

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

HISTORY ASSOCIATES INCORPORATED,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE  
CORPORATION,

Defendant.

Case No. 1:24-cv-1857-ACR

**JOINT STATUS REPORT**

Pursuant to this Court’s Minute Order of November 4, 2024, Plaintiff History Associates Incorporated, and Defendant, the Federal Deposit Insurance Corporation (“FDIC”), hereby submit this joint status report.

1. As set out in the November 4 Minute Order, the FDIC reviewed the 23 “pause letters” to determine what portions should be redacted, and produced the redacted letters to Plaintiff’s counsel on November 22, 2024 (Exhibit A).

2. At the pre-motion conference held on September 18, the Court stated that, if History Associates was “not satisfied” with the FDIC’s production, the Court would review within 15 days five letters in camera. Dkt. 25-1, at 9:11-15, 11:6, 11:12, 12:2-4; *see also* September 18, 2024, Minute Order.

3. History Associates is not fully satisfied with the FDIC’s production, for two reasons.

a. First, all of the pause letters appear to redact information about the type of digital-asset products or services at issue in the letters. For example, letter 8 states: “[Redacted] participated in the meeting discuss the [redacted] ... functionality of the product [redacted] ... versions

of the product, [redacted] and subsequently, FDIC has received revised information outlining three models [redacted].” Ex. A at 20. And letter 15 states that the recipient bank “notified the FDIC and [redacted] ... that the Bank will provide its customers [redacted].” Although History Associates acknowledges that certain information in the letters—such as the identity of the recipient banks (or recipient bank employees)—may properly be subject to Exemption 8, information merely identifying the type of digital-asset product or service at issue is not invariably exempt. Exemption 8 does not apply to that information because it does not “relate[]” to any FDIC “examination, operating, or condition” report. 5 U.S.C. § 552(b)(8). Moreover, Exemption 8 “address[es] the concern that release of bank examination and operating reports could endanger the fiscal well-being of subject banks.” *Pub. Invs. Arb. Bar Ass’n v. SEC*, 771 F.3d 1, 5 (D.C. Cir. 2014). Disclosing the type of products or services the FDIC asked banks to pause developing would not invariably harm that interest. For example, disclosing that a pause letter involved discussions about a custody service, an interest-bearing product, a staking-related service, a stable-coin product, or any other generic crypto product or service would reveal nothing about the identity of the bank seeking to offer that product or service and therefore must be disclosed under the FOIA Improvement Act of 2016. *See* 5 U.S.C. § 552(a)(8)(A)(i).

b. Second, four of the letters (8, 16, 18, and 22) contain much heavier redactions than the remaining letters, which makes it difficult for History Associates to evaluate whether the FDIC has disclosed all non-exempt portions of those letters. This Court proposed in camera review in this case as a means of “double check[ing]” the FDIC’s work, which is especially warranted as to these four letters. Dkt. 25-1, at 10:9.

4. The FDIC is of the view that History Associates’ stated reasons for not being fully satisfied with the FDIC’s production are mistaken.

a. History Associates acknowledges that at least some information in the letters falls within Exemption 8, but suggests that some of the redacted information is not contained in or related to an examination, operating, or condition report, or its disclosure would not harm an interest protected by Exemption 8. The FDIC's view, as set out in the FDIC's *Vaughn* Index (Dkt. 25-2), is that each of the letters clearly satisfies the criteria to be an examination report under the caselaw. In any event, the products or services offered by a bank are a core subject of bank examinations, and supervisory letters discussing those products and services are, at minimum, related to bank examinations.

There are various types of crypto asset products, services, and programs with different names, developed or promoted by different companies, with different features and different processes, and requiring arrangements with different entities outside the bank. A knowledgeable person or entity given the information that Plaintiff suggests could with little effort identify the particular bank.

The interest harmed by dissecting an examination report or supervisory communications down to the level of individual words or phrases to seek and produce "generic" information is the fundamental need for continuous, candid communication between bank and supervisor. Both bank and agency would be hesitant to communicate freely with each other if every report or letter could be probed for seemingly "harmless" words or statements to be made public. It would eviscerate the broad language and broad judicial interpretation of Exemption 8.

b. Plaintiff's reason for not being satisfied with the FDIC's redactions to letters 8, 16, 18, and 22 seems to be that it cannot evaluate the redactions without seeing what is under the redactions – an argument that would vitiate every redaction based on FOIA exemptions and every privilege redaction in every lawsuit. And the argument disregards the availability of the FDIC's

*Vaughn* index, a well-established tool in FOIA litigation. As the FDIC has repeatedly stated, contrary to Plaintiff's assertions, the "pause letters" are not "form letters." They are based upon the particular circumstances of the bank. Some of the letters are relatively short, and some of the letters are longer, depending upon the bank's size, location, assets, liabilities, and many other factors – in particular, the type of product or service that the bank seeks to provide. Longer letters can be expected to have more redactions.

5. History Associates proposes that the Court conduct in camera review of the unredacted versions of letters 8, 16, 18, and 22. The FDIC has no objection to this proposal. By reviewing those four letters, the Court can provide its assessment of whether the FDIC's redactions of categories of information in those letters comport with Exemption 8. Based on the Court's assessment, the parties can discuss whether an agreement can be reached on redaction of the letters to resolve the litigation, or whether one or both parties wish to pursue summary judgment, with full briefing of the issues.

6. The parties hereby request that the Court conduct in camera review of Letters 8, 16, 18, and 22 and schedule a hearing to discuss the Court's review once completed.

Date: December 6, 2024

/s/ Jonathan C. Bond

Eugene Scalia  
Jonathan C. Bond  
Nick Harper  
Aaron Hauptman  
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*Attorneys for Plaintiff*

Respectfully submitted,

/s/ Daniel H. Kurtenbach

Andrew J. Dober  
Daniel H. Kurtenbach  
Lina Soni  
Federal Deposit Insurance Corporation  
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Arlington, VA 22226  
Telephone: 571.286.0401  
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*Attorneys for Defendant*

# Exhibit A

*History Associates Inc. v. FDIC*, No. 1:24-cv-1857-ACR (D.D.C.)

FDIC's Redacted Pause Letters

November 22, 2024

# DOCUMENT 1



600 North Pearl Street, Suite 700, Dallas, Texas  
(214) 754-0098 FAX (972) 761-2082

Division of Risk Management Supervision  
Division of Depositor and Consumer Protection

**SENT VIA SECURED ELECTRONIC MAIL**

March 11, 2022

The Board of Directors  
[REDACTED]

Subject: Proposed New FinTech Product [REDACTED]

Dear Members of the Board:

This office received [REDACTED] submission [REDACTED] that provided high-level information relating to the subject product. The proposed product is [REDACTED]

[REDACTED] However, at this time the FDIC has not yet determined what, if any, regulatory filings will be necessary for a bank to engage in this type of activity. As a result, we respectfully ask that you pause all crypto asset-related activity. The FDIC will notify all FDIC-supervised banks at a later date when a determination has been made on the supervisory expectations for engaging in crypto asset-related activity, including the need for any regulatory filings.

You may direct questions on this matter to [REDACTED]

[REDACTED] As a reminder, written correspondence should be addressed to Kristie Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: DALMailRoom@fdic.gov. Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>. If there are any questions about the Secure Email process, please contact [REDACTED] or me at [REDACTED].

