



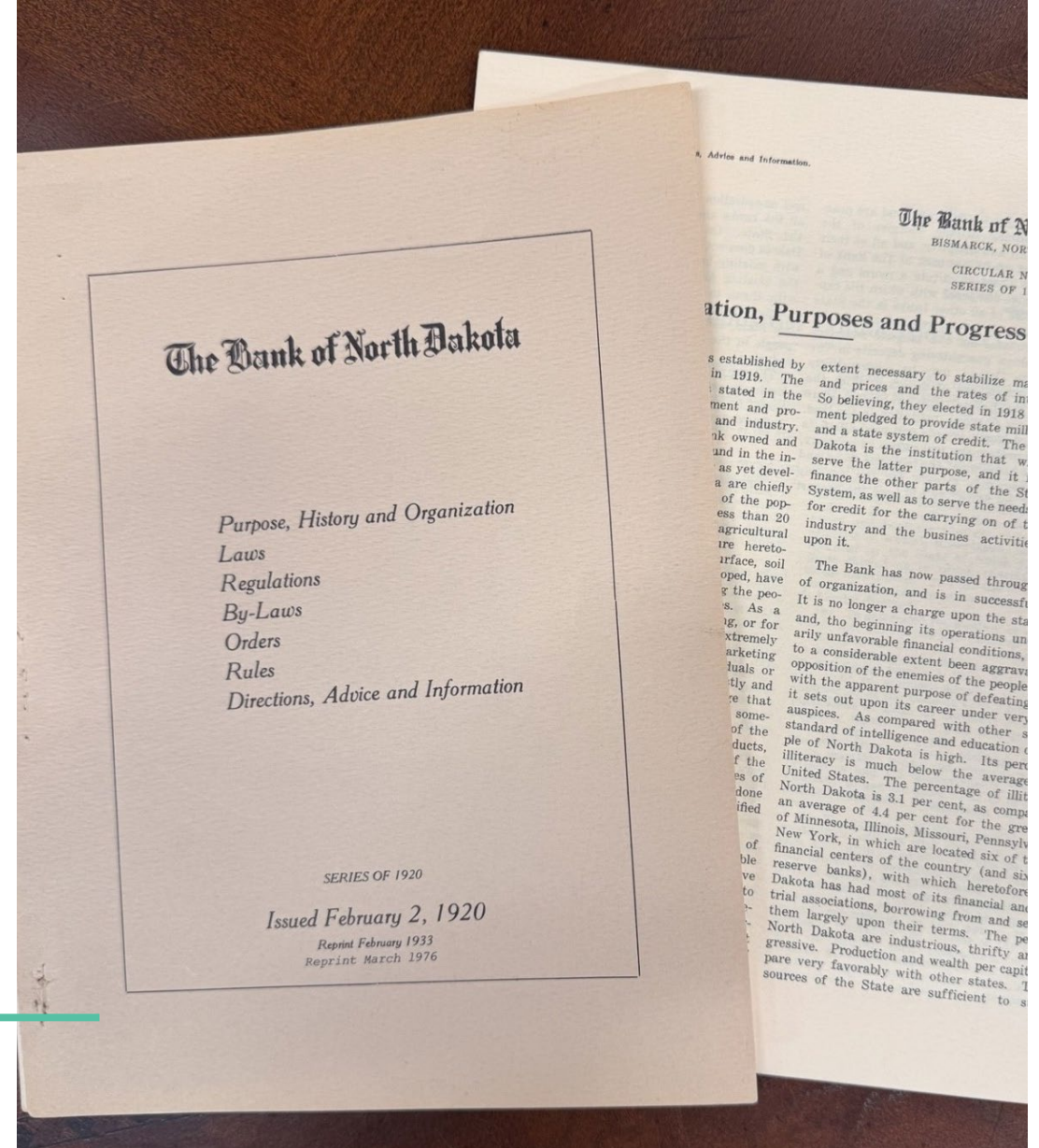
Bank of North Dakota / Roughrider Coin
Rick Geloff, Chief Innovation Officer

Bank of North Dakota

Bank of North Dakota 107 Years

“The Bank of North Dakota was established by Act of the State Legislature in 1919. The purpose of creating the Bank is stated in the Act, as being for the **encouragement and promotion of agriculture, commerce, and industry...**”

Source: *The Bank of North Dakota: Purpose, History and Organization* (1919)





Bank of North Dakota
Leaders

“...Bank of North Dakota will need the support and cooperation of all the people, as well as of all the banks and other financial institutions of the State. On its part, Bank of North Dakota **does not propose to enter into** competition with existing banks, or to supplant any part of the existing financial system; **but to cooperate** with them, **to assist in their development**, and **to coordinate all parts** of the financial service of the State, so as best to meet the needs of the people in the carrying on of their business and industry...”

Source: The Bank of North Dakota: Purpose, History and Organization (1919)

BND Timeline

1919

\$2 million capital

1930's

Depression Era
(teacher warrants,
Farm, rents)

1960's

Public/Private
Ptshp., Business
Ag, Student, etc.

1990's

Floods, Storms,
Disasters,
Booms/Busts, etc.

