

Corporate Decision #1378
June 2026

June 18, 2026

Priya Bindra
Managing Director
Morgan Stanley
1633 Broadway, 30th Floor
New York, New York 10019

Re: De Novo Charter Application and Request for Residency Waivers (Application)
Morgan Stanley Digital Trust, Purchase, New York (Proposed)
OCC Control Nos. 2026-Charter-344925, 2026-Waiver-345072
Proposed Charter No. 25415

Dear Managing Director Bindra:

The Office of the Comptroller of the Currency (OCC) has reviewed your Application to establish a new national trust bank, which will engage in operations of a trust company and activities related thereto, including fiduciary activities, with the title of Morgan Stanley Digital Trust, National Association in Purchase, New York (MSDTNA). The OCC hereby grants preliminary conditional approval of your charter Application upon determining that your proposal meets certain regulatory and policy requirements.¹

This preliminary conditional approval is granted based on a thorough evaluation of all information available to the OCC, including the representations and commitments made in the Application and by MSDTNA's representatives. The OCC also has made its decision to grant preliminary conditional approval with the understanding that MSDTNA will apply for stock in a Federal Reserve Bank in accordance with 12 USC 222.²

The OCC has granted preliminary conditional approval only. Final approval and authorization pursuant to 12 USC 27(a) for MSDTNA to commence business will not be granted until all preopening requirements are met. Until final approval is granted, the OCC has the right to modify, suspend, or rescind this preliminary conditional approval should the OCC deem any interim development to warrant such action.

Proposed Bank

MSDTNA would be a wholly owned subsidiary of Morgan Stanley Capital Management (MSCM), an Intermediate Holding Company (IHC) subsidiary of Morgan Stanley.

¹ The OCC also grants the request to waive the director residency requirement for three directors of MSDTNA.

² See also 12 CFR 209.2.

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Morgan Stanley is a financial holding company headquartered in the United States which is designated a Global Systemically Important Bank (G-SIB) by the Financial Stability Board (FSB). MSDTNA will have its headquarters in Purchase, New York.

MSDTNA plans to support Morgan Stanley Wealth Management, which provides financial services and solutions to individual investors, small to medium sized businesses, and larger institutions. The main activities of MSDTNA will be custody of certain digital assets and to conduct certain activities incidental to the business of banking, including the purchase, sale, swap and transfer of digital assets to support client investment activities. In addition, MSDTNA will facilitate the staking of digital assets on a fiduciary basis and act as a collateral administrator to support digital asset lending offering by an affiliate.

The OCC is authorized to charter national banks pursuant to the National Bank Act, 12 USC 21 to 27. In 1978, Congress specifically confirmed the OCC's general authority to charter banks that limit their operations to those of a trust company.³ The operations of a trust company (i.e., the operations of a trust department of a bank or a limited purpose trust company) typically include performing fiduciary activities, as well as other activities that may be non-fiduciary in nature, such as non-fiduciary custody and safekeeping activities.⁴ Custody and safekeeping activities are fully within the activities of both trust departments⁵ and limited purpose trust companies in 1978 and today.⁶ Accordingly, MSDTNA's proposed digital asset custody services in a non-fiduciary capacity are trust company operations.⁷ Moreover, the transactional services described above are trust company operations or related thereto based on their close relationship to the custody activities, as described above. All of MSDTNA's proposed activities are also permissible for a national bank under 12 USC 92a or 12 USC 24(Seventh).

Accordingly, the formation of MSDTNA is authorized.

³ Congress amended the National Bank Act, 12 USC 27, to add this language in 1978. Financial Institutions Regulatory and Interest Rate Control Act of 1978, Pub. L. 95-630, section 1504, 92 Stat. 3641, 3713 (1978) (adding this sentence to what is now 12 USC 27(a)).

⁴ See OCC Interpretive Letter 1170; OCC Interpretive Letter 1078; OCC Interpretive Letter 1176. In addition, as of March 31, 2026, OCC-supervised uninsured national trust banks reported a total of \$7.2 trillion in assets under administration. Of that total, \$1.7 trillion consisted of custody and safekeeping accounts, while total fiduciary accounts totaled \$5.5 trillion.

⁵ *ibid.* See Letter from James. J. Saxon, Comptroller of the Currency, (June 25, 1963) ("safekeeping of the securities in the customer's portfolio and other custodian services, all of which will be performed by the bank's Trust Department in the usual case"). See also *Hearings before the House of Representatives Committee on Banking and Currency on H.R. 6778*, 91st Cong., Part 3 at 1056 (May 7, 8, and 9, 1969) (including proxy statement of Chase Manhattan Bank, N.A., from 1969 stating that it provided custody services in its trust department).

