Chartering, Organization and Structure

Corporate Decision #1384
August 2026

August 4, 2026

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Re: Interagency Bank Charter Application
bunq US Bank, National Association, New York, New York (Proposed)
OCC Control Number: 2026-NE-Charter-344545

Dear Mr. Bornfreund:

The Office of the Comptroller of the Currency (OCC) has reviewed the Application to establish a new national bank with the proposed title of bunq US Bank, N.A., New York, New York (bunq USB). For the reasons discussed below, the OCC denies the Application.[1] This action is based on a thorough evaluation of all information available to the OCC, including information obtained from the application, during the field investigation, and other supervisory and regulatory information available to us.

The OCC would expect any subsequent application to charter a new national bank to satisfactorily address the reasons for this action and otherwise be consistent with the statutory and regulatory factors for approval of the proposed bank.

<u>Proposed Bank and Business</u>

The Application is sponsored by a proposed bank holding company, Bunq US Holding LLC (US Holding).[2] The majority of US Holding will be ultimately owned by a single individual, Ali Niknam. Mr. Niknam, through several holding companies, also is the majority owner of bunq B.V. (bunq BV), a licensed Dutch Depository institution supervised by De Nederlandsche Bank (DNB). Bunq BV offers two products: (1) deposit accounts and (2) secured credit cards.

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[1] Because of this denial, the requests to waive director residency and citizenship requirements are moot. Therefore, the OCC will not act on these requests.

[2] The OCC considers the financial and managerial resources of the sponsor and the sponsors' record of performance if the organizing group is sponsored by an existing holding company. *See* 12 CFR 5.20(g)(5). The OCC did not perform this assessment because there is not an existing company in operation.

Bunq USB proposed to offer two core product lines: (1) deposit accounts and (2) unsecured credit cards. Bunq USB planned to be subscription-based with four subscription plans for personal and business users. The subscription prices would range from free for the basic tier and increase in price if the customer wanted additional features. Bunq USB anticipated generating revenue primarily from monthly subscription fees and card network interchange payments.

The Application proposed an initial capital injection of $50 million. While the Application stated that this initial capital would come from Mr. Niknam's personal holdings, additional information provided to the OCC indicated that the capital would come from a dividend from bunq BV to Mr. Niknam. Despite several written questions and questions during OCC interviews, bunq USB never clearly articulated how it would be initially capitalized and supported its availability. During the application process, bunq USB submitted revised financial projections which stated that the initial capitalization would be $58.3 million without providing details as to the changes made and the assumptions for the revised financial projections. Additionally, no information was provided as to the source and availability of the additional capital support.

The proposed management, organizers, and proposed directors do not have experience in bunq USB's primary credit product, unsecured credit cards, and limited experience with national banking laws and regulations. The Application did not provide information on how additional knowledge would be obtained ahead of bunq USB opening. The proposed President and CEO has little knowledge of national banking laws and regulations, proposes to be part-time, and plans to allot a large portion of his time to entities other than bunq USB, as he will continue to serve on the board of other related entities. Additionally, the proposed President and CEO plans to spend a majority of the year outside the United States.

Analysis

Under 12 CFR 5.13(b)(1)-(2), the OCC may deny an application if a significant supervisory or compliance concern exists with respect to the filer, or approval of the filing is inconsistent with applicable law, regulation, or OCC policy thereunder.

In evaluating an application to establish a national bank, the OCC considers the following as detailed in the OCC's chartering regulation at 12 CFR 5.20(f).[3]

- The OCC is guided by the following principles:
    - Maintaining a safe and sound banking system;

[3] The statutory requirements for the OCC to issue a charter to a national bank pursuant to the National Bank Act, 12 USC 1 *et seq*., are typically satisfied *after* the OCC grants preliminary approval for a charter, and the OCC confirms these requirements are met prior to granting final approval and issues the formal charter authorizing the national bank to engage in business. Specifically, (1) the articles of association and an organization certificate must be drafted and filed with the OCC under 12 USC 21-23; (2) the required amount of capital must be paid in under 12 USC 53; (3) certain requirements relating to directors must be satisfied under 12 USC-71-73; and (4) the OCC must be notified when these things are accomplished under 12 USC 26. Because the OCC is denying the Application, the statutory requirements are not addressed here.

