

Suspension Order
Colorado State Banking Board

In the Matter of:
Etana Custody, Inc. (Company)
Colorado Non-Depository Trust Company

STIPULATED ORDER OF SUSPENSION (Order)

Pursuant to the discretionary authority granted under C.R.S. § 11-109-606, Colorado State Banking Board (the “Banking Board”) hereby orders a temporary suspension of the business operations of the non-depository trust company Etana Custody, Inc., on the following terms:

1. Duration

The temporary suspension of business operations shall be effective immediately upon execution of this Order and shall continue for such other period as may be determined by the Banking Board; subject to the provisions of Section 8 herein.

2. Conditions of Suspension

As part of this stipulated suspension, Company shall:

1. Cease all ongoing business operations related to its non-depository trust business; provided, however, the Company may continue its ongoing efforts to raise capital from potential investors in the Company or its parent company.
2. Return all customer balances and assets to named account holders where such balances and assets are not subject to dispute.
3. Refrain from onboarding new clients or engaging in new business for the duration of the suspension of operations.
4. Provide the following documentation and confirmations to the Division of Banking (“Division”) within 5 (five) business days of this Order:
 - a) Proof of Fidelity Bond policy and payment;
 - b) Provide an organizational chart with key responsibilities;
 - c) A detailed plan for cessation of operations during the suspension, including timeline for completion;
 - d) A copy of the notification letter sent to all customers regarding the cessation of operations during the suspension;
 - e) A complete list of all accounts as of the effective date of the suspension of operation;.
 - f) Copies of all account statements as of the effective date of the suspension of operations;
 - g) An ageing report of all accounts receivable and payable as of the effective date of the suspension of operations;

- h) A detailed schedule of liabilities to custodial clients, including identification of each client and the amounts owed as of the effective date of the suspension of operations;
- i) Amended Report of Condition and Income for December 31, 2024, March 31, 2025, June 30, 2025; and,
- j) Written confirmation that the Company's website has been updated to reflect the suspension of operations.

The Company will also provide within thirty (30) days of this Order a current balance sheet and income statement, with supporting documentation on all accounts and the operating bank statement as of the date of suspension, other than the accounts that are currently the subject of a dispute with Payward Interactive, Inc.

The due date for deliverables of the Company contained in Section 2 Sub-Section 4 may be extended at the request of the Company and at the discretion of the State Bank Commissioner (the "Commissioner").

All documentation shall be submitted to the Commissioner by email to kara.hunter@state.co.us.

3. Reporting Requirements

During the Suspension Period, Company shall submit the following reports to the Division, Daily by COB, Weekly by COB Friday's and Monthly by COB on the 10th:

Daily: A report providing updates on all account balances, transactions, and any material changes.

Weekly: A summary of all accounts closed, including confirmation of funds returned to accountholders.

Weekly: Update on the status of the Payward Interactive Inc. v. Etana Custody Ltd., 1:25CV02829-DDD-CYC litigation (the "Payward Litigation"), as well as any other litigation commenced by or against the Company.

Weekly: A list of employees or change in management, and if an employee is released from employment, provide the date of termination.

Monthly: Balance sheet and income statement, with supporting documentation for all accounts, including reconciliations, operating bank statements and ageing of report of accounts receivable and payable.

Quarterly: The quarterly Report of Condition and Income due within 30 days after the end of the quarter.

Should one or more of the reports become irrelevant due to changed circumstances, the Company may ask the Commissioner to waive the continuing filing of such reports or reduce the frequency of the filing of such reports. For example, continued filing of a report may be obviated by an account balance reaching zero and remaining unchanged for a period that indicates no further activity in such account or a week or more passes without changes to the Company's employees.

All reports must be provided in a format and level of detail acceptable to the Commissioner. At

the Commissioner's sole discretion, the Commissioner may reduce the number and the frequency of the reporting requirements herein, including providing for an extension of required report filing deadline.

In the event that Company does not comply with any requirement listed herein, Company agrees the Commissioner may assess a civil monetary penalty not to exceed \$5,000.00 per day. The Company waives its right to a hearing regarding penalties.

No provision of these reporting requirements modify the Company's obligations to provide documentation requested by the Division with respect to examinations or the quarterly Report of Condition and Income.

Each reporting requirement shall be submitted to the Commissioner by email to kara.hunter@state.co.us.

4. Pending Disputes

The Company acknowledges a current dispute with a single accountholder, Payward Inc. d/b/a Kraken (Kraken). Funds attributable to Kraken or Kraken's customers held at Company are subject to ongoing litigation in U.S. District Court. Accordingly, since such funds are in dispute, the Banking Board shall not require the return of such funds unless and until the resolution of the dispute.

