

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: United Development Bank
(In Organization)
Bellevue, Washington

Application for Federal Deposit Insurance

ORDER

The undersigned acting on behalf of the Board of Directors of the Federal Deposit Insurance Corporation (“FDIC”) pursuant to delegated authority, has fully considered all available facts and information relative to the statutory factors enumerated in section 6 of the Federal Deposit Insurance Act, including financial history and condition, capital adequacy, future earnings prospects, general character of management, risk to the fund, convenience and needs of the community and consistency of corporate powers, as they relate to the application for Federal Deposit Insurance with membership in the Deposit Insurance Fund for United Development Bank (“Bank”), a proposed state nonmember bank to be located in Bellevue, Washington, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED, for the reasons set forth in the attached Statement, that the application submitted by the proposed bank for Federal Deposit Insurance be, and the same hereby is, approved, subject to the following conditions:

1. That beginning paid-in capital funds shall not be less than \$15,000,000.
2. That the Bank’s Tier 1 capital to assets leverage ratio (as defined in the appropriate capital regulation and guidance from the FDIC) shall be maintained at not less than eight percent (8%) throughout the first three years of operation and that an adequate allowance for credit losses will be provided.
3. That the Bank shall not declare or pay dividends during the first three years of operations without the prior written approval of the FDIC San Francisco Regional Director.
4. That any changes in proposed directors, senior executive officers, or ownership of 10 percent or more of stock, including new acquisitions of, or subscriptions to 10 percent or more of stock, shall be approved by the FDIC prior to opening.
5. That an accrual accounting system shall be adopted for maintaining the financial records of the institution.
6. That the Bank shall obtain an audit of its financial statements by an independent public accountant annually for at least the first three years after deposit insurance is effective and shall submit to the FDIC San Francisco Regional Director, (i) a copy of the audited annual financial statements and the independent public auditor’s report thereon within 90 days after the end of the Bank’s fiscal year, (ii) a copy of any other reports by the independent auditor (including any management letters) within 15 days after their receipt by the Bank, and (iii) written notification within 15 days when a change in the Bank’s independent auditor occurs.
7. That prior to the effective date of Federal Deposit Insurance, the Bank shall obtain sufficient fidelity coverage in a sufficient amount to conform to generally accepted banking practices.

8. That the applicant has submitted any proposed contracts, leases, or agreements relating to construction or rental of permanent quarters to the FDIC San Francisco Regional Director for review and comment.
9. That deposit insurance will not become effective unless full disclosure has been made to all proposed directors and stockholders of the facts concerning the interest of any insider in any transactions being effected or then contemplated, including the identity of the parties to the transaction and the terms and costs involved.
10. That prior to receiving deposit insurance, shareholder and proposed director Andy Yeung will consent and submit to the jurisdiction of any United States Federal court of competent jurisdiction and of any Federal banking authority (including the FDIC) for purposes of any investigation or possible investigation, subpoena, examination, action or proceeding by any Federal banking authority (including the FDIC), the United States Department of Treasury, or the United States Department of Justice, relating to or pursuant to the administration and enforcement of any United States banking law.
11. That shareholder and proposed director Andy Yeung will at all times maintain in the United States a designated agent, acceptable to the FDIC, to accept service on their behalf (including service of any legal process, notice, order or subpoena) solely in connection with the consent to jurisdiction required in the preceding condition. Mr. Yeung will update the designation from time to time, as circumstances warrant, but will not change the designation without the prior written consent of the FDIC.
12. That the Bank must operate within the parameters of the Business Plan submitted to the FDIC. During the first three years of operation, the Bank shall seek the prior non-objection of the FDIC San Francisco Regional Director for any proposed major deviation or material change from the submitted Business Plan, at least 60 days prior to implementation of any such major deviation or material change.
13. That during the first three years of operations, the Bank shall notify the FDIC San Francisco Regional Director of any plans to establish a loan production office at least 60 days prior to opening the facility.
14. That during the first three years of operation, the Bank shall submit written notice to and obtain the written non-objection of the FDIC San Francisco Regional Director for any proposed change, to the board of directors or to any senior executive officer position. Such notice shall be submitted at least 30 days prior to the proposed election to the board or appointment and shall include a complete Interagency Biographical and Financial Report for each individual proposed for election or appointment. The term "senior executive officer" shall have the meaning set forth in 12 C.F.R. 303.101.
15. That during the first three years of operation, the Bank shall submit written notice to and obtain the written non-objection of the FDIC San Francisco Regional Director prior to implementing any change(s) in the duties, responsibilities, or authorities of any director or senior executive officer. Such notice shall be submitted at least 30 days prior to the proposed change(s), and the notice shall fully describe the reason(s) for such change(s). The term "senior executive officer" shall have the meaning set forth in 12 C.F.R. 303.101.