    - Encouraging a national bank or Federal savings association to provide fair access to financial services by helping to meet the credit needs of its entire community;
    - Ensuring compliance with laws and regulations; and
    - Promoting fair treatment of customers including efficiency and better service.

- The OCC considers whether the proposed institution:

    - Has organizers who are familiar with national banking laws and regulations or Federal savings association laws and regulations, respectively;
    - Has competent management, including a board of directors, with ability and experience relevant to the types of services to be provided;
    - Has capital that is sufficient to support the projected volume and type of business;
    - Can reasonably be expected to achieve and maintain profitability;
    - Will be operated in a safe and sound manner; and
    - Does not have a title that misrepresents the nature of the institution or the services it offers.[4]

The OCC evaluates a proposed institution's organizing group and its business plan together, and the OCC's judgment concerning one may affect the evaluation of the other. *See* 12 CFR 5.20(f)(3). A proposed institution's business plan must demonstrate an organizing group's collective ability to establish and operate a successful national bank with each organizer knowledgeable about the business plan. *See* 12 CFR 5.20(g)(1). The initial board of directors must select competent senior executive officers. Early selection of competent executive officers reflects favorably upon an application. *See* 12 CFR 5.20(g)(2).

The OCC was guided by these principles, has considered all relevant factors, and has determined that the application should be denied. The primary factors and deficiencies on which the decision is based include the following.

- The Application does not demonstrate that bunq USB has capital that is sufficient to support the projected volume and type of business.

    - The organizers did not provide sufficient support for their claims regarding the initial capitalization of bunq USB. During the application process, the organizers provided several alternatives for where bunq USB's initial capital would originate including private holdings and a dividend from bunq BV. However, no information supporting that capital would be available from the sources was provided.

    - In addition, the amount of capital proposed would have been insufficient to support the projected volume, risk profile, and type of business in the competitive

[4] The OCC may also consider additional factors listed in § 6 of the Federal Deposit Insurance Act, 12 USC 1816. For the reasons discussed below, the OCC also concluded unfavorably on four of the factors outlined in 12 USC 1816 including (1) risk to the Deposit Insurance Fund, (2) general character and fitness of the management of the depository institution, (3) adequacy of the depository institution's capital structure, and (4) the future earnings prospects of the depository institution.

U.S. market. Even when the organizers increased the initial capital levels, no supporting analysis was provided to demonstrate how the revised proposed capital amount would meet bunq USB's risk profile, specifically given the unsupported loan loss assumptions and proposed allowance for credit losses that the OCC does not consider credible based on peer analysis.

In light of these deficiencies, the Application does not demonstrate that bunq USB would have sufficient capital to support the projected volume and type of business.

- The Application does not demonstrate that bunq USB has competent management or board of directors with the ability and experience relevant to the types of services to be provided.

    - The proposed management and board, including the proposed President and CEO, did not demonstrate knowledge, experience, or sufficient competence relevant to the bunq USB's principal lending product, unsecured credit cards.

    - Although bunq USB's proposed business plan is similar to that of bunq BV, the proposed directors did not demonstrate an understanding of the differences between the U.S. and European markets and the differences in credit and credit risk despite one of the primary business lines of bunq USB being unsecured credit cards.

    - Given the absence of relevant credit experience and direct experience in unsecured credit cards, the OCC believes that management and the board do not have the ability to effectively oversee bunq USB's principal product and ensure a safe and sound institution.

In light of these deficiencies, the Application does not demonstrate that bunq USB would have competent management or board of directors with the ability and experience relevant to the types of services to be provided.

- The Application did not demonstrate that bunq USB can reasonably be expected to achieve and maintain profitability.