Sincerely,

Eric T. Guyot (Signed)

Eric T. Guyot  
Assistant Regional Director

cc: Federal Reserve Bank of Atlanta  
[REDACTED]

# DOCUMENT 2



**FEDERAL DEPOSIT INSURANCE CORPORATION**  
10 10th Street NE, Suite 800  
Atlanta, Georgia 30309-3849

Atlanta Regional Office  
Division of Risk Management Supervision  
(678) 916-2200

March 15, 2022

Via Secure Email

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Subject: [REDACTED]

[REDACTED]

Based on recent discussions with you and your management team, as well as review of documentation provided by the bank, [REDACTED] intends to offer bank clients [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Please notify us of any material change from the arrangement as described to the FDIC,

[REDACTED]

Thereafter, the FDIC may have additional questions to clarify the bank's proposed activities prior to expanding the service to ensure the bank is operating in safe and sound manner.<sup>1</sup>

If you have any questions concerning this letter, please contact [REDACTED]

[REDACTED]

Sincerely,

Frank R. Hughes  
Acting Regional Director

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations.

# DOCUMENT 3



**Federal Deposit Insurance Corporation**

Division of Risk Management Supervision  
350 5<sup>th</sup> Avenue, New York, NY 10018

New York Regional Office

March 25, 2022

Board of Directors

c/o [REDACTED]  
[REDACTED]  
[REDACTED]

**Subject:** [REDACTED]

Dear Members of the Board:

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] conference call to discuss  
[REDACTED] proposal with representatives from the [REDACTED]  
[REDACTED] understand, as a result of this conference call, that [REDACTED]  
[REDACTED]

The FDIC has a number of questions based on the information provided to date. We expect you to satisfactorily address them (in advance of implementation) to ensure the bank is operating in a safe and sound manner.<sup>1</sup> To assist the FDIC [REDACTED] we will be sending, under separate cover, (i) the [REDACTED] that have not yet been satisfactorily addressed and (ii) additional questions and document requests that will need to be addressed.

Written correspondence should be addressed to Jessica A. Kaemingk, Acting Regional Director, FDIC, New York Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://secureemail.fdic.gov/>) using the following email address: [NYMailRoom@fdic.gov](mailto:NYMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations.

[REDACTED]  
Board of Directors

Page 2 of 2

If you have any questions, please contact Assistant Regional Director Steven P. Slovinski at [REDACTED].

Sincerely,  
Jessica A. Kaemingk  
Acting Regional Director

CC: [REDACTED]  
Federal Reserve Bank of New York

# DOCUMENT 4



**Federal Deposit Insurance Corporation**

Division of Risk Management Supervision  
350 5<sup>th</sup> Avenue, New York, NY 10018

New York Regional Office

March 25, 2022

Board of Directors

[REDACTED]

**Subject: Activity Related to** [REDACTED]

Dear Board Members:

[REDACTED] met with the FDIC and notified the FDIC of a new planned product, [REDACTED]

[REDACTED] along with other bank management, participated in a conference call to discuss [REDACTED] with representatives from the FDIC [REDACTED] with a follow-up call on [REDACTED] The regulators understand, as a result of these discussions, [REDACTED]

The FDIC has a number of questions based on the information provided to date. We expect you to satisfactorily address them (in advance of implementation) to ensure the bank will be engaging in this new activity in a safe and sound manner.<sup>1</sup> To assist [REDACTED] we will be sending, under separate cover, (i) the questions [REDACTED] that have not yet been satisfactorily addressed; and (ii) additional questions and document requests that will need to be addressed prior to launch [REDACTED].

Written correspondence should be addressed to Jessica A. Kaemingk, Acting Regional Director, FDIC, New York Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://secureemail.fdic.gov/>) using the following email address: [NYMailRoom@fdic.gov](mailto:NYMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations.

[REDACTED]  
Board of Directors

Page 2 of 2

If you have any questions, please contact Assistant Regional Director Steven P. Slovinski  
at [REDACTED]

Sincerely,  
Jessica A. Kaemingk  
Acting Regional Director

[REDACTED] [REDACTED]

# DOCUMENT 5



**Federal Deposit Insurance Corporation**  
Division of Risk Management Supervision  
300 South Riverside Plaza, Suite 1700, Chicago, IL 60606

Chicago Regional Office  
Phone (312) 382-7500  
Fax (312) 382-6901

April 5, 2022

Board of Directors  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Subject: Activity Related to** [REDACTED]

Dear Board Members:

[REDACTED] the Federal Deposit Insurance Corporation (FDIC), [REDACTED] management team participated in a virtual meeting to discuss crypto-asset [REDACTED] [REDACTED] Subsequent to that meeting, the FDIC [REDACTED] received additional documentation regarding the bank's agreements, risk assessment, and due diligence related to this new service.

The FDIC has a number of questions based on the information provided to date. Those include questions with respect to the permissibility of this activity, including what legal analysis the bank performed related to permissibility and to assess compliance with Part 362 of the FDIC Rules and Regulations. Those also include questions with respect to safety and soundness<sup>1</sup> related to this activity and consumer protection issues. The FDIC plans to perform a detailed review of this activity and will seek further information with respect to those questions at the upcoming [REDACTED] examination. Until [REDACTED] should not expand the service to additional customers.

If you have any questions, please contact Deputy Regional Director Christopher J. Newbury at [REDACTED]

Sincerely,

**GREGORY** Digitally signed by  
**BOTTONE** GREGORY BOTTONE  
Date: 2022.04.05  
12:03:16 -04'00'  
Gregory P. Bottone  
Regional Director

cc: [REDACTED]

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations.

# DOCUMENT 6



Dallas Regional Office  
600 North Pearl Street, Suite 700  
Dallas, Texas 75201  
(214) 754-0098 FAX (972) 761-2082

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April 15, 2022

The Board of Directors  
[REDACTED]  
[REDACTED]  
[REDACTED]

Subject: Proposed [REDACTED]

Dear Members of the Board:

We received [REDACTED] submission [REDACTED] that provided high-level information related to the subject [REDACTED]. The proposed product will [REDACTED]

[REDACTED] [REDACTED]. However, at this time the FDIC has not yet determined what, if any, regulatory filings will be necessary for a bank to engage in this type of activity. As a result, we respectfully ask that you pause all crypto asset-related activity. The FDIC will notify all FDIC-supervised banks at a later date when a determination has been made on the supervisory expectations for engaging in crypto asset-related activity, including the need for any regulatory filings. Refer to the Financial Institution Letter issued on April 7, 2022, FIL-16-2022-Notification of Engaging in Crypto-Related Activities, for additional information.

Please direct questions on this matter to [REDACTED]. As a reminder, written correspondence should be addressed to Kristie K. Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [DALMailRoom@fdic.gov](mailto:DALMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>. If you prefer to send correspondence via mail, please use the Dallas Regional Office address noted in the letterhead. If there are any questions about the Secure Email process, please contact [REDACTED].

Sincerely,

Signed by Joseph A. Meade

Joseph A. Meade  
Assistant Regional Director

cc: Federal Reserve Bank of Kansas City  
[REDACTED]

# DOCUMENT 7



**Federal Deposit Insurance Corporation**

Division of Risk Management Supervision  
350 5<sup>th</sup> Avenue, New York, NY 10018

New York Regional Office

April 22, 2022

Board of Directors

[REDACTED]

**Subject:** [REDACTED]

Dear Members of the Board:

[REDACTED]

We appreciate the transparency [REDACTED] over the past several months in keeping us informed as the bank has conducted due diligence and explored its entry into the digital asset space. This letter serves as a follow-up to what was discussed in regards to [REDACTED] and FDIC New York Regional Office staff.

