



CRYPTO B R I E F



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Lowenstein Crypto advises leading digital asset and cryptocurrency projects, exchanges, and trading firms. Our practice covers regulatory advice, transactions and structuring advice, investigations, and adversarial matters including commercial disputes, bankruptcy, and related litigation. As these markets continue their rapid growth and market participants continue to evolve and mature their businesses, we are providing this weekly digest as a resource that highlights and summarizes a selection of key recent legal regulatory developments.

Senate Votes to Pass the GENIUS Act

On June 17, the U.S. Senate voted to pass the GENIUS Act (Act), which, if passed by the U.S. House of Representatives, would establish federal guardrails and a regulatory framework for stablecoins. Specifically, the Act provides the first comprehensive framework for stablecoin oversight and it introduces consumer protections, transparency requirements, and trading restrictions for members of Congress. The Act received bipartisan support and passed by a vote of 68-30. *The latest version of the bill can be found [here](#).*

SEC Names Jamie Selway Director of Trading and Markets

On June 13, the Securities and Exchange Commission (SEC) announced Jamie Selway as the new director of the Division of Trading and Markets, effective June 17. Selway brings extensive expertise in market structure, fintech, and digital assets, including previously holding a senior role at Blockchain.com. He has served on numerous industry committees and has testified at congressional and SEC roundtables. Following the announcement, SEC Chairman Paul Atkins emphasized that Selway's "decades of industry experience in market structure and across multiple asset classes [will bring] about a 'new day' at the SEC" and help modernize regulations for evolving markets. Selway's appointment reflects a continued strategic shift toward a more innovation-driven, crypto-aware regulatory environment. *The SEC's press release announcing Selway's appointment can be found [here](#).*

SEC Withdraws Crypto-Related Rulemaking

On June 12, the SEC formally withdrew 14 proposed crypto-related rulemakings introduced under former SEC Chairman Gary Gensler's administration. The withdrawal marks the end of the agency's previous efforts to bring certain crypto-related activities under its jurisdiction. Specifically, the SEC had sought to amend Rule 3b-16 under the Securities Exchange Act by expanding the definition of "exchange," which could have subjected decentralized finance (DeFi) platforms and certain crypto trading protocols to exchange registration requirements. The agency had also proposed an amendment to 17 CFR 275.206—known as the Custody Rule under the Investment Advisers Act—that would have required investment advisers to maintain crypto assets with qualified custodians such as banks or broker-dealers. By withdrawing these proposals, the SEC removed potential regulatory expansions that could have significantly affected DeFi protocols and digital asset custody providers. While these withdrawals do not preclude future rulemaking, they signal a recalibration of the SEC's approach to federal securities laws and the digital asset markets. *The SEC's rulemaking activities can be viewed [here](#).*

U.S. Files Civil Forfeiture Complaint to Seize \$225M in Cryptocurrency Fraud Case

The U.S. Attorney's Office for the District of Columbia has filed a civil forfeiture complaint seeking the seizure of more than \$225 million in cryptocurrency allegedly linked to widespread investment fraud schemes. According to the complaint, the Federal Bureau of Investigation and U.S. Secret Service traced the funds through a complex network of blockchain transactions used to launder proceeds from so-called "cryptocurrency confidence scams," which have defrauded victims in the United States and abroad. Investigators identified the use of sophisticated tactics to conceal the origin and control of illicit funds, resulting in the largest cryptocurrency seizure in Secret Service history. The U.S. Department of Justice (DOJ) emphasized its ongoing efforts to combat such scams and recover assets for victims. The investigation involved cooperation with private partners, including Tether, and is being prosecuted by attorneys from the DOJ's Computer Crime and Intellectual Property Section. *A press release from the U.S. Attorney's office can be found [here](#), and the official complaint can be found [here](#).*

Thailand Announces Major Tax Reform to Boost Crypto Sector

Thailand has approved a five-year personal income tax exemption on profits from digital asset sales, including bitcoin, as part of a broader effort to position itself as a regional hub for blockchain and digital innovation. The exemption is retroactive and applies from January 2025 through December 2029. It applies to transactions made through licensed digital asset service providers and is expected to contribute over 1 billion baht (approximately \$30.7 million) to Thailand's economy. The initiative, announced by Deputy Finance Minister Julapun Amornvivat, aims to stimulate domestic consumption, attract international investment, and support Thai entrepreneurs in the global digital market. Alongside the tax incentive, the Thai government plans to adopt international standards for crypto reporting to enhance financial transparency and comply with anti-money laundering regulations. The regulatory reform aligns with Thailand's broader digital economy strategy, which includes support for stablecoins and potential approval of spot bitcoin ETFs. *See an X post by Coin Ledger on the exemption [here](#).*

Blockchain Firm Tron to Go Public via Reverse Merger

On June 16, crypto platform Tron (TRX), led by Justin Sun and with a market cap of more than \$25 million, announced plans to go public in the United States. Tron will enter public markets through a \$210 million reverse merger with Nasdaq-listed SRM Entertainment, Inc. (SRM), a company that specializes in designing, developing, and distributing exclusive licensed children's products. The new combined entity, to be renamed Tron Inc., will operate as a crypto treasury vehicle and hold significant amounts of TRX tokens. It also plans to engage in staking and potentially implement dividend programs. As part of the reverse merger, SRM has secured a \$100 million private equity investment, and Sun has joined as an advisor to the company. The announcement follows the SEC's recent pause in its fraud enforcement actions against Sun and Tron and reflects a potentially more permissive regulatory environment. The deal may also serve as a model for future crypto market entries into public equity markets. *A link to SRM's press release announcing the merger can be found [here](#).*

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