



Supervisory Condition Letter #2024-01 February 2024

January 23, 2024

Via Email

Board of Directors
Vast Bank, N.A.
110 N. Elgin Avenue
Tulsa, OK 74120

Re: Notification of Conditional No Supervisory Objection to Capital and Strategic Plan

Dear Members of the Board:

The Office of the Comptroller of the Currency (OCC) is in receipt of the Capital and Strategic Plan (Plan) submitted by Vast Bank, Tulsa, Oklahoma (Bank) on December 21, 2023, in accordance with the requirements of Article V of the Consent Order (Order) dated October 23, 2023. The Plan includes initiatives, strategies, and framework that appear to meet the requirements of the Order. **The purpose of this letter to the Board is to communicate that the OCC has no supervisory objection to the Plan subject to the following conditions:**

1. Effective immediately, the Bank may not significantly deviate from the Plan without the assigned OCC Supervisory Office's prior written determination of no supervisory objection. The Bank must provide the OCC at least 60 days advance, written notice of its intent to deviate significantly from the Plan. This notice must include a written assessment of the impact of such change on the Bank's condition that includes a profitability analysis and an evaluation of the adequacy of the Bank's organizational structure, staffing, management information systems, risk assessments, impact on Bank Secrecy Act/Anti-Money Laundering and Office of Foreign Assets Control, internal controls, and written policies and procedures to identify, measure, monitor, and control the risks associated with the change in the Plan. **Changes that constitute a significant deviation from the Plan include, but are not limited to, implementation of: banking as a service (BaaS); blockchain-based digital wallet services; portable digital identity platform; payments platform; digital asset trading; asset registry; cryptocurrency; or money service business processing/money transmitter services.** To receive non objection, the Board and management must demonstrate that they

understand the risks involved and have established the appropriate risk management structure, and that the Bank has the resources and expertise to implement activities in a safe and sound manner.

Additionally, other significant deviations may include changes in: marketing strategies, products and services, marketing partners, or acquisition channels; underwriting practices or standards, credit administration, account management strategies; collection strategies, partners, or operations; fee structure, pricing, or fee application methods; accounting processes or practices; funding strategies; or any other changes in personnel, operations, or external factors that may have a material impact on the Bank's operations or financial performance. A determination of a material impact on the Bank's operations or financial performance may include a single change or changes in aggregate.

2. No later than February 15, 2024, the Board and management must update financial projections in the Plan to incorporate actual performance as of December 31, 2023.

The condition of this no supervisory objection is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 USC 1818. As such, the conditions are enforceable under 12 USC 1818.

This letter does not amend, suspend, waive, or terminate any provisions of the Order dated October 23, 2023. This letter and the activities and communications by OCC employees in connection with the Bank's submission do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and does not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

This letter shall be provided immediately to each member of the Board. This letter shall be reviewed and discussed at the next meeting of the Board. This letter and the Board's discussion regarding this letter shall be included in the minutes of the next meeting of the Board.

Should you have any questions, please contact me at (202) 649-6450.

Sincerely,

/s

Julie A. Thieman
Director, Midsize and Community Bank Supervision