[REDACTED] participated in a [REDACTED] conference call to discuss the [REDACTED] proposal with representatives from the FDIC, [REDACTED]

The Federal regulators understand, as a result of this conference call, that [REDACTED]

The FDIC has a number of questions based on the information provided to date. We expect [REDACTED] to address those (in advance of implementation) to ensure [REDACTED] operating in a safe and sound manner.<sup>1</sup> To assist the FDIC and the other Federal regulators in [REDACTED], we will be sending, under separate cover, (i) the questions regarding [REDACTED] have not yet been satisfactorily addressed and (ii) additional questions and document requests that will need to be addressed. In addition to this outreach, we may reach out [REDACTED] with questions to gain an understanding of how the bank will ensure continued safe and sound operation as this activity is implemented.

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations.

[REDACTED]  
Board of Directors

Page 2 of 2

Written correspondence should be addressed to Jessica A. Kaemingk, Acting Regional Director, FDIC, New York Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://secureemail.fdic.gov/>) using the following email address: [NYMailRoom@fdic.gov](mailto:NYMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

If you have any questions, please contact Assistant Regional Director Ashley M. Amicangioli at [REDACTED]

Sincerely,  
Jessica A. Kaemingk  
Acting Regional Director

CC: [REDACTED]  
[REDACTED]

# DOCUMENT 8



Dallas Regional Office  
600 North Pearl Street, Suite 700  
Dallas, Texas 75201  
(214) 754-0098 FAX (972) 761-2082

April 25, 2022

Board of Directors

[REDACTED]

Via Secure Email

Members of the Board:

[REDACTED] the FDIC, [REDACTED] met with [REDACTED]  
[REDACTED]  
[REDACTED], participated in the meeting to discuss the  
functionality of the product [REDACTED]  
[REDACTED] versions of the product, [REDACTED]  
and subsequently, FDIC has received revised information outlining three models [REDACTED]  
[REDACTED]

In our letter to you [REDACTED] the FDIC stated it has a number of questions based on the discussion and information provided to date. The initial questions are attached and we request responses [REDACTED] As noted in our prior letter, we expect you to satisfactorily address these and any subsequent questions (in advance of implementation) to ensure the bank is operating in a safe and sound manner.<sup>1</sup> This is consistent with FIL-16-2022 which requests that institutions provide information necessary to allow the agency to assess the safety and soundness, consumer protection, and financial stability implications of such activities.

Written correspondence should be addressed to Kristie K. Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [DALMailRoom@fdic.gov](mailto:DALMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

Kristie Elmquist  
Regional Director

Attachment

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations

1. **Structure**.
  - a. Describe the activities conducted by [REDACTED] the assets held by [REDACTED] the relationship [REDACTED]
  - b. Describe the [REDACTED] processes for decision-making, key participants, and key personnel. In your response, indicate [REDACTED]
  - c. Describe what role, [REDACTED]
  - d. Describe what role, [REDACTED]
  - e. Provide the terms of [REDACTED] documents that describe the terms [REDACTED] Identify the party responsible for [REDACTED]
  - f. Explain in detail [REDACTED] Identify all persons that control 5 percent or more [REDACTED] and provide the percentage controlled.
  - g. Explain any dispute resolution processes [REDACTED]
  - h. Provide a list of the fees [REDACTED] and estimated expenses moving forward. In your response, please clarify what the fees are for [REDACTED]
  - i. Discuss the permissibility [REDACTED] under section [REDACTED] Federal Deposit Insurance Act, [REDACTED] the FDIC Rules and Regulations, [REDACTED]
  - j. Clarify whether [REDACTED]
  - k. Describe what involvement, if any, [REDACTED]
  - l. Identify the steps [REDACTED]
  - m. Describe key third-party relationships [REDACTED] business-to-business payments, merchant payments, [REDACTED] to ensure privacy, confidentiality and/or data security for the different types of customers and their data.
  - n. Explain any restrictions in place regarding the use of data [REDACTED] In your response identify the parties with access to such data and the type(s) of data they

can access and any controls monitoring the use of such data. Explain the rights and responsibilities with respect to privacy and/or data security violations.

p. 

Age Group	Percentage of 'Yes' Responses
18-24	~95%
25-34	~45%
35-44	~55%
45-54	~95%
55-64	~45%
65-74	~98%
75-84	~90%
85+	~75%

2.                                             

### 3. Accounting.

- Explain how funds \_\_\_\_\_ the balance sheet \_\_\_\_\_.
- Explain whether and how \_\_\_\_\_ on the balance sheet \_\_\_\_\_.
- Explain whether reserves will be held in \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
- Provide example general ledger entries \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_. Please provide a chart depicting the flow of funds.

4. Exposure to [REDACTED]

- a. [REDACTED]  
[REDACTED] describe any controls in place [REDACTED]  
[REDACTED]
- b. Explain the liability, if any, [REDACTED]  
[REDACTED]

## 5. Risk Management and Controls.

- a. Describe the role of the board in reviewing and approving [REDACTED]
- i. Explain the process [REDACTED]
- b. [REDACTED] risk assessment and due diligence [REDACTED]
- c. [REDACTED] key personnel [REDACTED]
- c. [REDACTED] relevant expertise needed [REDACTED]
- [REDACTED] limitations on customer activity [REDACTED]
- [REDACTED] systems or procedures to allow for this activity.
- [REDACTED] risk management systems, processes, and controls [REDACTED]
- g. [REDACTED]
- [REDACTED] mitigate risks related to security and privacy.
- i. [REDACTED] mitigate operational risk [REDACTED]
- j. [REDACTED]
- k. [REDACTED] efforts to conduct due diligence and assess the risks [REDACTED]
- l. [REDACTED]
- m. [REDACTED]
- n. Describe and provide documentation of vulnerability analysis [REDACTED]

6. Settlement: [REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]

7. [REDACTED]
- [REDACTED]
  - [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]  
[REDACTED]

8. Consumer Protection.
- a. [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]

- h. Describe any representations that [REDACTED] is making or plans to make regarding [REDACTED]  
[REDACTED]
- i. [REDACTED]
- j. Identify the consumer data that will be shared with [REDACTED] as well as any controls in place to protect PII and limit sharing. In your response, indicate whether any PII will be stored [REDACTED]  
[REDACTED]

# DOCUMENT 9



Dallas Regional Office  
600 North Pearl Street, Suite 700  
Dallas, Texas 75201  
(214) 754-0098 FAX (972) 761-2082

**SENT VIA SECURED ELECTRONIC MAIL**

May 4, 2022

The Board of Directors  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Subject: Proposed Crypto Asset Capability**

Dear Members of the Board:

This office received [REDACTED] that provided high-level information about the bank's intent to provide a crypto asset capability [REDACTED]. We thank you for your timely notification as requested by Financial Institution Letter (FIL-16-2022) dated April 7, 2022.

At this time the FDIC has not yet determined what, if any, regulatory filings will be necessary for a bank to engage in this type of activity. As a result, we respectfully ask that you not implement this product, while we consider this crypto asset-related activity.

