

**From:** [silvanus@darkbydesign.com](mailto:silvanus@darkbydesign.com)  
**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)  
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I am a Yotta end user that was impacted by the freezing of funds related to the Synapse bankruptcy, and resulting revelations of financial incompetence up/downstream.

The fact that these fintech backed sites were able to advertise as FDIC insured deposit accounts, while exploiting legal loopholes to play a shell game with everyone's money behind the scenes is alarming.

The end user has no indication that their funds were put into a 'shared' account that did not having any kind of ledger reconciliation occurring.

Why this is not being viewed on the same level as a Ponzi scheme is bewildering to me. These companies are operating extremely loosely, while able to call themselves 'banks', deceiving end-users into believing their funds are safe. They have caused financial hardship for thousands of people, if not more. While the individuals responsible are financially secure, they have left many in dire straits of being unable to meet regular expenses. How this cannot be considered some level of criminal is strange to me. There should be all fail-safes considered to prevent something like this from happening again in the future, and the protections should focus on those most greatly affected, not the ones who caused it. Is there some recourse for people who faced evictions/foreclosures/hunger etc. because of the actions of the 'banks' involved?

I am fortunate to not be overly financially impacted directly by this, having only a few hundred dollars being held hostage by this fiasco, but it is alarming that it even happened. This whole thing creates distrust in existing financial institutions. Do my 401k/RothIRA accounts work similarly, could someone conceivably 'steal' my money in a similar fashion. Because that is ultimately what has happened here; Evolve lazily operated with Synapse and has stolen several million dollars from end users. Theft on this scale, which it *is* theft even if it is eventually returned, should not be possible within our financial system. The fact that it is, is a problem that needs to be solved. Apparently, money-laundering on an epic-scale could have been occurring, and NO ONE WOULD KNOW, because there appears to be no accountability!

If the FDIC cannot properly regulate fintechs that are flashing their logo around to convince end-users they're safe, what good is the FDIC logo? Where is the trust in the FDIC at all at that point?

Sincerely,  
-Kyle Siemer