United States Senate
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS
WASHINGTON, DC 20510–6075

April 22, 2026

The Honorable Jonathan Gould
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street SW
Washington, DC 20219

Dear Comptroller Gould:

I am writing to request information regarding the attached document (*Attachment A*), which appears to be a fundraising memo circulated by Erebor Bank or its representatives. If this fundraising memo was, in fact, prepared by Erebor, the company appears to have communicated to potential investors that it would obtain a national bank charter due to Palmer Luckey's "political network" and a co-founder's "unique" connections to you.[1] The memo names you explicitly. On March 12, 2026, you informed me that you would "not comment on media allegations about Erebor's fundraising memo."[2] Now that I have provided a copy of the memo, I write to ask that you comment on the document itself.

The fundraising memo asserts that Erebor Bank would "receive bank charter in less than 6 months from submission."[3] The memo then describes the reason for the company's confidence in obtaining the charter: "Co-Founder's unique connectivity to banking regulators (especially Jonathan Gould, next Comptroller) + Palmer's political network will get this done."[4] Erebor's charter application was then submitted to the OCC by Adam J. Cohen, a partner at the law firm Skadden, Arps, Slate, Meagher & Flom LLP.[5] Less than two months after submission, you named Mr. Cohen as Chief Counsel and Senior Deputy Comptroller of the OCC.[6] On October 15, 2025, Erebor's charter was granted by the OCC only four months after submission.[7] The

[1] Erebor Bank National Association, "Banking Memo," memorandum, March 30, 2026, https://www.banking.senate.gov/imo/media/doc/attachment_a.pdf.
[2] Letter from Comptroller of the Currency Jonathan Gould to Ranking Member Elizabeth Warren, March 12, 2026, https://www.banking.senate.gov/imo/media/doc/20260316_response_to_20260225lettertooccreereborapproval.pdf.
[3] Erebor Bank National Association, "Banking Memo," memorandum, March 30, 2026, https://www.banking.senate.gov/imo/media/doc/attachment_a.pdf.
[4] *Id.*
[5] Erebor, Inc., Federal Register Notice, "Erebor Bank, N.A.: Charter Application," June 11, 2025, https://www.occ.gov/topics/charters-and-licensing/digital-assets-licensing-applications/erebor-bank.pdf.
[6] Office of the Comptroller of the Currency, "Adam Cohen Named OCC Chief Counsel," press release, July 30, 2025, https://www.occ.gov/news-issuances/news-releases/2025/nr-occ-2025-76.html.
[7] See Erebor, Inc., Federal Register Notice, "Erebor Bank, N.A.: Charter Application," June 11, 2025, https://www.occ.gov/topics/charters-and-licensing/digital-assets-licensing-applications/erebor-bank.pdf; Office of the Comptroller of the Currency, "OCC Announces Conditional Approval for Chartering Erebor Bank," press release, October 15, 2025, https://www.occ.gov/news-issuances/news-releases/2025/nr-occ-2025-101.html.

FDIC approved Erebor's federal deposit insurance application two months later.[8] The bank opened its doors on February 8, 2026.[9]

In addition, the memo paints a highly risky picture of Erebor's business plan. According to the memo, the bank plans to lend against crypto assets, private securities, and GPUs for data center buildouts and AI related projects.[10] It also plans to provide venture debt and capital call lines of credit. Over the "longer term," Erebor plans to "deploy its own assets into DeFi," an activity not referenced in the public section of its charter application.[11] These significant and novel risks make the approval of its charter even more surprising, and political manipulation as an explanation more compelling.

To help me better understand your review of Erebor Bank's national bank charter application, please answer the following questions by May 6, 2026.

1. In response to questions in my February 25, 2026, letter regarding any prior relationships with anyone associated with Erebor, you responded, "I have worked in the financial services industry for 25 years. To the extent that I have relationships with individuals with business before the OCC, I comply with applicable ethics laws and regulations."[12]
    a. Do you have a prior relationship with Erebor Bank co-founder Jacob Hirshman, a former executive at Circle Financial, one of your former clients?[13]
    b. If so, please describe the nature of your relationship with Mr. Hirshman.
    c. Did you meet with Mr. Hirshman during Erebor Bank's application process? Please list all meetings, attendees, and topics discussed.
    d. Did you have a prior relationship with any of Erebor Bank's other co-founders, executives, or investors, including Peter Thiel?

2. In response to questions in my February 25, 2026, letter regarding reports of the Erebor Bank fundraising memo, you responded, "I will not comment on media allegations about Erebor's fundraising memo."[14] Please review *Attachment A*.
    a. Are you aware of whether the fundraising memo was prepared by Erebor Bank?

