

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Erebor Bank, N.A., Columbus, Ohio (In-Organization)

Application for Federal Deposit Insurance

ORDER

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) has fully considered all available facts and information relevant to the statutory factors enumerated in section 6 of the Federal Deposit Insurance (FDI) Act, 12 U.S.C. § 1816, including financial history and condition, capital adequacy, future earnings prospects, general character of management, risk to the Deposit Insurance Fund, convenience and needs of the community, and consistency of corporate powers, as they relate to the application for Federal deposit insurance for Erebor Bank, N.A. (Bank), a proposed national bank to be headquartered in Columbus, Ohio, at an address to be determined prior to commencing operations. The FDIC has concluded that the application should be approved.

Accordingly, it is hereby **ORDERED**, for the reasons set forth in the attached Statement, that the Bank's application for Federal deposit insurance be, and the same hereby is, approved, subject to the following conditions:

1. The Bank shall have initial paid-in capital funds of not less than \$276,000,000.
2. The Bank's Tier 1 Leverage ratio (as defined in the capital regulations of the institution's primary Federal regulator) shall be maintained at not less than twelve percent (12%) or greater throughout the first three years of operation.
3. As soon as practicable, but not later than three (3) business days after the occurrence of either of the following: (i) the Bank's capital to assets leverage ratio falls below the minimums required by its primary Federal regulator, or (ii) the Bank is no longer a Qualifying Community Banking Organization pursuant to the requirements of its primary Federal regulator and does not meet the capital levels required to be considered "well capitalized" under such regulator's prompt corrective action regulations (each, a Triggering Event), the Bank shall exercise its rights under the Capital Call Agreement entered into by the Bank by issuing a Call Notice and obtaining the lesser of the amount necessary for the Bank to be considered well capitalized or [REDACTED]. In addition, not later than three (3) business days after the occurrence of a Triggering Event, the Bank shall take such other actions to raise sufficient additional capital to enable the Bank to meet the minimum capital levels as determined by its primary Federal regulator. The Bank shall not modify, amend or terminate, nor agree or consent to a modification, amendment or termination of the Capital Call Agreement without the prior written non-objection of the Bank's primary Federal regulator.
4. The Bank shall operate within the parameters of the business plan submitted as part of the application for Federal deposit insurance. During the first three years of operation, the

Bank shall provide prior written notice to, and obtain non-objection from, its primary Federal regulator for any proposed major deviation or material change from the submitted business plan.

5. Prior to opening for business, the Bank shall obtain the FDIC's prior written approval for any changes in the Bank's proposed management or the proposed ownership or control of ten percent (10%) or more of the Bank's stock, including new acquisitions of or subscriptions to ten percent (10%) or more of stock.
6. Prior to opening for business, the Bank shall make full disclosure to all proposed directors of the Bank of the facts concerning the interest of any insider in any transactions being effected or contemplated, including outstanding options to purchase common stock, specifying the identity of the parties to the transaction and the terms and costs involved. An "insider" is a person who: (i) is or is proposed to be a director, officer or incorporator of the Bank; (ii) is a shareholder who directly or indirectly controls ten percent (10%) or more of any class of the Bank's outstanding voting stock; or (iii) is an associate or related interest of any such persons.
7. Prior to opening for business, the Bank shall submit to the FDIC Chicago Regional Director final employment agreements and compensation arrangements for any director or senior executive officer of the Bank and take such action as required if the FDIC objects to such agreements and arrangements.
8. With respect to any proposed Bank director or senior executive officer for whom a background check has not been completed, the Bank will take such action as required by the FDIC Chicago Regional Director if the FDIC objects to any such person based on information obtained through the background check.
9. Prior to opening for business, the Bank shall submit to the FDIC's Chicago Regional Office a complete description of the Bank's final information systems and operational architecture as well as the information systems risk assessment and management plan, inclusive of the Bank's proprietary core processing system, if any changes are made to the information previously submitted to the FDIC.
10. Prior to opening for business, the Bank shall submit to the FDIC's Chicago Regional Office evidence of independent validation of the Bank's proprietary core processing system with any risks or deficiencies fully addressed to the satisfaction of the FDIC.
11. Prior to the effective date of Federal deposit insurance, the Bank shall develop and implement technical protocols and processes designed to ensure the Bank's deposit systems have the ongoing capability to immediately cease accepting, generating, and executing transactions or transfers effective as of the FDIC Cutoff Point, as defined in 12 C.F.R. 360.8(b)(1).
12. Prior to the effective date of Federal deposit insurance, the Bank shall obtain adequate fidelity coverage.

