<JSano@FDIC.gov>; Gekas, JoAnna A. <JGekas@FDIC.gov>
Subject: FW: b4,b8 b7(E),b8

FYI – This matter is assigned to Senior Regional Attorney Adam Bialosky.

Adam, b5

From: Sano, Joseph J. <JSano@FDIC.gov>
Sent: Thursday, July 21, 2022 4:03 PM
To: Bialosky, Adam L. <ABialosky@FDIC.gov>
Cc: Kwong, Kitty <CKwong@FDIC.gov>
Subject: FW: b4,b8 b7(E),b8

New Assignment

Crypto

From: b8
Sent: Wednesday, July 20, 2022 11:11 AM
To: Gekas, JoAnna A. <JGekas@FDIC.gov>; Sano, Joseph J. <JSano@FDIC.gov>
Cc: Valderrama, Jaclyn M. <jvalderrama@FDIC.gov>
Subject: b4,b8 b7(E),b8

Hello Joe and JoAnna,
Please assign an attorney to b4,b8 which is listed in b7(E),b8 The bank is **not** heavily involved in crypto-related activity and the President has stated intentions to reduce any deposits related to crypto. The next examination of the bank is scheduled for 8/15/22.

When questioned about the bank's crypto related accounts in October 2021, FS b8 provided the following information after speaking to President b4,b8 and BSA Officer b4,b8 about the bank's digital asset/crypto related high risk customers in an attempt to better understand that bank's strategic plan and activities related to this area:

> President b4,b8 adamantly made clear that the bank has no intention or strategy to seek out or attract digital asset related customers. As a matter of fact, the bank is shrinking the bank from these types of customers because it wants to be a "plain vanilla, traditional style" bank and serve the b4,b8 b4,b8 b4,b8 pointed out that virtually all of the customers that have related digital/crypto activity were onboarded in 2020 and were brought into the bank through a relationship they had with the bank's b4,b8 b4,b8 When it became apparent that the bank had no intention to grow this type of business, b4,b8 b4,b8 resigned to join a start-up FinTech company. To make sure that I fully understood and had on record what the bank's current crypto-related customer base is, I asked them to provide me with a summary report listing each customer relationship, a description of the customer's business and activities, and deposit activity.

Three of the bank's known high-risk customers that are potentially related in some way to digital currency, blockchain, or crypto:

b4,b8

b4,b8

Thanks,

b8
Case Manager, Division of Risk Management Supervision
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square
San Francisco, CA, 94105
b6,b8

REL0000042416

b4,b8

LARGE DEPOSITOR* FUNDING CONCENTRATION	BALANCE ('000 USD)	PERCENT OF TOTAL ASSETS**
Large Depositors		
b4,b8		

** Large depositors are defined as depositors with balances of two percent or more of the bank's total deposits. Total deposits were* b4,b8 *at June 30, 2022.*

*** Total assets were* b4,b8 *7M at June 30, 2022.*

b4,b8

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