

[Banking and Finance Law Daily Wrap Up, FINANCIAL TECHNOLOGY— ICBA opposes Sony Bank national trust bank charter application, \(Nov. 7, 2025\)](#)

Banking and Finance Law Daily Wrap Up

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By Joe Cox, J.D.

The opposition stems from Sony's planned use of stablecoin and digital assets in a national trust bank setting. The Independent Community Bankers of America (ICBA) have sent a letter to the Office of the Comptroller of Currency opposing Sony Bank Incorporated's national trust bank charter application on behalf of its subsidiary Connectia Trust National Association. The letter alleges that Sony is seeking "the benefits of a U.S. bank charter without becoming subject to the full scope of U.S. bank regulations." The letter raises several grounds for declining the application.

Sony Bank's application. On October 6, Sony Bank [applied](#) for OCC approval to organize Connectia Trust National Association (Connectia) as a de novo national bank to engage in cryptocurrency-related activities. The application notes that Connectia is planned to engage "in certain digital asset activities" that the OCC has previously found to be permissible under existing national bank legal authorities. These include the issuance of dollar-pegged stablecoins and maintenance of corresponding reserve assets, the provision of non-fiduciary digital asset custody services, and the provision of asset management services as fiduciary to certain affiliates."

ICBA opposition. In its own [letter](#) and an accompanying [press release](#), ICBA expresses its opposition to the application. Among the grounds raised by the ICBA is that Connectia's mission of granting "non-fiduciary custody of digital assets and [issuing] stablecoins to retail customers is outside the scope of the trust bank charter." Secondly, ICBA argues that the OCC lacks authority to expand trust powers under Interpretive Letter #1176. Finally, the ICBA submits that Connectia should be subject to the Bank Holding Company Act's definition of a bank.

A unique legal point is raised in the reference to [Interpretive Letter 1176](#), which was issued in January 2021 and facially allows national trust banks to engage in non-fiduciary activities that are otherwise permissible for national banks under 12 U.S.C. § 24 (Seventh), expanding the scope of activities beyond those allowed under 12 U.S.C. § 92a. However, ICBA argues that reliance on the Interpretive Letter amounts to rulemaking without the usual notice and comment protocols and is thus "arbitrary, capricious, and not in accordance with law."

The ICBA has consistently reminded the OCC of the need to assess unique risks and the necessity of sufficient supervisory and regulatory safeguards in regard to digital asset providers such as Connectia. Recently, the ICBA offered similar arguments in opposition to an application for a national trust bank charter application from Coinbase (See [Banking and Finance Law Daily](#), Nov. 4, 2025).

Ultimately, the ICBA urges denial of the application in this matter, noting that "The OCC's untested receivership framework is wholly unequipped to resolve an uninsured, systemically significant stablecoin issuer like Connectia risking permanent customer losses and market contagion." Further, the ICBA posits that approval would "erode the separation of banking and commerce, expose consumers to the risk of loss... and disadvantage community banking."

Companies: Connectia Trust National Association; Independent Community Bankers of America; Sony Bank Inc.

RegulatoryActivity: BankingOperations Blockchain DepositInsurance FinancialIntermediaries FinTech