    - bunq USB's delinquency rate is not adequately supported as it is based upon bunq BV's projections in the European market. The proposed business plan does not provide sufficient evidence to suggest that the allowance for credit losses provides appropriate coverage for an unsecured credit card portfolio. The proposed allowance for credit losses is below other credit card banks supervised by the OCC. While bunq USB submitted revised financial projections that increased the allowance for credit losses, no analysis supporting the revised financial projections was provided and the assumptions underlying the proposed allowance for credit losses were not credible based on peer analysis.

    - The business plan and marketing plan were inadequately supported and unrealistic given competition for the unsecured credit cards in the U.S. market. bunq USB failed to consider and plan for expenses that would likely be necessary to compete effectively in the market given its lack of name recognition in the U.S. market.

    - The proposed directors' and proposed management's lack of knowledge and experience with bunq USB's principal product and the lack of capital necessary to fund the business plan also do not support a conclusion that bunq USB can be expected to achieve and maintain profitability.

  In light of these deficiencies, the Application does not demonstrate that bunq USB can reasonably be expected to achieve and maintain profitability.

- The Application did not demonstrate that bunq USB will be operated in a safe and sound manner.

    - bunq USB's business plan and marketing plan, including its projected delinquency rate and allowance for credit losses as well as projected expenses, were inadequately supported, providing inadequate coverage and funding for the proposed principal product.

    - The OCC considered bunq BV's history of operations and profitability, including information provided from other regulators.[5] Although bunq BV started commercial operations in 2015, it did not have a full year of profitability until fiscal year 2023, which appeared to be largely driven by European Central Bank interest rate changes. When rates declined in 2024-2025, bunq BV's profits also declined. While the cashflow from reserve balances is a core source of income, these trends show the limitations on fee-based subscription models and the inherent interest rate risk in the business model. The organizers have not demonstrated how they will appropriately manage the risk of bunq USB's proposed business which may involve different and additional risk than bunq BV's European business.

  In light of these deficiencies, the Application does not demonstrate that bunq USB can be operated in a safe and sound manner.

- The Application did not demonstrate that bunq USB would have organizers who are aware of and understand national banking laws and regulations, and safe and sound banking operations.

[5] bunq USB would be operated separately from bunq BV but given the similarity in the business plans and ultimate control, the OCC found the information relevant to its review.

- The organizers as a whole lacked sufficient background and experience in banking and lacked knowledge of the laws and regulations that would govern bunq USB.

- Although some of the organizers had prior experience at banks, this experience was limited to specialized areas like wealth management and information technology. Additionally, although Mr. Niknam has current experience in banking as the CEO of bunq BV, bunq BV is not subject to U.S. laws and regulations.

In light of these deficiencies, the Application does not demonstrate that bunq USB would have organizers who are aware of and understand national banking laws and regulations, and safe and sound banking operations.

The OCC also considered the factors outlined in 12 USC 1816 and concluded that the Application presented risk to the Deposit Insurance Fund and concluded unfavorably regarding the general character and fitness of the management of the depository institution, the adequacy of the depository institution's capital structure, and the future earnings prospects of the depository institution. The conclusions outlined above support the OCC's determination as to 12 USC 1816(2), (3), and (5). The OCC's conclusion as to the general character and fitness of the management of the depository institution is based on transparency concerns regarding inconsistencies in what bunq USB's management was communicating to the OCC.

<u>Conclusion</u>

Accordingly, the OCC denies the application as it presents significant supervisory and compliance concerns, hence approval of the application would be inconsistent with the policies set forth in 12 CFR 5.20.[6] *See* 12 CFR 5.13(b). The denial of the Application does not prohibit the filing of a de novo charter application in the future. *See* OCC Bulletin 2026-27, "Filing Decision Process" (June 17, 2026).

You may file an appeal of this decision in writing to the OCC's Ombudsman. *See* 12 CFR 5.13(f). Other questions regarding this decision should be directed to me or to Director for Chartering, Organization, and Structure Debra Burke. Please include the Application Control Number on all communication.

Sincerely,

//signed//

Stephen A. Lybarger
Senior Deputy Comptroller for Chartering, Organization and Structure

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[6] As discussed above, the OCC also considered and found unfavorably on the factors outlined in 12 USC 1816.