

COLORADO STATE BANKING BOARD
Record of Proceedings - Regular Session
August 21, 2025

The Colorado State Banking Board (Banking Board) was called to order by Chair Sarah Auchterlonie (Chair Auchterlonie) at 10:00 am, August 21, 2025, at the DORA conference center, 1560 Broadway, Room 100D. In addition to the Chair, Board members Kim Gardner and Jennifer Payne were physically present, while other members Scott Applegate, Megan Harmon, Glen Jammaron, Doug Price, and Clay Roberts participated via Zoom webinar. Sid Kotwal was absent. A quorum was declared; 10:00 am.

Commissioner Kara Hunter (Commissioner); the Board's legal representative, Robert Finke, First Assistant Attorney General; Applications Manager Jessica Kowalik; Robert Spell, Director of Money Transmitters; PDPA Administrator Allison Rothermel; and Board Administrator Chas Siler also attended.

The Commissioner announced her appointment from Acting to permanent Commissioner effective August 18th.

➤ **Record of Proceedings Approval**

Chair Auchterlonie called for a motion to approve the minutes for July 17, 2025. J. Payne made a motion to approve the July 17th Record of Proceedings, Regular Session, as presented. Second by G. Jammaron. Motion carried unanimously; 10:01 am.

There were no further items for discussion in open session; therefore, Chair Auchterlonie called for a motion that the Banking Board convene in Executive Session to discuss confidential information of – and when appropriate with – the following entities with an application or request on the agenda of today's meeting of the Colorado Banking Board: stating that such matters must be kept confidential as required by the Colorado Banking Code, Sections 11-102-103(10), 11-102-305, and 11-102-306. Authorization for the Executive Session is in the Colorado Banking Code Section 11-102-103(8) and in the Open Meetings Law, Section 24-6-402(3)(a) (III), C.R.S.

1. Money Transmitter License Application: Ace Payment Services, Inc. (Irving, TX)
2. Money Transmitter License Application: Payward Interactive, Inc. (Cheyenne, WY)
3. Money Transmitter License Application: Pomelo Group USA, Inc. (San Francisco, CA)
4. Update on Commissioner Search

Motion by C. Roberts to convene in Executive Session. Second by S. Applegate. Motion carried unanimously; 10:07 am.

The Banking Board retired to Executive Session, which was digitally recorded only.

Motion by K. Gardner to adjourn the Executive Session and reconvene the Regular Session of the August 21, 2025, Banking Board meeting. Second by J. Payne. Motion carried unanimously; 10:32 am.

➤ **Applications and Requests**

Use of Name Request – Columbia Bank dba Umpqua Bank (Roseburg OR)

Luke Kneeshaw with the applicant was on the call. J. Kowalik stated that Umpqua Bank (Bank) submitted a Use of Name request to use the name “Columbia Bank”. Management has submitted the required documentation, and the name has been posted on the Division’s website. The comment period expired July 23, 2025, with no objections received. Based on a review of current financial institutions and branch banking facilities in Colorado, the Division did not find any financial institution names or dbas that were identical or deceptively similar to “Columbia Bank” or would be “[l]ikely to cause the public to be confused, deceived, or mistaken” under C.R.S. 11-104-202(8).

Chair Auchterlonie asked if there were any questions or comments from the Banking Board. Hearing none, the Chair then requested the Division’s recommendation. J. Kowalik recommended approving the Use of Name request by Columbia Bank dba Umpqua Bank, Roseburg, OR to use “Columbia Bank” in Colorado. J. Payne moved to approve, and K. Gardner seconded. The motion passed unanimously, 10:34 am.

Use of Name Request – US Metro Bank (Garden Grove CA)

J. Kowalik stated that US Metro Bank (Bank), Garden Grove, California submitted an Application to Operate a Loan Production Office. Bank was instructed to provide the items required in a Use of Name application for the use of “US Metro Bank” and “US Metro Bancorp, Inc.” in Colorado. Management has submitted the required documentation and the name has been posted on the Division’s website. The comment period expired July 25, 2025, with no objections received.

Based on a review of current financial institutions and branch banking facilities in Colorado, the Division did not find any financial institution names or dbas that were identical or deceptively similar to “US Metro Bank” and “US Metro Bancorp, Inc.” or would be “[l]ikely to cause the public to be confused, deceived, or mistaken” under C.R.S. 11-104-202(8).

Chair Auchterlonie asked if there were any questions or comments from the Banking Board. Hearing none, the Chair then requested the Division’s recommendation. J. Kowalik recommended approving the Use of Names request by US Metro Bank, Garden Grove, CA to use “US Metro Bank” and “US Metro Bancorp, Inc.” in Colorado. J. Payne moved to approve, and K. Gardner seconded. The motion passed unanimously, 10:35 am.

Money Transmitter License Application – 1Money USA, Inc. (New York NY)

J. Kowalik stated that 1Money USA, Inc., New York, New York, (1Money) has filed an

application to be licensed as a Money Transmitter under the Colorado Money Transmitters Act. 1Money has complied with all statutory requirements, and all documentation provided by the applicant, including biographical and financial information, was reviewed by the Division and no items of concern were found.

Chair Auchterlonie asked if there were any questions or comments from the Banking Board. Hearing none, the Chair then requested the Division's recommendation.

The Division recommended approving the application of 1Money USA, Inc., New York, New York, to be licensed as a Colorado money transmitter under the Colorado Money Transmitters Act. The applicant must comply with the requirements of Section 11-110-109 C.R.S. K. Gardner moved to approve the Money Transmitter application as stated in the Division's recommendation, and J. Payne seconded. The motion carried unanimously at 10:36 am.