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[8] Federal Deposit Insurance Corporation, "FDIC Approves the Deposit Insurance Application for Erebor Bank, N.A., Columbus, Ohio," press release, December 16, 2025, https://www.fdic.gov/news/press-releases/2025/fdic-approves-deposit-insurance-application-erebor-bank-na-columbus-ohio.

[9] The Wall Street Journal, "Hobbit-Inspired Startup Becomes First New Bank Greenlighted by Trump 2.0," Dylan Tokar, Keach Hagey, and Peter Rudegeair, February 6, 2026, https://www.wsj.com/finance/banking/hobbit-inspired-startup-becomes-first-new-bank-greenlighted-by-trump-2-0-0d6075ef.

[10] Erebor Bank National Association, "Banking Memo," memorandum, March 30, 2026, https://www.banking.senate.gov/imo/media/doc/attachment_a.pdf.

[11] *Id.*; Erebor, Inc., Federal Register Notice, "Erebor Bank, N.A.: Charter Application," June 11, 2025, https://www.occ.gov/topics/charters-and-licensing/digital-assets-licensing-applications/erebor-bank.pdf.

[12] Letter from Comptroller of the Currency Jonathan Gould to Ranking Member Elizabeth Warren, March 12, 2026, https://www.banking.senate.gov/imo/media/doc/20260316_response_to_20260225lettertooccreereborapproval.pdf.

[13] Bloomberg, "Senate Confirms Jonathan Gould as Comptroller of the Currency," Yash Roy, July 10, 2025, https://www.bloomberg.com/news/articles/2025-07-10/senate-confirms-jonathan-gould-as-comptroller-of-the-currency; Business Insider, "The executives behind Palmer Luckey's new digital banking startup Erebor include banking, Big Law, and tech vets," Julia Hornstein and Jack Newsham, July 11, 2025, https://www.businessinsider.com/palmer-luckey-erebor-bank-executives-list-2025-7.

[14] Letter from Comptroller of the Currency Jonathan Gould to Ranking Member Elizabeth Warren, March 12, 2026, https://www.banking.senate.gov/imo/media/doc/20260316_response_to_20260225lettertooccreereborapproval.pdf.

b. What does it mean that "Palmer's political network will get this done" with respect to obtaining a national bank charter?

3. If you assert that Erebor's national bank charter application was approved free of political influence, and in accordance with applicable laws and regulations, would the fundraising memo provided as *Attachment A* constitute Erebor Bank's misleading potential investors? If so, will the OCC commit to referring this matter to the Securities and Exchange Commission or the Department of Justice?

4. Provide all texts, emails, phone records, and other written communication between the OCC and either the White House or representatives of Erebor regarding the company's charter application.

5. In response to questions in my February 25, 2026, letter regarding potential contact with the White House regarding Erebor's application you stated, "OCC regularly engages with staff and officials across the executive branch in the normal course of fulfilling its statutory duties. These engagements occur as needed and in the appropriate fora."[15] Did you discuss Erebor's application with anyone at the White House or any member of President Trump's family? If so, please provide their names and the nature of the discussions.

6. In response to questions in my February 25, 2026, letter regarding potential contact with Erebor regarding its application you stated, "the OCC regularly meets with applicants for new bank charters."[16] Please list the date, location, and attendees for all meetings between the OCC and representatives of Erebor regarding its bank charter application. For each meeting, provide the agenda, topics discussed, and copies of any notes taken during these meetings.

7. Please provide a copy of Chief Counsel Adam J. Cohen's recusal from the Erebor matter or an applicable ethics waiver.

8. Have you ever discussed Erebor's application with Mr. Cohen either before or after he joined the OCC as Chief Counsel?

9. When hiring Mr. Cohen for the Chief Counsel position, were you aware he served as counsel to Erebor and submitted the company's charter application?

10. In response to questions in my February 25, 2026, letter you confirmed that Erebor Bank was allowed to open without a permanent Chief Risk Officer, who had left the bank suddenly. You stated, "In this case, the OCC staff who were engaged in the chartering process were satisfied by the appointment of a well-qualified interim CRO prior to the bank's opening."[17]
    a. Why did the Chief Risk Officer listed in the charter application depart the bank?

[15] *Id.*
[16] *Id.*
[17] *Id.*

b. Who is the interim Chief Risk Officer?

Sincerely,

Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs

Banking Memo

Objective: The Bank is obtaining a de novo national bank charter for the innovation economy, serving companies in virtual currency, defense, artificial intelligence, and manufacturing among other tech sectors.

The Core Offering:

1. **Deposits**: supported both in fiat and in stablecoins, enabling 24/7/365 money movement. Explicit loan covenants with companies and individuals securing deposits create a sticky deposit base.

