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Dallas Regional Office Phone (214) 754-0098 Fax (972) 761-2082

March 18, 2024

Board of Directors
Subject: Response to Notification of Engagement in Crypto-Related Activities
Dear Members of the Board:
The FDIC acknowledges the notification provided by the Bank's intent to offer bitcoin (the Bank) dated December 30, 2021, regarding the Bank's intent to offer bitcoin services to customers through information was provided via a letter dated January 19, 2022 and via a conference call with President on January 26, 2022.
On April 7, 2022, the FDIC issued a Financial Institution Letter (FIL), <u>FIL-16-2022 Notification of Engaging in Crypto-Related Activities</u> . 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. On April 14, 2022, President verbally notified the FDIC that the Bank launched the bitcoin facilitation activity on February 15, 2022. On May 13, 2022, the FDIC sent a letter to the Board requesting the Bank refrain from expanding the service to additional customers while the FDIC gathers information necessary to assess the safety and soundness, consumer protection, and financial stability implications of such activities.
In a letter dated May 16, 2022, President stated that the Bank would refrain from expanding the service to customers. On July 25, 2023, the Bank notified the FDIC that terminated its agreement with the Bank effective immediately via a letter dated On August 1, 2023, the Bank notified the FDIC that it discontinued the service and would be giving customers an opportunity to liquidate their accounts. Subsequent information was provided by the Bank's Chief Technology Officer on November 13, 2023 and February 1, 2024 demonstrating the Bank's efforts to wind down the related activity

The FDIC acknowledges the Bank's updated status related to this activity, and the May 13, 2022 FDIC letter to the Board is superseded as a result of the Bank's subsequent communications with the FDIC. With regard to the Bank's April 14, 2022 notification pursuant to FIL-16-2022, the

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FDIC's review is complete. We request that the Bank notify this office if the status of this activity, or other 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). Under no circumstances shall the Bank or any of its directors, officers, or employees disclose or make public the contents of this letter, or any portion thereof, without the prior written consent of the FDIC.

If you have any questions, please contact Case Manager

Acting Review Examiner

But the Dallas Regional Office, and sent as a PDF document through the Acting Secure Email portal (securemail.fdic.gov) using the following e-mail address:

DALMailRoom@fdic.gov.

Sincerely,

Kristie Emquist
Kristie K. Elmquist
Regional Director

CC:

Federal Reserve Bank of Kansas City