As we review your proposed activity, we will continue to correspond with your institution regarding additional information requests to aid us in our assessment of the activity. In the meantime, you may direct questions on this matter to [REDACTED]. Written correspondence should be addressed to Kristie K. Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [DALMailRoom@fdic.gov](mailto:DALMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

/s/ J. Mark Love

\_\_\_\_\_  
J. Mark Love  
Assistant Regional Director

cc: Federal Reserve Bank of Dallas  
[REDACTED]

# DOCUMENT 10



Dallas Regional Office  
600 North Pearl Street, Suite 700  
Dallas, Texas 75201  
(214) 754-0098 FAX (972) 761-2082

May 13, 2022

Board of Directors

[REDACTED]  
[REDACTED]  
[REDACTED]

Subject: [REDACTED]

Dear Members of the Board:

By letter dated [REDACTED] advised the FDIC and the [REDACTED] of the Bank's intent to offer Bank customers [REDACTED];

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

By letter dated [REDACTED] additional information was received [REDACTED] this service, and a brief conference call [REDACTED] [REDACTED] By letter dated [REDACTED], the FDIC and [REDACTED] outlined certain information [REDACTED]  
[REDACTED]

On April 7, 2022, the FDIC issued a Financial Institution Letter, FIL-16-2022, explaining a notification and supervisory feedback process concerning a bank's current or planned crypto-asset related activity. That FIL is available here: <https://www.fdic.gov/news/financial-institution-letters/2022/fil22016.html>.

[REDACTED]  
[REDACTED]  
[REDACTED]

The FDIC continues to review [REDACTED] and various questions remain outstanding, including with respect to the legal permissibility of this activity, the potential applicability of part 362 of the FDIC Rules and Regulations, and safety and soundness and consumer protection principles. Consistent with the procedures outlined in FIL-16-2022, the FDIC will make future information requests to assist us in reviewing the activity and providing supervisory feedback to the Bank. Accordingly, until we complete our review, we request that the Bank refrain from expanding this service to additional customers.

[REDACTED]  
[REDACTED]

If you have any questions, please contact Assistant Regional Director Cindy Scott at [REDACTED]. Written correspondence should be addressed to my attention at the Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [DALMailRoom@fdic.gov](mailto:DALMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

Kristie K. Elmquist  
Regional Director

[REDACTED]

# DOCUMENT 11



**Federal Deposit Insurance Corporation**

Division of Risk Management Supervision and Division of Depositor and Consumer Protection  
350 5<sup>th</sup> Avenue, New York, NY 10018

New York Regional Office

June 22, 2022

Board of Directors  
[REDACTED]

**Subject: [REDACTED] Notice to Engage in Digital Asset Activities under FIL-16-2022**

Dear Members of the Board:

We received the subject correspondence [REDACTED] in response to Financial Institution Letter 16-2022, notifying the FDIC of the Bank's intent to engage in activities involving digital assets. New York Regional Office staff has met numerous times with Bank management over the past several months regarding these proposed activities. We appreciate management's efforts to keep us informed as the Bank has conducted due diligence and explored its entry into the digital asset space.

The FDIC has a number of questions regarding the activities based on the information provided to date. The FDIC plans to conduct a targeted review of the Bank's planned digital asset activities [REDACTED] to gain an understanding of how the Bank will ensure continued safe and sound operations and consumer protections, should these activities be implemented. A document request list related to this targeted review was provided under separate cover. The Bank should address these questions, in advance of implementation of the proposed activities, in order for the FDIC to assess the safety and soundness of the proposed activities<sup>1</sup> and compliance with laws and regulations.

If you have any questions, please contact Assistant Regional Director Ashley M. Amicangioli at [REDACTED] or Assistant Regional Director Kara L. Ritchie at [REDACTED].

Sincerely,  
Jessica A. Kaemingk  
Acting Regional Director

CC: [REDACTED]

---

<sup>1</sup> See e.g., Section 39 of the Federal Deposit Insurance Act and Part 364 of the FDIC Rules and Regulations.

# DOCUMENT 12



**Federal Deposit Insurance Corporation**  
Division of Risk Management Supervision  
Division of Depositor and Consumer Protection  
300 South Riverside Plaza, Suite 1700, Chicago, IL 60606

Chicago Regional Office  
Phone (312) 382-7500  
Fax (312) 382-6901

June 27, 2022

Board of Directors

[REDACTED]

Subject: [REDACTED]

[REDACTED] Members of the Board:

By letter dated [REDACTED]  
[REDACTED] advised the FDIC, in response to Financial Institution Letter 16-2022 (FIL-16-2022),<sup>1</sup> and [REDACTED] of the Bank's intent to offer Bank customers [REDACTED]

[REDACTED]

[REDACTED]

The FDIC continues to review [REDACTED] and various questions remain outstanding. Consistent with the procedures outlined in FIL-16-2022, the FDIC will request additional information to assist us in reviewing the activity and providing supervisory feedback to the Bank. Accordingly, until we complete our review, we request that the Bank refrain from expanding this service.

If you have any questions, please contact [REDACTED]  
[REDACTED] Written correspondence should be addressed to my attention at the Chicago Regional Office, and sent as a PDF document through [REDACTED]

<sup>1</sup> On April 7, 2022, the FDIC issued FIL-16-2022, explaining a notification and supervisory feedback process concerning a bank's current or planned crypto-asset related activity. FIL-16-2022 is available here: <https://www.fdic.gov/news/financial-institution-letters/2022/fil22016.html>.

the FDIC's Secure Email portal ([securemail.fdic.gov](mailto:securemail.fdic.gov)) using the following e-mail address:  
[CHIMailRoom@FDIC.gov](mailto:CHIMailRoom@FDIC.gov).

Sincerely,

Gregory P. Bottone  
Regional Director

[REDACTED]

# DOCUMENT 13



**Federal Deposit Insurance Corporation**

350 Fifth Avenue, Suite 1200, New York, NY 10118

New York Regional Office

June 30, 2022

Board of Directors

[REDACTED]

**Subject:** [REDACTED]

Dear Members of the Board:

[REDACTED]

In a letter dated [REDACTED] provided an overview of the program and due diligence activities in response to the FDIC Financial Institution Letter, FIL-16-2022, dated April 7, 2022 (FIL-16-2022). FIL-16-2022 explains the notification and supervisory feedback process concerning current or planned crypto-asset-related activity. On June 1, 2022, the Bank, the FDIC, and [REDACTED] discussed the program again. [REDACTED]

The FDIC continues to review [REDACTED] and various questions remain outstanding. Consistent with the procedures outlined in FIL-16-2022, the FDIC will request additional information to assist us in reviewing the activity and providing supervisory feedback to the Bank. Accordingly, until we complete our review, we request that the bank refrain from expanding this service.

If you have any questions, please contact Assistant Regional Director Catherine H. Goni at [REDACTED]. Written correspondence should be addressed to my attention at the New York Regional Office, and sent as a PDF document through the FDIC's Secure Email portal ([securemail.fdic.gov](mailto:securemail.fdic.gov)) using the following e-mail address: [NYMailroom@fdic.gov](mailto:NYMailroom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,  
Jessica A. Kaemingk  
Acting Regional Director

[REDACTED]

[REDACTED]

# DOCUMENT 14



Division of Risk Management Supervision  
Division of Depositor and Consumer Protection

Dallas Regional Office  
600 North Pearl Street, Suite 700  
Dallas, Texas 75201  
(214) 754-0098 FAX (972) 761-2082

July 14, 2022

Board of Directors

[REDACTED]  
[REDACTED]  
[REDACTED]

Subject: [REDACTED]

[REDACTED] Members of the Board:

By letter dated [REDACTED] provided notification pursuant to Financial Institution Letter-16-2022, *Notification of Engaging in Crypto-Related Activities* (FIL-16-2022), of its program offering customers [REDACTED]  
[REDACTED]  
[REDACTED]

On [REDACTED] the FDIC held a videoconference meeting, with members of the Bank's executive team to discuss [REDACTED]  
[REDACTED] represented the Bank. Assistant Regional Director (ARD) J. Mark Love, ARD Cynthia Scott, ARD Akhtar Khan, and Case Manager [REDACTED] represented the FDIC.

