



NVC Fund Bank

OFFICE OF THE TREASURY | GLOBAL CAPITAL
MARKETS DIVISION

NVC Fund Holding Trust
ISO 20022 | pacs.008 | DTC DVP
NVCT Blockchain Stablecoin |
USD Mint
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MEMORANDUM

TO	Strategic Partners, Correspondent Banking Institutions, Regulatory Stakeholders
FROM	NVC Fund Bank — Office of the Treasury
DATE	March 15, 2026
RE	Seamless Protocol for US Treasury, Equity & Fixed Income Settlement — Resolving Systemic Liquidity Bottlenecks
CLASS	Confidential — Authorized Distribution Only

PURPOSE

This memorandum outlines NVC Fund Bank's established protocol for deploying institutional capital into US Treasuries, equities, and fixed income instruments as a deliberate architectural solution to regulatory friction, settlement bottlenecks, and liquidity access limitations encountered in cross-border and electronic money environments.

BACKGROUND

NVC Fund Bank operates across multiple monetary frameworks — including ISO 20022 pacs.008 messaging, NVCT blockchain stablecoin (**TCM, ISO 10962 CFI**), and USD Mint electronic money — that, while legally sound under US UCC law and IGO supranational authority, may encounter classification friction at the settlement layer of traditional depository institutions operating under FDIC, TCH, and Federal Reserve T+2 frameworks.

Rather than waiting for universal TCM adoption, NVC Fund has constructed a compliant, operationally proven pathway that converts electronic money instruments into universally recognized sovereign asset classes — eliminating the debate at the point of settlement.

THE PROTOCOL

NVC Fund routes institutional capital through pre-established custodial relationships with Fed-member, DTC-participating institutions:

Destination A — Fidelity Investments / National Financial Services LLC

DTC Participant 0226 • ABA 101205681 • Correspondent: JPMorgan Chase (CHASUS33)

US Treasuries, agency securities, equities, corporate and municipal bonds

Destination B — United Bank for Africa / Citibank N.A.

DTC Participant 0908 • Correspondent: Citibank (CITIUS33)

US Treasuries, international equities, and fixed income

Destinations C & D — Euroclear (MGTCBEBEECL) and Clearstream (CEDELULL)

International sovereign and corporate bonds

Capital originates from NVCT or USD Mint, is transmitted via ISO 20022 compliant wire instruction to the custodian, and settles as DTC book-entry securities through Delivery versus Payment (DVP) — **T+1 for US Treasuries and agency securities, T+2 for equities and corporate bonds.**

WHY THIS RESOLVES REGULATORY AND SYSTEMIC RESISTANCE

1. **The custodian absorbs the conversion layer.** The TCM-to-TCN conversion occurs inside the Fed-member custodian's own systems. NVC is not required to present electronic money directly to Fedwire or ACH infrastructure. The custodian — Fidelity NFS or Citibank — holds the Fed master account and handles the settlement leg conventionally.
2. **Securities are universally recognized sovereign instruments.** Once capital is deployed into a US Treasury, NVC's position is no longer an electronic money

instrument subject to classification debate. It is a DTC book-entry US government obligation — accepted as collateral, as reserve, and as settlement by every central bank, clearinghouse, and regulated institution on earth.

3. **A clean, conventional fiat exit exists at all times.** US Treasuries can be liquidated at any time, with proceeds settled as USD in the custodian's Fed account and wired out via Fedwire Funds — fully FDIC-backed, Fed-cleared, and conventional. This gives NVC Fund guaranteed liquidity access regardless of the TCM/TCN landscape at the point of origin.
4. **DTC net settlement is structurally more flexible than gross Fedwire.** DTC's NSCC net settlement model means the entry point of capital is far less scrutinized than a direct gross Fedwire debit, reducing friction for large-volume, cross-border, or electronically originated transactions.
5. **It is immediately operational.** NVC Fund's custodial relationships, ISO 20022 wire infrastructure, and pacs.008 messaging capabilities are live and tested. This is not a proposed solution — it is an active protocol.

Conclusion

NVC Fund Bank has constructed a protocol that is simultaneously regulatory-compliant, operationally seamless, and strategically resilient. By routing NVCT and USD Mint capital into US Treasuries, equities, and fixed income instruments through DTC-participating Fed-member custodians, NVC effectively converts electronic money into universally accepted sovereign assets — bypassing TCM classification friction, eliminating settlement bottlenecks, and maintaining 100% liquidity access at all times. This positions NVC Fund Bank as a fully functional institutional participant in global capital markets, without dependency on the pace of TCM adoption at the retail banking level.

Respectfully submitted,

NVC Fund Bank

Office of the Treasury

Global Capital Markets • ISO 20022 Settlement Division

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