

From: [REDACTED]
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] July 31, 2024 - Bank-Fintech Arrangements Involving Banking Products and Services Distributed to Consumers and Businesses; Comment Request (RIN 3064-ZA43)
Date: Monday, September 30, 2024 2:38:37 PM
Attachments: [Yotta Prize-Linked Savings.pdf](#)

Hi,

I am a holder of a savings account with the Yotta - Evolve Bank & Trust partnership, with over \$35k in my account that I have not been able to access since May 2024 due to ongoing litigation that involve Synapse (the entity that apparently provides ledger services to the Yotta - Evolve partnership) and now Yotta's litigation accusing its former partner Yotta of illegal banking and financial services activities with the funds deposited into Evolve through Yotta. This situation has already caused significant harm on me and our family.

I did my due diligence as a banking services consumer when opening my savings account with the Yotta - Evolve partnership. The savings account they offered was advertised as a regular savings account with FDIC insurance through Evolve. I took the additional steps of confirming this by checking Yotta's materials and Evolve's FDIC status. The information on the Yotta - Evolve partnership to provide FDIC-insured savings account has been publicly available (e.g., see the attached information downloaded from the Yotta website on May 17, 2024).

This regulatory and federal supervisory shortcomings with respect to this model of fintech came into the picture with the Synapse bankruptcy case when all three entities (Yotta, Evolve, Synapse) started accusing each other of wrongdoing. It was clearly advertised that Evolve provides the FDIC insurance for the funds deposited into the savings accounts opened through Yotta. However, they went so far as to claim, after the Synapse bankruptcy filing, that they do not have any of the Yotta funds (a claim they backtracked from in the course of the ongoing Synapse litigation) because they had transferred the funds to other FDIC-insured institutions based on instructions from Synapse. When I asked Evolve for documentation of such instruction and the documentation of the alleged transfers, they failed to produce any information or documentation. When I asked how they can transfer my funds in my savings account without my authorization or even knowledge, they indicated that Yotta is responsible for these transfers. When I contacted Yotta about such transfers, they denied any such transfers and indicated that my savings account and my funds are in fact with Evolve as a DDA account. I never authorized, nor was I ever informed by, Yotta for any such transfers pertaining to my account with Evolve. To make things even more complicated, Synapse allegedly has a separate business that is involved in brokerage services. At one point, it was suggested that Synapse may have transferred funds from Evolve's regular (i.e., FDIC-insured) banking accounts to their brokerage accounts with "advanced FDIC protection".

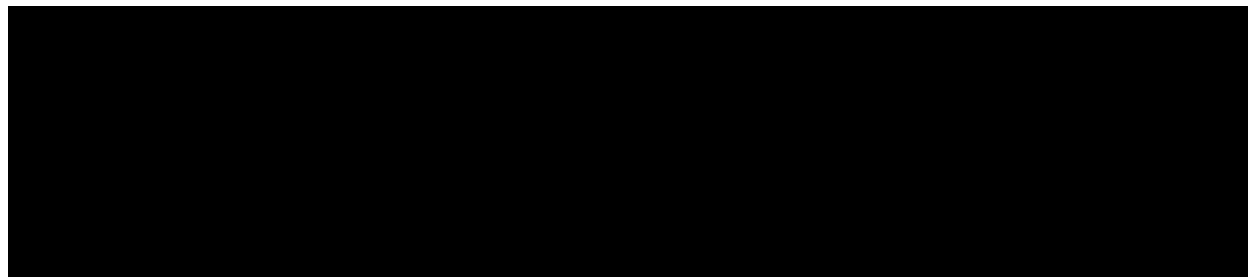
In this particular example of Yotta - Evolve - Synapse partnership, there have been many wrongdoings to us, despite our due diligence that can be reasonably expected from an informed consumer. Why was Evolve allowed to form partnerships with Yotta (and Synapse) to advertise that banking products such as the savings account I opened with them are covered under their FDIC insurance? In this partnership, why do we as customers have to suffer without access to our funds during reconciliation of funds (which should be internal to the bank and any partners that it may