Money Transmitter License Application – Uphold HQ Inc. (Larkspur CA)

J. Kowalik stated that Uphold HQ Inc., Larkspur, California, (Uphold) has filed an application to be licensed as a Money Transmitter under the Colorado Money Transmitters Act. Uphold has complied with all statutory requirements, and all documentation provided by the applicant, including biographical and financial information, was reviewed by the Division and no items of concern were found.

Chair Auchterlonie asked if there were any questions or comments from the Banking Board. Hearing none, the Chair then requested the Division's recommendation.

The Division recommended approving the application of Uphold HQ Inc., Larkspur, California, to be licensed as a Colorado money transmitter under the Colorado Money Transmitters Act. The applicant must comply with the requirements of Section 11-110-109 C.R.S. J. Payne moved to approve the Money Transmitter application as stated in the Division's recommendation, and K. Gardner seconded. The motion carried unanimously at 10:37 am.

➤ **Division of Banking/Commissioner's Report**

1) Delegated Authority Report. Acting Commissioner Hunter presented for ratification the delegated items processed during the month of July.

- Seven items were presented, and Chair Auchterlonie called for a motion to ratify the delegated items. Motion made by K. Gardner, and second by G. Jammarron. The motion carried unanimously; 10:38 am.

2) Activities & Outreach Report.

- July 15, 2025 – Division staff participated in the ICBC's 10th Annual Mile High BSA / AML Summit.
- July 21-22 – Federal Reserve Bank of Kansas City hosted a Commissioners Conference, including all the states in the 10th District.

- The Acting Commissioner and Division staff continue to attend periodic meetings regarding money transmitters, trust companies, cryptocurrency firms, and other companies with significant regulatory issues.

➤ **Request to Proceed with Permanent Rulemaking: Electronic Funds Act**

Commissioner Hunter presented to the Board the suggested changes to the following Rule for Board approval to move forward with Rulemaking:

3 CCR 701-5 Electronic Funds Act, repeal in its entirety, including:

- EFT1 Definitions - Repeal
- EFT9 Liability for Unauthorized Use - Repeal
- EFT13 Liability of the Bank of Account - Repeal

The Board gave consensus for initiating Rulemaking, 10:46 am.

There were no further items for discussion in open session; therefore, Chair Auchterlonie called for a motion to reconvene in Executive Session to discuss:

- 1) aggregate statistical data summarizing: processing of examinations, applications, PDPA, examination results and outstanding enforcement actions;
- 2) confidential information of - and when appropriate with – financial service providers that are or may be the subject of formal or informal enforcement action or have recently been examined;
- 3) the current status of applications approved by the Board at prior meetings; and
- 4) applications, requests, or consent orders submitted to the Division of Banking, in particular the consent order with Etana Trust Company.

Stating that such matters must be kept confidential as required by the Colorado Banking Code, Sections 11-102-103 (10), 11-102-305, and 11-102-306, and Authorization for the Executive Session is in the Colorado Banking Code, Sections 11-102-103 (8) and the Open Meetings Law, Section 24-6-402 (3) (a) (II) and (III), and (3.5) C.R.S.

Motion by J. Payne to reconvene the Executive Session of the August 21, 2025, Board meeting, and K. Gardner seconded. Motion carried unanimously; 10:49 pm.

The Banking Board retired to Executive Session, which was digitally recorded only.

Chair Auchterlonie called for a motion to adjourn from the Executive Session and reconvene the Regular Session of the August 21, 2025, Banking Board meeting. Motion by K. Gardner to reconvene, and second by J. Payne. Motion carried unanimously; 11:42 am.

➤ **Update on consent order with Etana Custody Inc.**

Commissioner Hunter provided an update on the actions of Etana Custody Inc. since the July Board Meeting. The Division requests Banking Board approval to proceed with a cease and desist order pursuant to Title 11, Article 109, Colorado Revised Statutes (C.R.S.), including the following provisions:

- 11-109-104(1)(c) – Order any person or a trust company to cease violating any provision of this article or any rule and to mail a copy of the order to the person or trust company and to each director of the trust company.
- 11-109-104(6) – The commissioner shall examine the books and records of every trust company as often as deemed advisable and to the extent required by the banking board; shall make and file a correct report in detail disclosing the results of such examination; and shall mail a copy of such report to the trust company examined.

D. Price moved to approve the Division request, and K. Gardner seconded. The motion passed unanimously, 11:43 am.

The Division further requests that the Banking Board approve an increase in the security deposit requirement for the Company, as outlined in TC17 – Deposit of Securities [Section 11-109-104(1)(a), C.R.S.], from \$250,000 to \$1,000,000, to better protect the Division in the event of liquidation. K. Gardner so moved, and J. Payne seconded. The motion passed unanimously, 11:44 am.

In addition, the Division requests that the Banking Board grant authority under 11-109-104(8)(a), C.R.S., which provides authority to examine controlling shareholder and affiliates. K. Gardner so moved, and J. Payne seconded. The motion passed unanimously, 11:44 am.

Finally, the Division requests the authority for review and oversight of inter-company arrangements and transactions. J. Payne so moved, and K. Gardner seconded. The motion passed unanimously, 11:45 am.

➤ **Other Items for Discussion**

R. Finke announced that J. Fischer has accepted another position within the Attorney General's Office and will no longer be a Board counsel. Another staff member will be assigned to that role.

There were no other items for discussion; therefore, Chair Auchterlonie asked for a motion to adjourn. Motion made by J. Payne to adjourn the Regular Session of the August 21, 2025, Banking Board meeting. Second by K. Gardner. Motion carried unanimously; 11:47 pm. Meeting adjourned.

I certify that the foregoing information substantially reflects the substance of the discussions as transcribed from my notes.



Chas Siler, Board Administrator
Colorado State Banking Board

August 21, 2025

Date