

Atlanta Regional Office Division of Risk Management Supervision (678) 916-2200

April 30, 2021

Subject: Letter Dated February 12, 2021
Dear de la company de la compa
Your letter requests FDIC non-objection or approval for the contract to provide cryptocurrency custody services for customers, including holding unique cryptographic keys associated with cryptocurrency, and other related services.
The FDIC is unable to provide feedback on the proposed cryptocurrency custody services without additional information.
First, concerning the proposed cryptocurrency custody services, the FDIC needs to determine whether the bank has the appropriate expertise and risk management framework to appropriately manage and oversee the activity. Thus, we recommend that the bank submit detailed information regarding its existing or proposed oversight framework. The FDIC also needs to determine whether this activity is being conducted in a fiduciary capacity under state law. The
statement pursuant to Statutes. Thus, we recommend that the Bank obtain such statement from the concerning the permissibility of the proposed cryptocurrency custody services and whether such services will be considered fiduciary activities under state law.

Second, the Bank's letter lists additional services contemplated by bank management, including cash custody, lending against cryptocurrency, and settlement services, but provides insufficient detail for our review. After we have completed our review of the proposed cryptocurrency custody services, we recommend that you provide a detailed explanation of the additional services that the Bank intends to provide.

CONTROLLED//FDIC INTERNAL ONLY

We understand this is an emerging area in the banking and financial services industry. We are happy to meet with you at your convenience to discuss your proposed activities and address any questions you may have regarding our request for additional information. If you have any questions, or wish to schedule a meeting, please contact Case Manager

Sincerely,

TIMOTHY

Digitally signed by TIMOTHY RICH Date: 2021.94.30 07:10:23

Timothy D. Rich

Deputy Regional Director