have)? If Evolve's original statements about Yotta customers' savings account funds were transferred to other FDIC-insured financial institutions, what authority do they have to do so without explicit and written consent from the account holders? Why did Yotta not let its customers know about the problems within its partnership with Evolve or Synapse when it knew—many months before the Synapse bankruptcy litigation—of these problems, which would have allowed us to withdraw our funds and not be stuck without access to our hard-earned and much-needed funds? Why did Yotta wait until too late in the process to send a note when it knew that our withdrawals would not be allowed? Why did Evolve and Yotta rely on Synapse for ledger information when it should be the responsibility of the bank to keep customer ledgers? If allegations are true regarding Synapse's transfers or attempted transfers of Yotta - Evolve customer funds, what authority do they have for attempting such transfers?

Equally importantly, all regulators (including the three that are releasing this request for comment — FDIC, OCC, and Federal Reserve Board — as well as others such as CFPB and FTC) have failed us as diligent customers of the Yotta - Evolve - Synapse fiasco, by declaring their lack of authority to take action, when it is clear that they could have done so, as FDIC did when the Silicon Valley Bank and other similar failures. The first and foremost focus of all these regulatory agencies should be to work together to ensure that the funds in the Yotta - Evolve - Synapse partnership are released to account holders fully and without further delay. They should then continue working together to hold all three entities in the Yotta - Evolve - Synapse partnership are held accountable for all their wrongdoings that are covered under the existing financial and general consumer protection laws.

Otherwise, we would essentially be in a position to have been further victimized by our regulatory agencies, in addition to the victimization we have already suffered in the hands of Yotta - Evolve - Synapse.

Thank you for your consideration.



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PRIZE-LINKED SAVINGS

Save money and unlock the chance to win up to \$1 million every day. Yotta members have already won over \$12 million.

[Get Started](#)

★★★★★ 16.1k reviews

Yotta is a financial technology company, not a bank. Banking services provided by Evolve Bank & Trust, Thread Bank; Members FDIC and Synapse Brokerage LLC Program Banks. Number drawings RNG certified by Gaming Labs International.

WHAT IS IT?

Inspired by [Premium Bonds](#) and [Freakonomics](#), Yotta offers [Prize-Linked Savings Accounts](#) to encourage our members to save more. Not only is your money held with Evolve Bank & Trust, member FDIC and eligible for FDIC insurance up to \$250,000, but we also pool a portion of the interest on deposits and pay it out in daily sweepstakes (sometimes called a "no-loss lottery") with prizes ranging from 2 cents to **\$1 MILLION**.

[See Our Prizes](#)

We're able to do this by partnering with a lean, digital-first bank – Evolve Bank & Trust, member FDIC – without big offices or branches. And despite this, we still offer everything you expect from a first-class banking experience.**

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FDIC INSURED

Yotta does not hold any customer funds. Deposits are held with Evolve Bank & Trust, member FDIC. Funds held with Evolve Bank & Trust, member FDIC are eligible for FDIC insurance up to \$250,000



NO FEES

Yotta is free to use. No monthly fees or processing fees as long as you have more than \$5 in your account, you're good.



RECURRING DEPOSITS

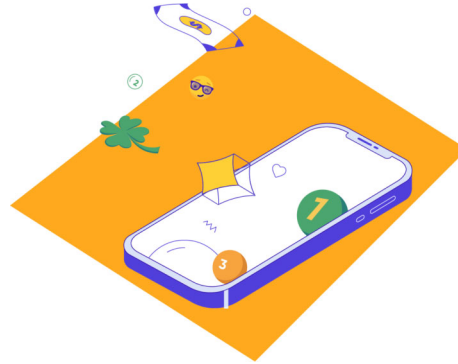
Schedule recurring deposits to grow your savings and get more chances to win. To really take advantage of Yotta's features, you can divvy up your deposits into buckets to make budgeting a breeze.



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MOBILE CHECK DEPOSIT

Snap a couple pics, get your money & get tickets. Like the big banks, but better.



BILL PAY

Pay your bills electronically through the app or have checks mailed on your behalf. Easy breezy.



