

## FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Ford Credit Bank, Salt Lake City, Utah  
(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 Ford Credit Bank (Bank), a proposed Utah-chartered nonmember industrial bank to be headquartered in Salt Lake City, Utah, 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 application submitted by the Bank 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 \$1,500,000,000.
2. The capital levels of the Bank shall at all times satisfy the following conditions:
  - The Bank's tier 1 capital to assets leverage ratio (as calculated in accordance with Part 324 of the FDIC Rules and Regulations) shall be maintained at not less than fifteen percent (15%).
  - The Bank shall meet or exceed the levels required for the Bank to be considered "well capitalized" under section 324.403(b) of the FDIC's Rules and Regulations, 12 CFR § 324.403(b); and at all times, in addition to an adequate allowance for credit losses.
3. Prior to the effective date of Federal deposit insurance, the Bank, Ford Motor Credit Company, LLC (FMCC), Ford Holdings LLC (Ford Holdings), and the Ford Motor Company (Ford) shall enter into a Capital and Liquidity Maintenance Agreement and a Parent Company Agreement with the FDIC (the written agreements are attached to this Order).
4. The Bank shall adopt an accrual accounting system for maintaining the financial records of the Bank in accordance with U.S. Generally Accepted Accounting Principles, and maintain separate accounting and other business records, including customer account records and data, from Ford, FMCC, and their affiliated entities. In addition, the Bank's books and records shall be maintained under the control and direction of authorized Bank officials and available for review by the FDIC at the Bank's main office.

5. 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 Regional Director (Regional Director): (i) a copy of the audited 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 of receipt by the Bank; and (iii) written notification within fifteen (15) days when a change in the Bank's independent auditor occurs.
6. Prior to the Bank opening for business, the Bank shall appoint a Chief Credit Officer and a Chief Audit Executive both with requisite knowledge, experience, and capabilities to fulfill the responsibilities of those positions. The Bank shall submit written notice to, and obtain prior written non-objection of, the Regional Director prior to these appointments.
7. Prior to the Bank opening for business, the Bank shall add at least one additional outside director and one additional inside director to the Board of Directors of the Bank (Board of Directors). The Bank shall submit written notices to and obtain prior written non-objection of the Regional Director for those additional directors. Such notices shall include a complete Interagency Biographical and Financial Report (IBFR) for each proposed appointment.
8. Prior to opening for business and during the Bank's first three years of operation, the Bank shall submit written notice to and obtain the prior written non-objection of the Regional Director for any proposed change to the Board of Directors or any senior executive officer position. Such notice shall be submitted at least thirty (30) days prior to the proposed election to the Board of Directors or appointment and shall include a complete IBFR for each proposed election or appointment. The Bank shall submit copies of, and obtain the Regional Director's written non-objection to, the final employment agreements and compensation arrangements (including a written description of salary, benefits, deferred compensation, stock compensation or incentives, and bonus and severance payments, as applicable) for the Bank's senior executive officers and directors. The term "senior executive officer" shall have the meaning set forth in 12 CFR § 303.101.
9. Prior to implementation of the long term incentive plan (LTIP) with respect to Bank employees, the Bank shall obtain the written non-objection of the Regional Director to the proposed methodology for granting awards to Bank employees under the LTIP providing that: (i) the Bank shall, independently from FMCC and Ford, determine the performance goals and award guidelines in a manner consistent with the Bank's business plan; (ii) LTIP grants and payments to Bank employees shall be determined by the Board of Directors; and (iii) the FDIC may direct the Bank to require LTIP participants to exercise or forfeit their stock rights if the Bank's capital falls below the minimum requirements, as determined by the FDIC.

10. Prior to the effective date of Federal deposit insurance, the Bank shall obtain adequate fidelity coverage in a sufficient amount to conform to generally accepted banking practices.
11. The Bank shall operate within the parameters of the Business Plan submitted as part of the application for Federal deposit insurance, as updated with financial projections submitted on November 26, 2024.
12. The Bank shall submit prior written notice to the Regional Director at least sixty (60) days prior to any proposed major deviation or material change from the Business Plan. Written non-objection from the Regional Director shall be obtained prior to consummating such deviation or change. In addition, the Bank shall notify the Regional Director within fifteen (15) days if any risk limits specified within the Business Plan, as updated, are breached. This notice shall include the Bank's action plan to reduce said risk.
13. The Bank shall annually, at the beginning of each calendar year after opening for business, submit an updated Business Plan to the Regional Director. The Business Plan, as updated, shall be based on prudent operating policies, include current and three years of pro forma financial statements and other relevant exhibits, prescribe adequate capital maintenance standards relative to the Bank's risk profile, and incorporate reasonable risk limits with respect to asset quality, liquidity, sensitivity to market risk, and other relevant risk factors.
14. The Bank shall conduct business pursuant to operating policies that are commensurate with the proposed Business Plan submitted as part of the application for Federal deposit insurance and as updated and adopted by the Board of Directors, independent from those of affiliated entities. In addition, the Board of Directors shall adopt controls reasonably designed to ensure compliance with and enforcement of Bank policies. Further, the Board of Directors shall ensure that senior executive officers are delegated reasonable authority to implement and enforce the policies independent of Ford, FMCC, and their affiliated entities.
15. Prior to opening for business, the Bank shall obtain the prior non-objection of the Regional Director for the Bank's final operating policies.
16. Prior to opening for business, the Bank shall obtain the prior non-objection of the Regional Director for all final proposed contracts, leases, and agreements relating to construction or rental of permanent quarters.
17. Without the Regional Director's prior written approval, the Bank shall not enter into any contract with FMCC, Ford, or any subsidiary thereof, for services material to the operations of the Bank, unless it is already covered by the General Services Agreement.
18. The Bank shall not declare or pay dividends during the first three years of operations without the prior written approval of the Regional Director.