During the meeting, [REDACTED] informed the FDIC that the program is live as of [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

The FDIC continues to review crypto-related activities and various questions remain outstanding. Consistent with the procedures outlined in FIL-16-2022, the FDIC may request additional information to assist us in reviewing the activity and providing supervisory feedback to the Bank. Accordingly, until we complete our review, we request that the Bank refrain from expanding this service.

If you have any questions, please contact ARD Love at [REDACTED] Written correspondence should be addressed to Kristie K. Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [DALMailRoom@fdic.gov](mailto:DALMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

[REDACTED]  
[REDACTED]

Page 2

Sincerely,

/s/ Kristie K. Elmquist

Kristie K. Elmquist  
Regional Director

[REDACTED]

# DOCUMENT 15



**FDIC**

**Federal Deposit Insurance Corporation**  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, California 94105

Division of Risk Management Supervision  
San Francisco Regional Office  
(415) 546-0160

July 27, 2022

Board of Directors

[REDACTED]

Subject: Notification of Crypto-Related Activity

Dear Members of the Board:

By letter dated [REDACTED] notified the  
FDIC and [REDACTED] that the  
Bank will provide its customers [REDACTED]

[REDACTED]

On April 7, 2022, the FDIC issued a Financial Institution Letter, FIL-16-2022, explaining a notification and supervisory feedback process concerning a bank's current or planned crypto-asset related activity. That FIL is available here: <https://www.fdic.gov/news/financial-institution-letters/2022/fil22016.html>.

[REDACTED]

On [REDACTED] Safety and Soundness examination began. [REDACTED]  
[REDACTED] examiners and bank management held an MS Teams Meeting to present an additional request list related to the proposed crypto activities. During the meeting, [REDACTED]

[REDACTED]

The FDIC continues to review [REDACTED] and various questions remain outstanding. Consistent with the procedures outlined in FIL-16-2022, the FDIC has requested information as part of the examination process and may request additional information to assist us in reviewing the activity and providing supervisory feedback to the Bank. Accordingly, until we complete our review, we request that the Bank refrain from expanding this service to its customers.

If you have any questions, please contact RMS Assistant Regional Director David Wong at [REDACTED] or DCP Assistant Regional Director Matthew Sheeren at [REDACTED]. Written correspondence should be addressed to my attention at the San Francisco Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: SFMailroom@FDIC.gov. Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

Digitally signed by  
KATHY MOE  
Date: 2022.07.27  
15:37:45 -07'00'

Kathy L. Moe  
Regional Director

cc: [REDACTED]

# DOCUMENT 16



**FDIC**

**Federal Deposit Insurance Corporation**  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, California 94105

**Division of Risk Management Supervision**  
**Division of Consumer Protection**  
**San Francisco Regional Office**  
(415) 546-0160

*Sent via secure email to [REDACTED]*

July 28, 2022

Board of Directors  
[REDACTED]

***Subject: Notification of Engaging in Crypto-Related Activities***

Dear Members of the Board:

On [REDACTED] submitted [REDACTED] draft three-year business plan (Plan) pursuant to FDIC's Financial Institution Letter-16-2022, *Notification of Engaging in Crypto-Related Activities* (FIL-16-2022). We also held a brief discussion with [REDACTED]

[REDACTED] As discussed during the call, the Plan [REDACTED] the bank's business model [REDACTED]

While the FDIC continues to review the bank's Plan pursuant to FIL-16-2022, in order to assess the safety and soundness and consumer protection implications of such activities, additional information is needed and questions remain outstanding. [REDACTED]

[REDACTED] it is essential for management to [REDACTED] prior to implementation to ensure planned activities and strategies are consistent with current laws, rules, and regulations, as well as safety and soundness and consumer protection principles. Examples of incomplete, but essential, elements that we request the opportunity to review, when available, include the following:

- Risk assessments [REDACTED],
- Due diligence [REDACTED]
- Policies and procedures [REDACTED]
- Project plans and cost benefit analysis [REDACTED],
- Formal succession plan [REDACTED],

## Board of Directors

Page 2

- Draft contracts and legal agreements [REDACTED]
- Legal analysis of the permissibility of the proposed [REDACTED] under Part 362 of the FDIC's Rules and Regulations, including [REDACTED]
- Also with respect to [REDACTED]
- Banking services [REDACTED]
- Plans to expand [REDACTED] and expected impacts to the Community Reinvestment Act (CRA) performance,
- Any assessment of consumer protection risk [REDACTED]
- Analysis performed with respect to SEC Staff Accounting Bulletin No. 121 and proposed new products and services, and,
- Plans for ongoing monitoring and audit [REDACTED]

Consistent with the procedures outlined in FIL-16-2022, the FDIC may make future information requests to assist us in reviewing the activities and providing any relevant supervisory feedback to the bank. Accordingly, until we complete our review, we request that the bank not proceed with planned activities, pending FDIC supervisory feedback, and that you continue to update us on developments in the bank's risk management framework and compliance management system.

If you have any questions related to Risk Management, please contact Assistant Regional Director Jaclyn Valderrama or [REDACTED] respectively. For questions related to Consumer Protection, please contact Assistant Regional Director Matthew Sheeren or [REDACTED], respectively. Written correspondence should be addressed to my attention at the San Francisco Regional Office, and sent as a PDF document through the FDIC's Secure Email [REDACTED]

Board of Directors  
[REDACTED]

Page 3

portal (<https://securemail.fdic.gov/>) using the following e-mail address: [SFMailRoom@fdic.gov](mailto:SFMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

*/s/ Kathy L. Moe*

Kathy L. Moe  
Regional Director

cc: [REDACTED]

# DOCUMENT 17



**Federal Deposit Insurance Corporation**

1100 Walnut Street, Suite 2100, Kansas City, MO 64106

Division of Risk Management Supervision

August 9, 2022

Board of Directors

[REDACTED]

Subject: [REDACTED]

Dear Members of the Board:

By letter dated [REDACTED] advised the FDIC of the bank's intent to offer customers [REDACTED] in response to FIL-16-2022.<sup>1</sup> [REDACTED]

[REDACTED]

On [REDACTED] the Bank discussed the [REDACTED] with the FDIC Division of Depositor and Consumer Protection – Kansas City Regional Office (RO). Follow-up discussions were held on [REDACTED] During the course of those discussions Bank management explained [REDACTED]

[REDACTED] By letter [REDACTED], additional information from the Bank was forwarded to the RO documenting [REDACTED]

The FDIC continues to review [REDACTED] and various questions remain outstanding. Consistent with the procedures outlined in FIL-16-2022, the FDIC will make future information requests to assist us in reviewing the activity and providing supervisory feedback to the Bank. Accordingly, until we complete our review, we request that the Bank refrain from expanding this service to additional customers.

