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

SENT VIA SECURED ELECTRONIC MAIL

January 9, 2023

Board of Directors
Subject: Response to Notification Regarding Crypto Facilitation
Dear Members of the Board:
On February 25, 2022, we received President and Chief Executive Officer III's letter providing high-level information on the bank's intent to offer its customers the ability to buy, sell, and hold Bitcoin through the bank's digital and mobile banking platform in conjunction with On March 11, 2022, the FDIC sent a letter to the Board requesting that the bank pause all crypto-related activity while the FDIC considered the proposed activity. On September 26, 2022, consistent with Financial Institution Letter (FIL) FIL-16-2002, Notification of Engaging in Crypto-Related Activities, the FDIC sent a letter to the Board requesting information necessary to allow the FDIC to assess the safety and soundness, consumer protection, and financial stability implications of the proposed crypto-related activity.
In correspondence to the FDIC dated December 12, 2022, Executive Vice President indicated that the bank has decided to no longer pursue the crypto-related activity with at this time. The FDIC acknowledges the bank's updated status related to this activity, and the March 11, 2022 and September 26, 2022 FDIC letters to the Board have been superseded as a result of the Bank's December 12, 2022 communication to the FDIC. However, please notify this office if the status of this activity or any other proposed crypto-related activity changes in the future.
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 questions, please contact Case

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. 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

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