping industry understanding and strategy through substantive thought leadership. Our attorneys regularly share their insights at prominent industry forums, translating complex regulatory and market developments into actionable guidance for stakeholders navigating this dynamic space.

## We Are Here to Help

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We are available at any time to answer questions, discuss scenarios, and provide guidance. Reach out to any member of our digital assets team or the Chapman attorney with whom you work.

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