⁶ See, e.g., 1976 S.D. Sess. Laws. ch. 304 1(1), (2) 492 (creating South Dakota "trust company" charter for a "corporation" that sole purpose is the conduct of "trust business" and among the items defined as part of the trust business is acting as a custodian and holding property for safekeeping).

⁷ See 12 CFR 5.20(e)(1)(i). The OCC recently approved charters for national trust banks to engage in certain activities including digital asset custody activities. See OCC Conditional Approval 1356 and OCC Conditional Approval 1359.

Public Comments and Analysis

The OCC received one comment in connection with the Application from a trade group representing banks. The comment discussed the OCC's authority to charter MSDTNA and questioned whether the bank's activities were permissible for a national trust bank. The OCC is authorized to charter national banks pursuant to the National Bank Act, 12 USC 21–27. As explained herein, the proposed activities are permissible for a national trust bank.

The commenter raised other arguments related to: the OCC's ability to resolve MSDTNA in instances of failure; in comparison to insured depository institutions, the absence of a comprehensive regulatory framework designed to promote safety, soundness and consumer protection; and safety and soundness concerns with MSDTNA's concentration in digital-asset services. The OCC is experienced in supervising and regulating national banks, including national banks engaging in new or novel activities. In the course of reviewing an application, the OCC considers the items above as they relate to factors or considerations in 12 CFR Part 5.⁸ The OCC regulates and supervises all entities in its jurisdiction in accordance with applicable law. The OCC has a supervisory unit specifically responsible for novel banks consisting of examiners with specialized experience in novel activities. The OCC has over 160 years of experience supervising and regulating a variety of financial institutions and financial activities that have continuously evolved. Many of these criticisms reflect the framework that Congress has established for supervision of the banking system, such as uninsured national banks generally not being subject to the activity restrictions established by the Bank Holding Company Act.⁹ The concerns raised by the commenter are not grounds for denial of the Application.

With respect to concerns related to the OCC's ability to resolve uninsured entities, the OCC has a regulation pertaining to the resolution of uninsured national banks that outlines the receivership process for uninsured entities.¹⁰ The OCC, through its application review, also considers, as appropriate, potential considerations related to receivership or resolution. The OCC has the capability to resolve an uninsured national bank.

Fiduciary Activities

The OCC approves MSDTNA's plan upon commencing business to exercise fiduciary powers pursuant to 12 USC 92a and 12 CFR 5.26.

Specifically, MSDTNA will provide staking-as-a-service in a fiduciary capacity as permitted by 12 USC 92a.

⁸ See 12 CFR 5.20(f) – (h)

⁹ See, e.g., 12 USC 1841(c) (definition of bank excluding uninsured banks that do not both accept demand deposits and make commercial loans).

¹⁰ 12 CFR 51.

Conditions

This preliminary conditional approval is subject to the following conditions:

1. MSDTNA must limit its operations to those of a trust company and activities related thereto, as specifically stated in the business plan. MSDTNA must not meet the definition of “bank” under section 2(c)(1) to (c)(2) of the Bank Holding Company Act, 12 USC 1841(c)(1) to (c)(2).
2. If and to the extent necessary, MSDTNA must conform its proposed activities to comply with the GENIUS Act (12 USC 5901 *et seq.*), any implementing regulations, and any other applicable laws and regulations that take effect in the future, such compliance to be determined in the sole discretion of the OCC.
3. MSDTNA shall: (i) give the respective OCC’s Large and Global Financial Institutions (LGFI) Supervisory Office at least sixty (60) days prior written notice of its intent to significantly deviate or change from its business plan or operations;¹¹ and (ii) obtain the OCC’s written determination of no objection before MSDTNA engages in any significant deviation or change from its business plan or operations. For the avoidance of doubt, a significant deviation includes changes to MSDTNA’s risk and operating limits, as detailed in its business plan. The OCC may impose additional conditions it deems appropriate in a written determination of no objection to MSDTNA’s notice. This condition will remain in effect throughout MSDTNA’s in-organization period and during MSDTNA’s first three years of operation.
4. MSDTNA must maintain a minimum of \$50 million in tier 1 capital, of which the greater of at least 50 percent or \$25 million must be held in Eligible Liquid Assets.¹² MSDTNA must assess the appropriateness of its level of capital and liquidity on a quarterly basis and hold such higher amounts of capital and liquidity as it determines necessary to support the bank’s risk profile, business strategies, and future growth prospects, and to provide a cushion against unexpected losses. This condition shall remain in effect during MSDTNA’s first three years of operation.