<sup>1</sup> On April 7, 2022, the FDIC issued a Financial Institution Letter, FIL-16-2022, explaining a notification and supervisory feedback process concerning a bank's current or planned crypto-asset related activity. That FIL is available here: <https://www.fdic.gov/news/financial-institution-letters/2022/fil22016.html>.

If you have any questions, please contact Assistant Regional Director Michele Sharp or Case Manager Nick Ellwanger at [REDACTED]. Written correspondence should be addressed to my attention at the Kansas City Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [KCMailRoom@fdic.gov](mailto:KCMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,  
James D. LaPierre  
Regional Director

[REDACTED]

# DOCUMENT 18



FEDERAL DEPOSIT INSURANCE CORPORATION  
10 10th Street NE, Suite 800  
Atlanta, Georgia 30309-3849

Atlanta Regional Office  
Division of Risk Management Supervision  
Division of Depositor and Consumer Protection  
(678) 916-2200

August 26, 2022

Board of Directors

[REDACTED]  
[REDACTED]  
[REDACTED]

Subject: Notification of Crypto-Related Activity

Dear Members of the Board:

On [REDACTED] the FDIC received [REDACTED] notification, in response to Financial Institution Letter (FIL), [FIL-16-2022, Notification of Engaging in Crypto-Related Activities](#), of the Bank's intent to engage in crypto-asset related activity by offering customers [REDACTED]. [REDACTED] FIL-16-2022 requested that all FDIC-supervised institutions that intend to engage in, or that are currently engaged in, any activities involving or related to crypto-assets (also referred to as "digital assets") promptly notify the appropriate FDIC Regional Director. [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED] As stated in FIL-16-2022, the FDIC may request that institutions provide information necessary to allow the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of such activities. To assess these risks, the FDIC is reviewing the notification and information provided, and is also assessing whether [REDACTED]  
[REDACTED]  
[REDACTED].

To assist in our review of the proposed activities, please provide the documentation referenced in the Appendix attached to this letter. We will review this documentation to assess the safety and soundness, consumer protection, and [REDACTED] stability implications of such activities as it is received and in conjunction with the safety and soundness examination [REDACTED].  
[REDACTED] When we have completed our review, the FDIC will provide the institution with relevant supervisory feedback, as appropriate. Accordingly, until we complete our review, we request that the Bank refrain from providing this service to its customers.

Please submit the information requested in the Appendix to the FDIC as a PDF file to [ATLMailRoom@fdic.gov](mailto:ATLMailRoom@fdic.gov) using the secure message center at <https://securemail.fdic.gov>. The

information should be submitted to this office by [REDACTED]. If you foresee any issues with meeting this deadline, please contact the individuals identified below.

If you have any questions related to Risk Management, please contact [REDACTED]  
[REDACTED]. If you have any questions related to Consumer Protection, please contact [REDACTED]  
[REDACTED].

Sincerely,

Frank R. Hughes  
Acting Regional Director

cc:

[REDACTED]

Appendix  
Crypto-Related Activity Request List

Please provide the following documentation in relation to the proposed crypto-related activities:

1. All contracts (including any draft contracts that the Bank is reviewing/considering);
2. Overview of the contracting process (e.g., who is/was involved in the review, analysis, and structuring);
3. Any contract analysis performed prior to execution;
4. [REDACTED]
5. [REDACTED]
6. The Bank's permissibility analysis and determination with respect to each activity;
7. The Bank's analysis of SEC SAB 121 and its applicability;
8. Any cost-benefit analysis conducted;
9. Project plan for each activity;
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]
15. Copies of consumer agreements, disclosures, and other terms and conditions related to each of the activities provided by or through the Bank and by third parties (draft or proposed);
16. Marketing materials, press releases, internal scripts, educational materials, and any other publicly distributed information related to each of the activities (draft or proposed). This includes screen shots/screen recordings of any online banking or mobile application user interfaces (including hidden text that must be clicked) that will be made visible to consumers by, or through, the Bank in connection with each of the activities;

17. Strategic plan that details how crypto-asset activities achieve the objectives of the Board and any contingency plan, should the activities fail to achieve the objectives;
18. Implementation plan. For each activity, please include expected volumes, income projections used to determine whether the products are financially feasible, and any other analysis performed to support launching the products;
19. Board and committee minutes reflecting discussion, analysis, approval, and any documentation provided on the activities;
20. Internal training materials related to the activities;
21. Policies and procedures that will govern each of the crypto-related activities, including those related to consumer compliance and complaint resolution (we acknowledge receipt of the policy outline previously submitted, this request is for the policies and procedures);
22. If not outlined in policies and procedures, framework of assigned responsibilities and qualifications for those involved in day-to-day administration of crypto-related activity, including internal controls responsibilities. Description of oversight responsibilities (e.g., management, staff, committees (including members, frequency of meetings), and collectively, their approval authority); and
23. [REDACTED]
24. Describe how the risk assessment was developed, what policies govern the structure/process for risk assessments, and which staff performed the risk assessment. Explain how the Bank determined the risk assessment scope is appropriate for all three product types collectively (trading, interest enhancement, and rewards).
25. [REDACTED]
  - a. [REDACTED]

[illegible]

# DOCUMENT 19



**Federal Deposit Insurance Corporation**  
Division of Risk Management Supervision  
Division of Depositor and Consumer Protection  
300 South Riverside Plaza, Suite 1700, Chicago, IL 60606

Chicago Regional Office  
Phone (312) 382-7500  
Fax (312) 382-6901

September 9, 2022

Board of Directors

[REDACTED]

Subject: Third-Party Crypto-Asset Activity

Dear Members of the Board:

On [REDACTED] submitted a notification of the Bank's intended crypto-asset activities in response to Financial Institution Letter-16-2022, *Notification of Engaging in Crypto-Related Activities* (FIL-16-2022). [REDACTED] also held a discussion with [REDACTED] regarding the proposed crypto-asset activities. As discussed during the call, [REDACTED]

The FDIC requests insured depository institutions provide sufficient information to assist the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of crypto-asset activities. The FDIC requests the Bank provide the information in the attached list by [REDACTED], so that the FDIC may begin those assessments. If the requested information has not yet been developed, provide the status and timeline for developing each item in the response, as applicable. Once the FDIC has completed its review of the requested information, we will determine whether additional information is necessary to complete the review of the activity. When we have completed our review, the FDIC will provide the institution with relevant supervisory feedback, as appropriate. Accordingly, until we complete our review, we request that the Bank not proceed with planned activities, pending FDIC supervisory feedback.

If you have any questions, please contact [REDACTED]. Written correspondence should be addressed to my attention at the Chicago Regional Office, and sent as a PDF document through the FDIC's Secure Email portal ([securemail.fdic.gov](mailto:securemail.fdic.gov)) using the following e-mail address: [CHIMailRoom@FDIC.gov](mailto:CHIMailRoom@FDIC.gov).