5. Capitalization and Security Deposit Requirements

During the Suspension Period:

The Company must at all times maintain a minimum capitalization of \$1,000,000, as is required of all Colorado chartered Trust Companies.

The Commissioner's September 8, 2025, directive to increase Company's security deposit is hereby withdrawn, the Division reserves the right to increase the security deposit at any time if Company does not comply with the requirements outlined in the Order.

The August 20, 2025, Cease and Desist Order rescinded and superseded by this Order, reflecting the terms herein.

This Order does not impact the applicability or requirements of the December 2023 Consent Order entered into by the Division and the Company. The Division reserves all rights to enforce the terms of the Consent Order during the Suspension Period.

6. Waiver of Appeal

The Company hereby agrees to waive any right of appeal with respect to the issuance of this Order and any related actions taken by the Commissioner and/or Banking Board to implement its terms. The decision of the Banking Board to deny an application by the Company to authorize

the resumption of the Company's business shall be considered a separate order of the Banking Board and may be subject to judicial review and appeal.

7. Purpose and Effect

The parties acknowledge and agree that this Order is intended to:

Protect the Company's customers by ensuring the orderly return of balances not subject to dispute; and

Provide the Company with time to resolve the Payward Litigation.

8. Resumption of Business

The Banking Board shall, at the request of the Company, review the Company's request to end the Suspension Period and to resume the operations of the Company's business pursuant to its non-depository trust company charter. The Company shall not resume operations as a non-depository trust company except upon further order of the Banking Board.

The Company's request to end the Suspension Period must be accompanied by an application including all reporting requirements included herein and any statutory compliance reporting, including but not limited to reporting regarding any change of control or change in business objectives. The Board may require supplementation of such application at its sole discretion.

Such order shall be issued only upon the determination by the Banking Board that the Company has resolved all outstanding concerns to its satisfaction; provided, however, that such consent to resume operations of the business shall not be unreasonably withheld or delayed by the Banking Board. Nothing in this Order shall be deemed or construed as a waiver of the Banking Board's statutory authority under § 11-109, Part 6 or Part 7.

9. Effect on Agents

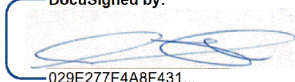
This Order is binding and effective as to all agents, employees, directors, and contractors of the Company, each of whom is presumed to have knowledge of the substance of this Order.

SO ORDERED this ____ day of ^{September 19,} 2025



Sarah Auchterlonie
Chairperson
Colorado State Banking Board

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Brandon Russell
Chief Executive Officer
Etana Custody, Inc.

Exhibit A

Compliance Checklist – Suspension Order Requirements Etana Custody, Inc.

I. One-Time Deliverables (Due within 5 (five) business days unless otherwise specified)

1. Proof of Fidelity Bond policy and payment.
2. Provide an organizational chart with key responsibilities.
3. A detailed plan for cessation of operations during the suspension, including timeline for completion.
4. A copy of the notification letter sent to all customers regarding the cessation of operations during the suspension.
5. A complete list of all accounts as of the effective date of the suspension of operations.
6. Copies of all account statements as of the effective date of the suspension of operations.
7. An ageing report of all accounts receivable and payable as of the effective date of the suspension of operations.
8. A detailed schedule of liabilities to custodial clients, including identification of each client and the amounts owed as of the effective date of the suspension of operations.
9. Amended Report of Condition and Income for December 31, 2024, March 31, 2025, June 30, 2025.
10. Written confirmation that the Company's website has been updated to reflect the suspension of operations.
11. Due within thirty (30) days of this Order, a current balance sheet and income statement, with supporting documentation on all accounts and the operating bank statement as of the date of suspension, other than the accounts that are currently the subject of a dispute with Payward Interactive, Inc.

II. Daily Deliverables

1. Report of all account balances and activity, including:
 - a. Current balance of each account.
 - b. Any transactions, withdrawals, or adjustments.

- c. Identification of material changes or anomalies.

III. Weekly Deliverables

1. Summary of all accounts closed during the week, including:
 - a. Account identifier.
 - b. Amount of funds returned.
 - c. Confirmation of return to the named accountholder.

IV. Monthly Deliverables

1. Month-end balance sheet and income statement.
 - a. Supporting documentation for all accounts, including reconciliations and copies of operating bank statements.
 - b. Narrative update on wind-down progress against the submitted plan.

V. Quarterly Deliverables

1. Filing of a Quarterly Report of Condition and Income consistent with Division requirements, covering all activity during the Suspension Period.

VI. Certification

With each submission, Company shall provide a written certification by an authorized officer attesting that the information is accurate, complete, and prepared in accordance with the requirements of the Order.