¹¹ If such deviation is the subject of an application filed with the OCC, no separate notice to the supervisory office is required.

¹² The term “Eligible Liquid Assets” means only Liquid Assets that exceed the aggregate amount of all deposits, borrowed funds, and other liabilities on the Bank’s balance sheet that reflect an obligation to repay funds to any party. The term Eligible Liquid Assets shall not include any assets that are pledged in any manner, nor any assets that are not free and kept free from any lien, encumbrance, charge, right of set off, credit or preference in connection with any claim against the Bank. The term “Liquid Assets” means: (i) unencumbered cash; (ii) deposits at insured depository institutions with a maturity of 90 days or less; (iii) United States government obligations maturing within 90 days or less; and (iv) such other assets as to which the Bank has obtained a written nonobjection from the OCC. The term Eligible Liquid Assets shall not include any obligation of any affiliate.

5. MSDTNA must maintain 180 days of operating expenses¹³ in Eligible Liquid Assets. This amount must not be double counted with the Eligible Liquid Assets held to comply with the foregoing condition. This condition will remain in effect during MSDTNA's first three years of operation.
6. Prior to the appointment of any individual to the position of "senior executive officer," as defined in 12 CFR 5.51(c)(4), or the appointment of any individual to the board of directors, MSDTNA must submit to the OCC the information described in the "Changes in Directors and Senior Executive Officers" booklet of the *Comptroller's Licensing Manual*, and receive a letter of no objection from the OCC. For purposes of this condition, "senior executive officer" also includes the Chief Compliance Officer, the Bank Secrecy Act Officer, the Chief Technology Officer, the Chief Information Security Officer, the Chief Trust Officer, and any fiduciary officers or employees designated for that purpose. This information is required by the authority of 12 USC 1818(b) and 12 CFR 5.20(g) and does not require the OCC to review or act on any such information within ninety (90) days. This condition will remain in effect throughout MSDTNA's in-organization period and during MSDTNA's first three years of operation.

These conditions of this approval are conditions "imposed in writing by a Federal banking agency in connection with any action or any application, notice, or other request" within the meaning of 12 USC 1818. As such, the conditions are enforceable under 12 USC 1818.

In addition, as a de novo national bank, MSDTNA must also meet the following requirements prior to requesting its preopening examination and before the OCC will grant final charter approval pursuant to 12 USC 27(a):

1. MSDTNA's financial statements must be prepared on an accrual basis according to generally accepted accounting principles.
2. MSDTNA must engage an independent, external auditor to perform an audit according to generally accepted auditing standards of sufficient scope to enable the auditor to render an opinion on the financial statements of MSDTNA taken as a whole. The audit period shall commence on the date that the organizing group forms a body corporate and may end on any calendar quarter-end no later than 12 months after MSDTNA opens. The OCC expects that such audits will be performed annually for at least three years following commencement of operations. Engagement of an auditor will be verified during the preopening examination (see the "Charters" booklet, Internal and External Audits discussion).

¹³ The minimum 180 days operating expenses must include all operating expenses that would apply in a distressed, wind-down scenario and need not include expenses that would apply only in a normal operating scenario, such as expenses related to research and development.

3. The directors of MSDTNA must own qualifying shares in conformance with 12 USC 72 and 12 CFR 7.2005.
4. MSDTNA must have adequate fidelity bond coverage in accordance with 12 CFR 7.2013, which lists four factors the directors should consider to determine adequacy.¹⁴
5. The President, or the person serving in the function of President, of MSDTNA must serve as a member of the board of directors.
6. Each person who, together with his or her related interests, subscribes to 10 percent or more of the initial stock offering must submit a biographical and financial report for review to the Chartering, Organization & Structure staff prior to acquisition of the shares and staff must have no objection to each person before purchasing the shares. After opening, MSDTNA will comply with the requirements of 12 CFR 5.50.
7. Management and the Board must maintain policies and procedures that address all OCC regulations and will guide MSDTNA's operations in a safe and sound manner. Management and the Board are responsible for establishing a robust program to ensure compliance with the requirements of the Bank Secrecy Act (BSA) and Office of Foreign Assets Control (OFAC), including policies and procedures approved by the Board of Directors and a program that ensures personnel are appropriately trained in BSA/AML/OFAC procedures. All policies and procedures must be completed no later than the date of the applicant's request for a preopening examination. In addition, the board of directors must review and adopt the policies and procedures at its first meeting. The board of directors is responsible for regular review and modification of policies and procedures and for assuring continuous compliance with them.
8. MSDTNA must have a security program in place that complies with the "Interagency Guidelines Establishing Standards for Safeguarding Customer Information" specified at 12 CFR 30, Appendix B.
9. MSDTNA must submit to the respective OCC's LGFI Supervisory Office for review, and prior written determination of no supervisory objection, a complete description of MSDTNA's final information systems and operations architecture as well as the information systems risk assessment and management plan. This should include a schematic drawing.
10. MSDTNA must ensure that all other required regulatory approvals have been obtained;
and