Sincerely,  
Gregory P. Bottone  
Regional Director

Enclosure – Crypto-Asset Activity Request List

cc: [REDACTED]  
Federal Reserve Bank of Chicago

### **Crypto-Asset Activity Request List**

1. Strategic Plan that details how crypto-related activity achieves objectives of the Bank's Board and the Contingency Plan in the event the activity fails to achieve those objectives.
2. Project/Implementation plan including, but not limited to, expected volumes of activity or contemplated activity limits, cost benefit analysis including income projections used to determine whether the services are financially feasible, and any other analysis performed to support launching the services.
3. Risk assessments for all crypto-related services. Consideration should be made to Safety and Soundness, Information Technology, Anti-Money Laundering/Combating the Financing of Terrorism, and Consumer Compliance.
4. Vendor management due diligence documentation, and analysis for all vendors that will provide crypto-related technologies or services.
5. Board and committee minutes reflecting approval, discussion, analysis, and any documentation provided on the activity.
6. Draft contracts and legal agreements between the Bank and crypto-related third party vendors.
7. Policies and procedures that will govern the crypto-related activity, including those related to consumer compliance and complaint resolution.
8. If not outlined in policies and procedures, the framework of assigned responsibilities and qualifications for those involved in day-to-day administration of digital asset activity, including internal controls responsibilities, and a description of oversight responsibilities, for example: management; staff; committees, including committee members; frequency of meetings; and collectively, their approval authority, and expertise required to be a committee member.
9. Draft marketing plans, including press releases, educational and training materials, and any other proposed public distributions.
10. Draft consumer agreements, disclosures, or other terms and conditions related to these activities provided by, or through, the Bank and by third parties.
11. Legal analysis of the permissibility of the proposed services under part 362 of the FDIC's Rules and Regulations, and [REDACTED]
12. Analysis performed with respect to SEC Staff Accounting Bulletin No. 121 and proposed services.
13. Plans for ongoing monitoring and audit of crypto-related products and services.

# DOCUMENT 20



FEDERAL DEPOSIT INSURANCE CORPORATION  
10 10th Street NE, Suite 800  
Atlanta, Georgia 30309-3849

Atlanta Regional Office  
Division of Risk Management Supervision  
Division of Depositor and Consumer Protection  
(678) 916-2200

September 13, 2022

Sent via secure email

Board of Directors  
[REDACTED]  
[REDACTED]  
[REDACTED]

Subject: Third-Party Crypto-Asset Activity

Dear Members of the Board:

On [REDACTED] we received [REDACTED] notification, in response to Financial Institution Letter (FIL), [FIL-16-2022, Notification of Engaging in Crypto-Related Activities](#), of the Bank's intent to offer customers [REDACTED]  
[REDACTED]

FIL-16-2022 requests that all FDIC-supervised institutions that intend to engage in, or that are currently engaged in, any activities involving or related to crypto-assets (also referred to as "digital assets") promptly notify the appropriate FDIC Regional Director.

As stated in FIL-16-2022, the FDIC may request that institutions provide information necessary to allow the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of such activities. In order to begin those assessments, please provide the information in the attached list by November 14, 2022. If the requested information has not yet been developed, include the status and timeline for developing each item in the response, as applicable. Once the FDIC has completed its review of the above-requested information, we will determine whether additional information is necessary to complete the review of the activity. When we have completed our review, the FDIC will provide the institution with relevant supervisory feedback, as appropriate. Accordingly, until we complete our review, we request that the Bank refrain from providing these services to its customers.

Board of Directors  
[REDACTED]

Page 2 of 2

This letter is confidential and may not be disclosed or made public in any manner under part 309 of the FDIC Rules and Regulations (12 CFR part 309). If you have any questions, please contact [REDACTED]

[REDACTED] Written correspondence should be addressed to my attention at the Atlanta Regional Office, and sent as a PDF document through the FDIC's Secure Email portal ([securemail.fdic.gov](mailto:securemail.fdic.gov)) using the following e-mail address: [ATLMailRoom@fdic.gov](mailto:ATLMailRoom@fdic.gov).

Sincerely,

John F. Vogel  
Acting Regional Director

**JOHN**  
**VOGEL**  
Digitally signed  
by JOHN VOGEL  
Date: 2022.09.13  
16:45:08 -04'00'

cc: [REDACTED]

Enclosure

### Crypto-Asset Activity Request List

Documentation (Prospective):

1. Contracts (including any draft contracts that bank is reviewing/considering);
2. Overview of the contracting process (e.g., who is/was involved in the review, analysis, and structuring)
3. Any contract analysis performed prior to execution
4. The bank's permissibility analysis and determination with respect to the activity
5. Bank's analysis of SEC SAB 121 and its applicability
6. Cost-benefit analysis
7. Project plan
8. [REDACTED]
9. [REDACTED]
10. Description of any fees that will be charged to consumers related to the activity, and how they will be calculated. Also, describe if and how fees are split amongst the bank and any third parties involved in the activity.
11. [REDACTED]
12. [REDACTED]
13. This includes providing an explanation of how any market price is determined and how the spread, if any, is calculated.
14. Consumer agreements, disclosures, and other terms and conditions related to the activities provided by or through the bank and by third parties (draft or proposed)
15. Marketing materials, press releases, internal scripts, educational materials, and any other publicly-distributed information related to the activity (draft or proposed). This includes screen shots/screen recordings of any online banking or mobile application user interfaces (including hidden text that must be clicked) that will be made visible to consumers by, or through, the bank in connection with activities.
16. Any other due diligence materials.
17. Strategic plan that details how crypto-asset activity achieves objectives of the board and the contingency plan should the activity fail to achieve the objectives.
18. Implementation plan. Please include expected activity volumes, income projections used to determine whether the products are financially feasible, and any other analysis performed to support launching the products.
19. Board and committee minutes reflecting discussion, analysis, approval, and any documentation provided on the activity.
20. Risk assessment(s) related to the activity.
21. Internal training materials related to the activity.
22. Policies and procedures that will govern the crypto-related activity, including those related to consumer compliance and complaint resolution.
23. If not outlined in policies and procedures, framework of assigned responsibilities and qualifications for those involved in day-to-day administration of crypto-related activity, including internal controls responsibilities. Description of oversight responsibilities (e.g. management, staff, committees (including members, frequency of meetings), and collectively, their approval authority).

# DOCUMENT 21



600 North Pearl Street, Suite 700  
Dallas, Texas 75201  
(214) 754-0098 FAX (972) 761-2082

Dallas Regional Office  
Division of Risk Management Supervision  
Division of Depositor and Consumer Protection

**SENT VIA SECURE ELECTRONIC EMAIL**

September 14, 2022

Board of Directors  
[REDACTED]

Subject: Notification of Crypto-Asset Related Activity

Dear Members of the Board:

By email dated [REDACTED]  
notified us of [REDACTED] intent to provide its customers [REDACTED]  
[REDACTED]

As stated in FIL-16-2022, *Notification of Engaging in Crypto-Related Activities*, the FDIC may request that institutions provide information necessary to allow the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of such activities. In order to begin those assessments, please provide the information in the attached list **by November 14, 2022**. If the requested information has not yet been developed, please include the status and timeline for developing each item in the response, as applicable. Once the FDIC has completed its review of the requested information, we will determine whether additional information is necessary to complete the review of the activity. When we have completed our review, the FDIC will provide the institution with relevant supervisory feedback, as appropriate. Accordingly, until we complete our review, we request that the bank refrain from providing this service to its customers.

