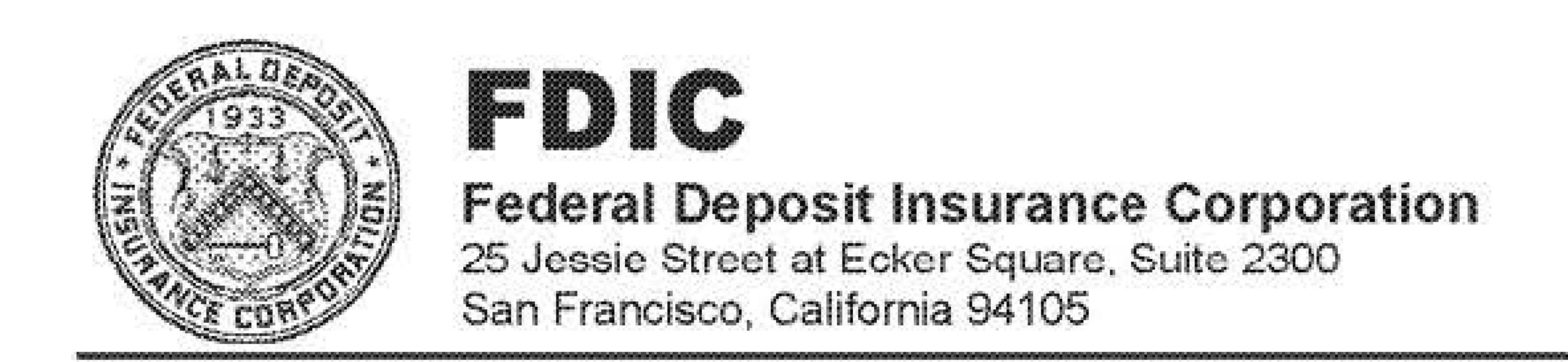
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Division of Risk Management Supervision San Francisco Regional Office (415) 546-0160

Via Secure Email

October 31, 2023

| Board of Directors |
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| |
| Subject: Notification of Engagement in Crypto-Related Activities |
| Dear Members of the Board: |
| (the Bank) engaged in initial discussions with the FDIC beginning in May 2021, followed by several subsequent discussions beginning in April 2022, regarding the Bank's engagement with to develop a crypto-asset service offering with that would allow Bank customers to buy, sell, and hold bitcoin. On April 7, 2022, 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 stated that the FDIC may request information necessary to allow the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of crypto-related activities. In order to begin those assessments, in April and October of 2022, the FDIC requested additional documentation from the Bank, including policies, processes, and controls established and maintained in relation to this crypto-related activity. On October 21, 2022, the FDIC sent a letter to the bank's Board of Directors asking them to refrain from expanding the service to its customers until we completed our review. On August 14, 2023, the FDIC provided supervisory feedback to the bank relative to the activities your institution was considering to pursue. |
| On September 29, 2023, Executive Vice President/Chief Banking Officer (CBO) sent an email to Case Manager stating that the Bank "is no longer involved in virtual currency." The FDIC acknowledges the bank's updated status related to this activity. As a result of the Bank's September 29, 2023 communication to the FDIC, the October 21, 2022 FDIC letter to the Board has been superseded. We request that the Bank notify this office if the status of this activity, or other crypto-related activity, changes in the future. |
| If you have any questions, please contact Risk Management Supervision (RMS) Assistant Regional Director Jaclyn Valderrama at (Experiment, RMS Case Manager (RMS) at |

Board of Directors Crypto-Related Activity Page 2

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| at (Depositor and Consumer Protection (DC at (DE)), or DCP Review Examiner | P) Assistant Regional Director Susan Pinette at |
|--|---|
| Sincerely, | |
| /s/ Louis C.C. Cheng | /s/ Dana Crutchfield |
| Louis C.C. Cheng RMS Acting Deputy Regional Director | Dana Crutchfield DCP Deputy Regional Director |

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