

Banking and Finance Law Daily Wrap Up, BANKING OPERATIONS —Banking groups unhappy with OCC’s national trust bank charter approvals, (Dec. 15, 2025)

Banking and Finance Law Daily Wrap Up

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The banking associations are responding to the recent de novo conditional approvals for five applications from fintech cryptocurrency “stablecoin” firms including First National Digital Currency Bank and Ripple National Trust bank.

The Office of the Comptroller of the Currency has [announced](#) its conditional approval of five national trust bank charter applications. The agency conditionally approved applications for de novo national trust bank charters for [First National Digital Currency Bank](#) and [Ripple National Trust Bank](#) and conditionally approved applications to convert from a state trust company to a national trust bank for [BitGo Bank & Trust, National Association](#); [Fidelity Digital Assets, National Association](#); and [Paxos Trust Company, National Association](#). The institutions will join the approximately 60 other national trust banks currently supervised by the OCC. However, several banking groups are unhappy with the approvals, including the American Bankers Association (ABA), the Independent Community Bankers of America (ICBA), the Bank Policy Institute (BPI), and the National Community Reinvestment Coalition (NCRC), several of which signed on to a letter back in July urging delay on the nonbank charter applications (see [Banking and Finance Law Daily](#), Jul. 18, 2025).

Approvals. According to the OCC’s press release, the OCC applied “the same rigorous review and standards it applies to all charter applications” in its reviews of the five applications.

“New entrants into the federal banking sector are good for consumers, the banking industry and the economy,” stated Comptroller of the Currency Jonathan Gould in that release. “They provide access to new products, services and sources of credit to consumers, and ensure a dynamic, competitive and diverse banking system.”

The approvals follow Comptroller Gould’s remarks the week before at the Blockchain Association’s “Policy Summit” (see [Banking and Finance Law Daily](#), Dec. 9, 2025) wherein he commented that a “robust pipeline of *de novo* banks” is central to the agency’s statutory role and to competition in the banking system. Gould also stated that the OCC’s current efforts to prioritize the reinvigoration of new bank chartering have produced “early signs” of increased activity, with 14 *de novo* applications received in 2025, including applications from entities engaged in digital-asset activities.

ABA. The ABA [released](#) a [statement](#) from its President and CEO, Rob Nichols, expressing concern that the OCC’s expansion of the trust charter for entities that may not engage in traditional fiduciary activities “could blur the lines of what it means to be a bank and create opportunities for regulatory arbitrage.” Noting that it “is critical that any chartered entity operates under a regulatory framework that appropriately addresses its activities and risks,” Nichols went on to state, “Clear answers are needed to ensure the public and policymakers understand how these charters will be supervised and how risks will be mitigated.”

ICBA. The ICBA opposes the conditional approvals. In its [press release](#), the ICBA restated its belief that the OCC lacks statutory authority to expand trust powers under Interpretive Letter #1176, noting that “the sudden influx of applications demonstrates nonbank fintechs are seeking the benefits of a U.S. bank charter without satisfying the full scope of U.S. bank regulations,” which threatens consumers and the financial system.

“Trust banks are not required to meet the same kinds of regulatory and capital standards that apply to federally insured full-service banks,” stated ICBA President and CEO Rebeca Romero Rainey. “The conditional approvals of five national trust bank charters from the OCC further stretches the national trust bank charter beyond its

statutory and historical purpose, endangers consumers, and creates institutions the OCC is not equipped to resolve in an orderly way.”

BPI. In its [press release](#), BPI President and CEO Greg Baer notes that the OCC's grant of the five national trust charters “leaves substantial unanswered questions” about which he hopes the OCC will share more details about the applications so the public can better understand the rationale behind the OCC's decision. His chief concern, as stated, is “whether the requirements the OCC has outlined for the applicants are appropriately tailored to the activities and risks in which the trust will engage.”

NCRC. According to the [statement](#) of Jesse Van Tol, President and CEO of the NCRC, the OCC's approvals of the five national trust bank charters “sends a dangerous message to the financial industry: break the law, harm consumers, and facilitate fraud—and you will be rewarded with a bank charter.”

“Granting these cryptocurrency charters creates a new and frightful category of banks-in-name-only—institutions that can take on bank-like powers and public credibility without the core public-interest obligations communities rely on, including meaningful community reinvestment, fair lending accountability, and strong consumer protections,” continued Van Tol.

Companies: American Bankers Association; Bank Policy Institute; BitGo Bank & Trust, National Association; Fidelity Digital Assets, National Association; First National Digital Currency Bank; Independent Community Bankers of America; National Community Reinvestment Coalition; Paxos Trust Company, National Association; Ripple National Trust Bank

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