16. That Federal Deposit Insurance will not become effective until the applicant has obtained all necessary and final approvals from all appropriate authorities and has authority to conduct all proposed business activities.
17. That if the Bank does not commence operations within twelve months from the date of this ORDER, the consent granted herein shall expire, unless the FDIC approves a request for an extension of the deadline prior to the expiration.
18. That until Federal Deposit Insurance becomes effective, the FDIC retains the right to alter, suspend, or withdraw its approval should any interim development be deemed to warrant such action.

By Order of the Regional Director of the San Francisco Regional Office, acting pursuant to delegated authority for the Board of Directors of the FDIC.

Dated at San Francisco, California, this 3rd day of March, 2026.

BY: /s/
Paul P. Worthing
Regional Director
San Francisco Region

FEDERAL DEPOSIT INSURANCE CORPORATION

RE: United Development Bank (In Organization)
Bellevue, Washington

Application for Federal Deposit Insurance

STATEMENT

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act (“FDI Act”) (12 U.S.C. § 1815), the Federal Deposit Insurance Corporation (“FDIC”) received an Interagency Charter and Federal Deposit Insurance Application filed on behalf of United Development Bank (“Bank”), a proposed new community bank that will operate from one location in Bellevue, Washington. The application is intended to establish a newly chartered state nonmember commercial bank. The organizers concurrently applied to the Washington Department of Financial Institutions (“WDFI”) for a state bank charter to form a de novo commercial bank to be known as United Development Bank.

Notice of the Federal Deposit Insurance application, in a form approved by the FDIC, was published pursuant to the FDI Act on August 22, 2025. The minimum opening capital of \$15,000,000 will be realized from a public offering.

The Bank’s business plan is to operate a state-chartered nonmember community bank that provides banking services in the Seattle Metropolitan area. The Bank will offer traditional products and services and will be overseen by an experienced management team, including a diversified and knowledgeable Board of Directors who are committed to serving the local communities.

The Bank will operate with sufficient capital and managerial resources to accomplish the strategies and goals in the business plan. The Bank will be capitalized with an amount sufficient to achieve and maintain a Tier 1 Capital to Assets Leverage Ratio, as defined in the capital regulations of the FDIC, of not less than eight percent (8.00%) throughout the Bank’s first three years of operation. Projected growth and future earnings prospects appear attainable. The Bank’s plans appear to satisfy the convenience and needs of the community. Corporate powers to be exercised are consistent with the purposes of the FDI Act, and no undue risk to the Deposit Insurance Fund is evident.

Accordingly, based upon a careful evaluation of all available facts and information, and in consideration of Section 6 of the FDI Act (12 U.S.C. §1816), the San Francisco Regional Director, pursuant to delegated authority, has concluded that approval of the application is warranted, subject to certain prudent conditions.

**REGIONAL DIRECTOR
DIVISION OF RISK MANAGEMENT SUPERVISION
FEDERAL DEPOSIT INSURANCE CORPORATION**