This letter is confidential and may not be disclosed or made public in any manner under part 309 of the FDIC Rules and Regulations (12 CFR part 309). If you have any questions, please contact [REDACTED]. Written correspondence should be addressed to Kristie K. Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [DALMailRoom@fdic.gov](mailto:DALMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

[REDACTED]

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Sincerely,

Kristie K. Elmquist  
Regional Director

Attachment

cc: Federal Reserve Bank of Dallas  
[REDACTED]

**Crypto-Asset Activity Request List** [REDACTED]

Documentation:

1. Contracts (including any draft contracts that bank is reviewing/considering)
2. Overview of the contracting process (e.g., who is/was involved in the review, analysis, and structuring)
3. Any contract analysis performed prior to execution
4. Description of the transaction flows and related controls
5. [REDACTED]
6. [REDACTED] The bank's permissibility analysis and determination with respect to the activity
7. Bank's analysis of SEC SAB 121 and its applicability
8. Cost-benefit analysis
9. Project plan
10. [REDACTED]
11. [REDACTED]
12. Description of any fees that will be charged to consumers related to the activity, and how they will be calculated. Also, describe if and how fees are split amongst the bank and any third-parties involved in the activity.
13. [REDACTED]
14. [REDACTED]
15. Consumer agreements, disclosures, sample account statement, sample transaction receipt, and other terms and conditions related to the activities provided by or through the bank and by third parties (draft or proposed)
16. Marketing materials, press releases, internal scripts, educational materials, and any other publicly-distributed information related to the activity (draft or proposed). This includes screen shots/screen recordings of any online banking or mobile application user interfaces (including hidden text that must be clicked) that will be made visible to consumers by, or through, the bank in connection with activities.
17. Any other due diligence materials
18. Strategic plan that details how crypto-asset activity achieves objectives of the board and the contingency plan should the activity fail to achieve the objectives
19. Implementation plan. Please include expected activity volumes, income projections used to determine whether the products are financially feasible, and any other analysis performed to support launching the products.
20. Board and committee minutes reflecting discussion, analysis, approval, and any documentation provided on the activity
21. Risk assessment(s) related to the activity
22. Internal training materials related to the activity

23. Policies and procedures that will govern the crypto-related activity, including those related to consumer compliance and complaint resolution
24. If not outlined in policies and procedures, framework of assigned responsibilities and qualifications for those involved in day-to-day administration of crypto-related activity, including internal controls responsibilities. Description of oversight responsibilities (e.g. management, staff, committees (including members, frequency of meetings), and collectively, their approval authority).

# DOCUMENT 22



**Federal Deposit Insurance Corporation**

Division of Risk Management Supervision  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, CA 94105

[REDACTED]

**Transmitted by Electronic Correspondence**

October 17, 2022

[REDACTED]

**RE: Notification of Crypto-Related Activities**

Dear [REDACTED]:

On [REDACTED] we received your letter notifying the FDIC and [REDACTED] of your institution's involvement in crypto-related activities, in response to Financial Institution Letter (FIL), [FIL-16-2022, Notification of Engaging in Crypto-Related Activities](#). FIL-16-2022 requested that all FDIC-supervised institutions that intend to engage in, or that are currently engaged in, any activities involving or related to crypto-assets (also referred to as "digital assets") promptly notify the appropriate FDIC Regional Director.

[REDACTED]

After a review of the Bank's notification letter, we have determined that additional information is needed to further clarify the crypto-related activities being conducted [REDACTED] by the Bank.

As stated in FIL-16-2022, the FDIC may request that institutions provide information necessary to allow the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of such activities. To assist in the review of the Bank's crypto-related activities, please provide the documentation listed below within 30 days of the date of this letter.

- [REDACTED]

*This letter is confidential and may not be disclosed or made public in any manner. Additional information regarding these confidentiality restrictions may be found both in Part 309 of the FDIC Rules and Regulations and Chapter 167 Section 2 of Massachusetts General Law. Please notify regulators immediately if you receive a subpoena or other legal process calling for the production of this letter or a description of its content.*

[REDACTED]

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- [REDACTED] Provide supporting documentation and analysis. Include financial statement disclosures concerning these activities.
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Until we complete our review, we request the Bank refrain from [REDACTED]  
[REDACTED] When we have completed our review, we will provide the institution with relevant supervisory feedback, as appropriate.

Please notify us of any material changes in these activities or intent to engage in other crypto-related activities. This letter is confidential and may not be disclosed or made public in any manner under part 309 of the FDIC Rules and Regulations (12 CFR part 309). Questions should be directed to FDIC [REDACTED]  
[REDACTED]

Sincerely,

/s/ Kathy L. Moe

Kathy L. Moe  
Regional Director  
Federal Deposit Insurance Corporation

[REDACTED]

# DOCUMENT 23



**FDIC**

**Federal Deposit Insurance Corporation**  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, California 94105

**Division of Risk Management Supervision**  
**Division of Consumer Protection**  
**San Francisco Regional Office**  
(415) 546-0160

*Sent via secure email*

October 21, 2022

Board of Directors

[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED]

***Subject: Notification of Engaging in Crypto-Related Activities***

Dear Members of the Board:

During a virtual meeting held on [REDACTED]  
[REDACTED]  
[REDACTED] and other bank personnel presented and discussed the bank's [REDACTED]  
[REDACTED] with staff of the FDIC and [REDACTED]. During the meeting,  
bank management presented an overview of the [REDACTED] activity to offer bank  
customers [REDACTED]. They also  
discussed management's risk assessment; the extent of contractual agreements; [REDACTED]  
[REDACTED]  
planned timeframe for implementation; the extent of [REDACTED]  
[REDACTED]

On [REDACTED], during a virtual meeting, bank management provided an update to FDIC and  
[REDACTED] staff on the project and their ongoing due diligence. Bank management also provided  
additional documents and information on [REDACTED] in response to follow-  
up requests from the FDIC. On [REDACTED]  
notified [REDACTED] that the project had [REDACTED]  
[REDACTED] as part of the bank's ongoing due diligence.

On [REDACTED] 2, the FDIC issued Financial Institution Letter (FIL)-16-2022 ("Notification of  
Engaging in Crypto-Related Activities"). FIL-16-2022 requested that all FDIC-supervised  
institutions that intend to engage in, or that are currently engaged in, any activities involving or  
related to crypto-assets (also referred to as "digital assets") promptly notify the appropriate FDIC  
Regional Director and outlined a supervisory feedback process concerning a bank's current or  
planned crypto-asset related activity. The FIL is available at  
<https://www.fdic.gov/news/financial-institution-letters/2022/fil22016.html>. As stated in FIL-16-  
2022, the FDIC may request that institutions provide information necessary to allow the FDIC to  
assess the safety and soundness, consumer protection, and financial stability implications of such  
activities. On [REDACTED] the FDIC submitted a list of requested information to the bank,

Board of Directors  
[REDACTED]

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which is currently under review as part of the examination that began on [REDACTED]. When we have completed our review, the FDIC will provide the bank with relevant supervisory feedback, as appropriate. Until we complete our review, we request that the bank refrain from providing this service to its customers.

Please notify us during our review period if there are any material changes in the planned service, the status of this project, or its planned implementation, to ensure that the bank is operating in a safe and sound manner and in compliance with consumer protection regulations.

This letter is confidential and may not be disclosed or made public in any manner under part 309 of the FDIC Rules and Regulations (12 CFR part 309). If you have any questions related to Risk Management, please contact Assistant Regional Director Jaclyn Valderrama at [REDACTED] or [REDACTED]. For questions related to Consumer Protection, please contact Assistant Regional Director Matthew Sheeren at [REDACTED] or Review Examiner Rolin Thomas at [REDACTED]. Written correspondence should be addressed to my attention at the San Francisco Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: [SFMailRoom@fdic.gov](mailto:SFMailRoom@fdic.gov). Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

/s/ *Kathy L. Moe*

Kathy L. Moe  
Regional Director

cc: [REDACTED]

Federal Reserve Bank of San Francisco