MINUTES

We know your time is valuable. And we like to get to the fun part fast.

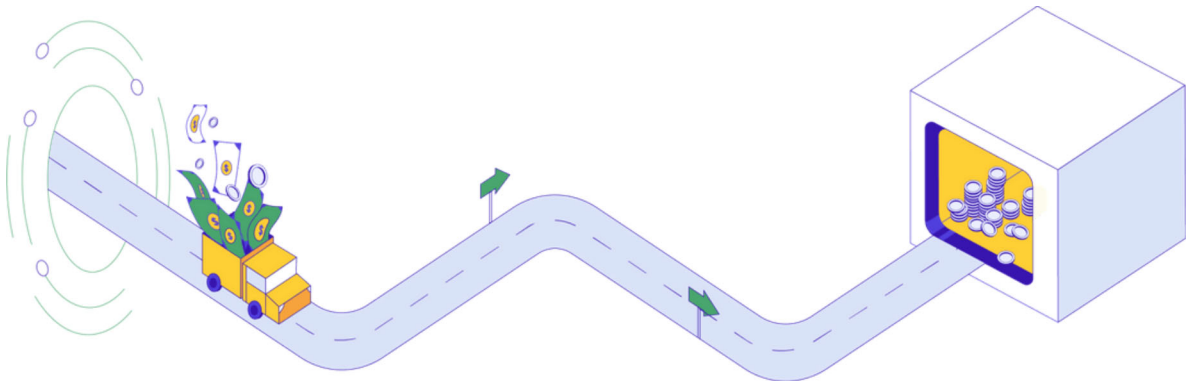


Psst... for even more rewards and better chances at winning, setup

DIRECT DEPOSIT

Double your chances at a Lucky Swipe free purchase, earn bonus tickets on paychecks, and more.

[Learn More](#)



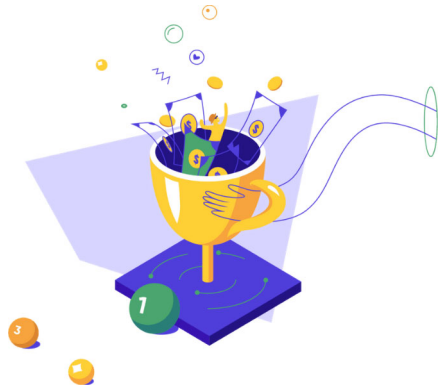
 [App Store](#)

★★★★★ 9.5k

 [Play Store](#)

★★★★★ 4.6k

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Yotta is a financial technology company, not a bank. Banking services provided by Evolve Bank & Trust, Thread Bank; Members FDIC and Synapse Brokerage LLC Program Banks. Please visit <https://synapsefi.com/list-of-program-banks> for the full list of Program Banks.

The Yotta debit card is issued by two financial institutions:

- The Yotta Visa® Debit Card is issued by Thread Bank, member FDIC pursuant to a license from Visa U.S.A. Inc. and may be used everywhere Visa debit cards are accepted.
- The Yotta Mastercard Debit card is issued by Evolve Bank & Trust, member FDIC, pursuant to a license from Mastercard.

Lending services are offered via Synapse Credit LLC. Yotta does not own or collect on any debt at any phase of the lending cycle. Lending services are currently only available in Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Tennessee, Utah, Virginia, West Virginia, and Wyoming. Please see here for more details on the states that Yotta loans are available in.

1) Early access to direct deposit depends on the timing of the submission of the payment file from the payer. We generally make these funds available on the day the payment file is received, which may be up to 2 days earlier than the scheduled payment date.

*Please note that odds for percentage cash or tickets back on a per transaction basis depend on a variety of factors including but not limited to transaction size, category and point of sale.

**Yotta is a financial technology company, not a bank. Banking services provided by Evolve Bank & Trust, member FDIC.

***The Savings Reward is comprised of Prizes.

****Please note that the approximate Average Annual Savings Reward of 2.70% is a statistical estimate based on the probabilities of matching numbers each night. The Annual Savings Reward will vary from member to member depending on one's luck in the Daily Drawings and is subject to change in the future.