¹⁴ See the "Fidelity and Other Insurance" discussion in the "Charters" Booklet of the *Comptroller's Licensing Manual*.

11. A letter must be submitted to the Chartering, Organization and Structure staff at least 60 days before MSDTNA is scheduled to open, notifying the OCC that all conditions and requirements necessary to receive a national bank charter have been met, requesting a preopening examination, and providing the anticipated opening date.

The manner in which capital is raised must not deviate from that described in the Application without prior written OCC notification. If the capital for the Bank is not raised within 12 months or if the Bank is not opened for business within 18 months from the preliminary conditional approval date, this approval expires. The OCC is opposed to granting extensions, except under the most extenuating circumstances and when the OCC determines that the delay is beyond the applicant's control. The organizers are expected to proceed diligently, consistent with their Application, for the Bank to open for business as soon as possible.

Organizers, Directors and Officers

The OCC poses no objection to the following persons serving as executive officers, directors, and/or organizers as proposed in the Application.

<u>Name</u>	<u>Title</u>
John Ryan	Organizer, Chairman and Chief Executive Officer, Internal Director
Chad Turner	Organizer, President, Internal Director
Amanda Kan	Organizer, Chief Operating Officer, Internal Director
Niloofar Howe	Independent Outside Director
Thomas Sargeant	Independent Outside Director
Perren Wong	Organizer, Chief Trust Officer
John Burns	Organizer, Chief Compliance Officer, Head of Non-Financial Risk
Elisabeth Fedyna	Chief Financial Officer
Arya Sekhar	Chief Risk Officer
Brian Conroy	Treasurer

Prior to MSDTNA's opening, MSDTNA must obtain the OCC's prior written determination of no objection for any additional organizers or executive officers, or directors appointed or elected before the person assumes the position.

Waiver of Residency Requirements

The OCC also grants your request to waive the residency requirements of 12 USC 72 for three of the proposed directors to serve as members of the board of directors of MSDTNA. This waiver is granted based upon a review of all available information, including the filing and any subsequent correspondence and telephone conversations, and MSDTNA's representation that this waiver will not affect the board's fulfillment of its responsibility to direct MSDTNA's operations in a safe, sound, and legal manner. The OCC reserves the right to withdraw or modify this waiver and, at its discretion, to request additional information at any time in the future.

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Organizing Steps and Pre-Opening Requirements

The “Charters” booklet in the *Comptroller’s Licensing Manual* provides guidance for organizing your bank. The booklet is located at the OCC's web site: <https://www.occ.gov/publications-and-resources/publications/comptrollers-licensing-manual/files/charters.pdf>. The booklet contains all the steps you must take to receive final approval.

As detailed in the booklet, you may establish the corporate existence of and begin organizing MSDTNA as soon as you adopt and forward Articles of Association and the Organization Certificate to the Chartering, Organization and Structure office for review and acceptance. MSDTNA may not begin the business of banking until it fulfills all requirements for a bank in organization and the OCC grants final approval.

As a “body corporate” or legal entity, you may begin taking those steps necessary for obtaining final approval. ***“In Organization” should follow the bank’s name in all official documents, stationery, advertisements, and other references to MSDTNA until it opens for business.***

Enclosed is a pre-opening checklist for new national banks. MSDTNA must meet the conditions and requirements above before it is allowed to commence business, and the board of directors must ensure that the applicable policies and procedures are established and adopted before MSDTNA begins operation.

Conclusion

This preliminary conditional approval and the activities and communications by OCC employees in connection with the filing 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 do 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.

The OCC’s approval is based on MSDTNA’s representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend, or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains.

If you have any questions, please reach out to your points of contact for Chartering, Organization and Structure.

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Sincerely,

//signed//

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

Enclosure: Pre-Opening Checklist

cc: Susan Murphy, Examiner-in-Charge, LGFI Supervisory Office, OCC