**Federal Deposit Insurance Corporation**
350 Fifth Avenue, Suite 1200, New York, NY 10118
New York Regional Office

December 1, 2022

[redacted] President & CEO
[redacted]

**Subject: Follow-up to Response to Third-Party Bitcoin Facilitation Activity**

Dear [redacted]

We have reviewed your October 31, 2022 response to our September 1, 2022 Information Request on Third-Party Bitcoin Facilitation Activity. As we discussed with Executive Vice President (EVP) / Chief Risk Management Officer [redacted] EVP of Digital Payments [redacted] and Senior Vice President / Director of Product Management & Digital [redacted] on November 30, 2022, responses to certain request list items were either missing or were incomplete. We would like to confirm that we have all relevant information before completing our review of the bank's planned bitcoin facilitation activity. Please refer to the attached appendix for the listing of missing or incomplete responses to request list items. To the extent that a document does not exist or is not applicable, please make a note to that effect.

This letter is confidential and may not be disclosed or made public in any manner under Part 309 of the FDIC Rules and Regulations. Please address the follow-up items within 15 days. Following our receipt of the follow-up items, we will schedule a meeting to discuss the material. If you have any questions, please contact Case Manager [redacted] at [redacted] or [redacted] or Review Examiner [redacted] at [redacted] or [redacted]

Sincerely,
Frank R. Hughes
Regional Director

cc: [redacted]

**Appendix: Follow-up Items**

Item 1: Contract

*The response only contained a signed [redacted] Order Form. Please include a copy of the executed Financial Institution Terms & Conditions along with all documents it references, such as Operating Guidelines, [redacted] Account Disclosures, Customer Disclosures, Transfer Restrictions, etc.*

Items 2 & 3: Overview of the contracting process and contracting analysis

*No response was provided. Please provide the contract analysis performed by the bank and its outside counsel, both which were referenced in the cover letter to the response.*

Item 5 or 21: Settlement

*No response was provided for Item 5. Please outline the settlement process and any associated procedures and controls.*

Item 6: Permissibility

*The response included a permissibility analysis [redacted]. Please provide the bank's independent analysis, if performed.*

Item 7: SEC SAB 121

*Please provide a copy of your correspondence to the SEC.*

Item 8: Cost-benefit

*No response was provided.* [redacted] *Please provide the bank's analysis.*

Item 10: Vendor management

*No supporting information was included with the bank's* [redacted] *Please provide all information used to prepare* [redacted] *Include financial statements and for periods after 2020 and SOC reports in addition to the report regarding the cold storage of crypto-assets.*

Items 9 & 19: Project Plan and Implementation Plan

*Only the* [redacted] *was provided. Please provide the bank specific implementation plan and/or project plan, which could include, among other things, the timing and pace of roll-out, any targeted customers or demographics, marketing rollout, etc.*

Item 15: 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)

*Please provide any consumer disclosures that reflect all third party and bank terms and conditions for customers using the service.*

Item 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.

*Please provide screen shots/recordings of the platform/how the customer would access and utilize the service (we can also set up a live demo as an option).*

Item 18: Strategic Plan

*No response was provided. Please provide the bank's Strategic Plan.*

Item 20: Board or committee minutes

*Please provide minutes evidencing the Board's approval of engaging in Bitcoin facilitation, as well as any review/approval of the associated risk assessment.*

Item 22: Internal training materials related to the activity

*Please confirm if there are any other training materials outside of the PowerPoint provided.*

Item 23: Policies and procedures that will govern the crypto-related activity, including those related to consumer compliance and complaint resolution.

*Please confirm if there are any specific crypto policies or procedures or any other policies that govern the crypto-related activity.*

Item 24: Internal Controls Responsibilities

*Please outline bank-level control responsibilities, such as user access controls.*