19. The Bank shall at all times comply with the requirements of part 354 of the FDIC Rules and Regulations.
20. Prior to opening for business, the Bank shall finalize and implement a Community Reinvestment Act (CRA) Strategic Plan that is appropriate for its business strategy, and which is approved by the Regional Director.
21. The Bank shall not commence operations until the FDIC has conducted a pre-opening visitation with findings satisfactory to the Regional Director.
22. Prior to opening for business, the Bank shall obtain all necessary and final approvals from all appropriate federal, state, or other appropriate authorities. 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 State of Utah.
23. Approval is conditioned on the facts provided through the application process and as currently known by the FDIC. If there are any material events or changes prior to the Bank opening for business, the Bank shall notify the Regional Director as soon as the Bank becomes aware of the event.
24. Until Federal deposit insurance becomes effective, the FDIC retains the right to alter, suspend or withdraw its commitment should an interim development be deemed by the Regional Director to warrant such action.
25. If Federal deposit insurance has not become effective within twelve (12) months from the date of this ORDER, or unless, in the meantime, a written request for an extension of time by the Bank has been approved by the Regional Director, this approval shall expire at the end of said twelve-month period.

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

Dated at Washington, D.C. this 22 day of January, 2026.

By: / **S** /  
Debra A. Decker  
Executive Secretary

## FEDERAL DEPOSIT INSURANCE CORPORATION

**In Re:** Ford Credit Bank (In Organization)  
Salt Lake City, Utah  
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), an application for Federal deposit insurance has been filed for Ford Credit Bank (Bank), a proposed Utah-chartered nonmember industrial bank, to be located in Salt Lake City, Utah at a location yet to be determined. The organizers have applied to the Utah Department of Financial Institutions for an industrial bank charter.

The Bank will be a wholly owned subsidiary of Ford Motor Credit Company, LLC (FMCC), a limited liability company that is wholly owned by the Ford Motor Company (Ford) through Ford Holdings, Inc., each with their principal offices in Dearborn, Michigan (collectively Parent Companies). Ford is a publicly traded, multinational automobile manufacturer. FMCC was established in 1959 and serves as Ford's finance subsidiary. It offers automotive financing products to and through independent Ford dealers.

The Bank's primary business line will be the purchase of retail installment sales and lease contracts from dealers that sell Ford vehicles but are otherwise independent from FMCC and other affiliates. The Bank's indirect automotive financing transactions involving independent dealers that do not receive floorplan financing from FMCC or other Ford affiliates would not be considered covered transactions with affiliates subject to Section 23A of the Federal Reserve Act by operation of the attribution rule. The attribution rule provides that "any transaction by a member bank with any person shall be deemed to be a transaction with an affiliate to the extent that the proceeds of the transaction are used for the benefit of, or transferred to, that affiliate." 12 U.S.C. 371c(a)(2). The attribution rule has not been applied where a bank purchases loans from independent dealers that do not receive floorplan financing from the bank or a bank affiliate. The Bank also plans to offer consumer direct financing for parts and accessories, electric vehicle infrastructure loans, and working capital loans to independent dealers among other offerings. The Bank will offer deposits through a nationwide program comprised of savings accounts and time certificates of deposit offered to consumers through a website and mobile application.

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.

The FDIC also has considered whether the Parent Companies will serve as a source of financial strength to the Bank, as required by section 38A(b) of the FDI Act (12 U.S.C. § 1831o-1(b)). The Bank and the Parent Companies have expressed their willingness to execute a Capital and Liquidity Maintenance Agreement with conditions and requirements for the Parent Companies to provide financial resources to support the Bank, which the FDIC has determined are reasonable and necessary to ensure the adequacy of the Bank's capital and maintain sufficient liquidity.

The FDIC also has considered that the Parent Companies are not subject to consolidated Federal bank supervision. As an additional safeguard to protect the safety and soundness of the Bank and the Deposit Insurance Fund, the Bank and the Parent Companies have expressed their willingness to execute a Parent Company Agreement with conditions and requirements related to reporting and examination of Parent Companies, and to allow the FDIC to monitor compliance with laws and regulations governing transactions with affiliates. The Bank will also be required to maintain a board of directors with a majority of members that are independent of the Parent Companies.

For the purposes of this proposal, capital and management are considered satisfactory, and projections for future earnings prospects are favorable. Corporate powers to be exercised are consistent with the purpose of the FDI Act. The Bank's plans appear to satisfy the convenience and needs of the community. No undue risk to the Deposit Insurance Fund is apparent.

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 Federal Deposit Insurance Corporation has concluded that approval of the application is warranted, subject to certain prudential conditions.

**BOARD OF DIRECTORS  
FEDERAL DEPOSIT INSURANCE CORPORATION**