13. The Bank shall obtain an audit of its financial statements by an independent public accountant (independent auditor) annually for at least the first three years of operation and submit to the FDIC's Chicago Regional Office: (i) a copy of the audited annual financial statements and the independent auditor's report within ninety (90) days following the end of the Bank's fiscal year; (ii) a copy of any other reports by the independent auditor (including management letters) within fifteen (15) days after receipt by the Bank; and (iii) written notification within fifteen (15) days when a change in the Bank's independent auditor occurs.
14. Federal deposit insurance shall not become effective until the Bank has been granted a charter and has authority to conduct a banking business, and its establishment and operation as a depository institution has been fully approved by the Office of the Comptroller of the Currency.
15. The consent granted by the FDIC shall expire one (1) year from the date of this ORDER unless Federal deposit insurance has become effective as of such date, or unless the FDIC has approved a written request for an extension of time by the Bank.
16. Until Federal deposit insurance becomes effective, the FDIC retains the right to alter, suspend, or withdraw its commitment should any interim development be deemed by the FDIC to warrant such action.

By Order of the Board of Directors of the Federal Deposit Insurance Corporation.

Dated at Washington, D.C. this 16 day of December, 2025.

By: / S /
Debra A. Decker
Executive Secretary

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Erebor Bank, N.A., Columbus, Ohio (In-Organization)

Application for Federal Deposit Insurance

STATEMENT

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance (FDI) Act (12 U.S.C. §1815), the Federal Deposit Insurance Corporation (FDIC) received an Interagency Charter and Federal Deposit Insurance Application on behalf of Erebor Bank, N.A. (Bank), a proposed national bank, to be located at an address to be determined prior to opening in Columbus, Ohio. The organizers have applied to the Office of the Comptroller of the Currency (OCC) for a national bank charter and have received preliminary conditional approval. The Bank will not have a bank holding company.

The Bank will provide deposit and lending products to companies and individuals in the technology, payment systems, investment, and defense industries, including virtual currency market participants. The Bank will support deposits and withdrawals in both U.S. dollars (USD) and stablecoins, but will hold all customer deposits in USD.

The financial projections indicate the Bank will be “Well Capitalized” and will elect to be subject to the Community Bank Leverage Ratio framework. Initial paid-in capital funds of not less than \$276,000,000 will be provided through a private offering of capital stock. Additionally, during the first three (3) years of operation, the Bank will be required to maintain a Tier 1 leverage ratio of twelve percent (12%) or greater. The Bank may also be required to maintain higher minimum capital requirements as dictated by the Bank’s own operating plan or as the OCC may require pursuant to its regulatory authority.

The FDIC must consider the statutory factors of Section 6 of the FDI Act (12 U.S.C. §1816) when evaluating an application for deposit insurance. These factors relate to the financial history and condition of the depository institution; the adequacy of capital and management; the future earnings prospects; the risk to the Deposit Insurance Fund; the convenience and needs of the community to be served; and the consistency of corporate powers with the FDI Act. For the purposes of this proposal, the statutory factors have been resolved favorably.

Accordingly, based upon careful evaluation of all available facts and information, and in consideration of the factors of Section 6 of the FDI Act, the Board of Directors of the FDIC has concluded that approval of the application is warranted, subject to certain conditions.

**BOARD OF DIRECTORS
FEDERAL DEPOSIT INSURANCE CORPORATION**