2. **Lending**:
    a. Lines of credit collateralized by private securities, crypto, public securities
    b. Industrial loans collateralized by GPUs, turbines, factories, etc…
    c. Venture debt
    d. Capital call lines of credit

3. **Services**:
    a. Payments APIs (SaaS fees)
    b. Stablecoin clearing, enabling other banks to accept stablecoin deposits
    c. "The Vault": Treasuries and money market funds offering yield combined with intraday liquidity for wires / ACH (to be built out as bank scales)

4. **Timeline**: Receive bank charter in less than 6 months from submission around 5/25.
    a. Preliminary conditional approval in <4 months.
    b. Final approval in ~3 months.
    c. Co-Founder's unique connectivity to banking regulators (especially Jonathan Gould, next Comptroller) + Palmer's political network will get this done.

5. **Financials**: all capital raised will be used for regulatory capital, not for operations. The Bank will be profitable by month 6 of operating.
    a. Conservative loan to deposit ratio: 50% max; most banks are at 80-90%. Over time, the Bank will become the lowest loan/deposit ratio bank in the country (current lowest is 16%) given the Vault product.
    b. Conservative investment portfolio: only Treasuries and agency-backed securities. Bank always holds 60%+ high-quality liquid assets as a percentage of liabilities.
    c. Origination focus: The Bank intends to originate and syndicate / sell loans, receiving fee income through servicing, rather than storing loans on its books.

The Bank will be the first commercial, non-Wall Street bank doing this at scale, creating income more akin to SaaS.

   d. Revenue through: (i) lending net interest income, (ii) Treasuries management (~30bps annually; off balance sheet so without capital held against it), and (iii) payments and stablecoin clearing SaaS fees.

6. Lending to currently underserved segments will be supported by general credit expertise (e.g. for GPUs, Chief Credit Officer has deep background in equipment financing) and sector-specific focus (e.g. for GPUs, a specialist GPU lender who comes from a datacenter builder).
   a. Asset-backed lines of credit for crypto (90-365 days): Up to 80% loan-to-value ratio with collateral held by a third-party custodian (e.g. Anchorage). Average interest of 8-10% based on fully collateralized DeFi pools as benchmark. Underwritten based on corporate/personal ability to repay (cash flows) and collateral.
   b. Asset-backed lines of credit for private securities (90-365 days): <50% loan-to-value ratio with personal guarantee. Average interest of 10-12% benchmarked to loans outstanding today. Underwritten based on personal ability to repay (cash flows) and collateral.
   c. GPU financing (2-4 years): Up to 90% loan-to-value ratio with chips as collateral plus recourse to the company undertaking the project. Average interest of 20% without recourse / 15% with recourse / 10% with recourse and guarantee from datacenter customer (e.g. Meta), benchmarked to loans outstanding today. Opportunity to take the contract itself with the datacenter customer as collateral as well. Underwritten based on specific datacenter's cash flows and collateral.

7. **DeFi Opportunities**:
   a. Short term, the Bank sees an opportunity to create new methods of risk and credit scoring based on on-chain history tied to specific wallets for its own underwriting.
   b. Medium term, the Bank can use an affiliated broker-dealer to route customer assets to DeFi protocols when explicitly directed by customers, who have a menu of options (e.g. checking, savings, Treasury, Aave, Morpho, Ethena) based on risk appetite.
   c. Longer term, the Bank can deploy its own assets into DeFi when there are no attractive direct loans, serving as a source of net interest income for otherwise underutilized assets.
   d. Leveraging its connectivity with the admin and its position as an OCC-regulated institution, the Bank will surface novel issues related to increasing access from within the regulated financial system and work to create guidance that will drive additional liquidity to DeFi.

8. **Management**
    a. Founder: Palmer Luckey
    b. Co-Founder: Trevor Capozza
    c. Co-Founder/Co-CEO: Sales, marketing, and regulatory: Jacob Hirshman
    d. Co-Founder/Co-CEO: Product, credit, and customer success: Owen Rapaport
    e. Co-Founder/CTO: Aaron Pelz
    f. Chief Risk Officer: Joshua Rosenberg
    g. Chief Financial Officer: Ricky Grant
    h. Chief Credit Officer: Vlad Dubinsky

9. **Fundraising Proposal**
    a. The best late-stage and public banks trade at 6-8x book (Nubank at 8x, Monzo at 6x, Starling at 6x). Earlier stage, more innovation, and with Palmer involved, we're raising at ~7.2x book value.
    b. Conservative intended outcome after the first 3 years of operations is ~$10B business.
    c. Targeting $225M on $2B at ~7.2x book (w/ ~275m cash on books)