2000's

Shutdowns, PPP,
CPR, PACE, Leg.
Programs, SAVE,
SMART

Today

\$10.6 billion assets
\$1.2 billion capital

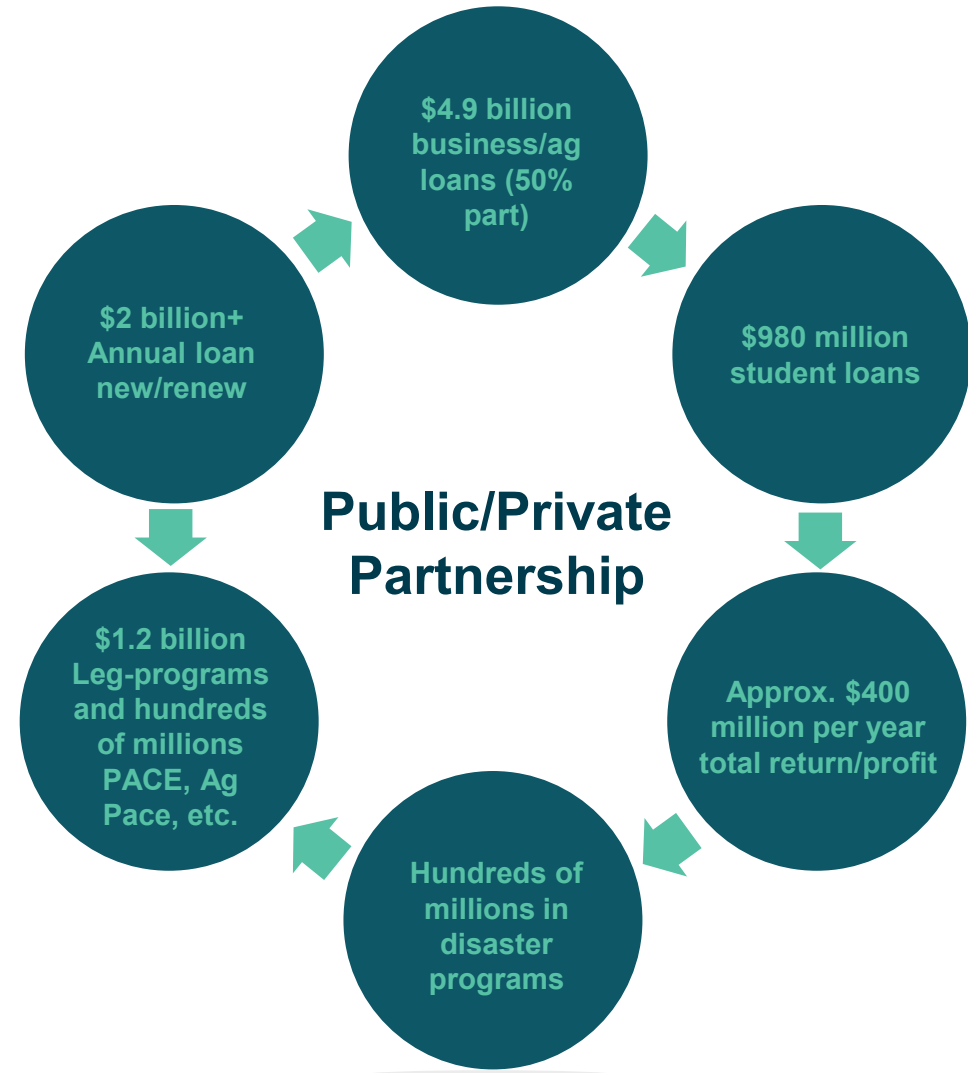
91 Financial Institutions In North Dakota

***States with the highest banks per capita
(branches per 100,000 residents).***

As of June 2023:

- 01** North Dakota: 50.9 branches
- 02** South Dakota: 48.8 branches
- 03** Nebraska: 48.2 branches

Source: www.depositsaccount.com – 2023



Bank of North Dakota Verticals



Disasters (Below Market)

- Hundreds of millions
- Floods, Fire, Drought, Storms
- Agriculture
- COVID: PPP, CPR, etc.
- Federal shutdowns



Student Lending (Market Rate)

- \$969 million
- College SAVE
- Smart with My Money
- Education Outreach



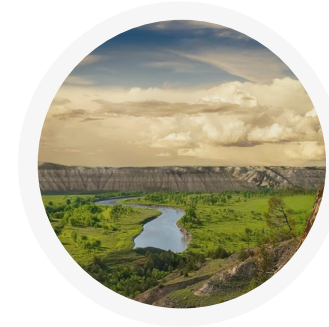
Participation Lending (Market Rate)

- \$4.9 billion
- 91 FI's
- 50% Part Rate
- \$10 billion to State



Legislature-Directed Programs (Below Market)

- \$1.2 billion
- 26 Programs
- PACE, Ag PACE
- School Construction
- Infrastructure
- CSEA
- Beginning Farmer



Mission-Based

- Creative economic development
- Special Projects
- Strategic to State
- Advisorship (FI's, Leg, Exec branch, etc.)
- R-WISH
- STAND
- Correspondent Services



NEW

Fintech (Market Rate)

- B3 Sandbox
- Roughrider Coin
- Upper Midwest Regional Correspondent Services



Bank Services

To Financial
Institutions and
State Agencies

PMT DISPUTES BOND ACCOUNTING
LOAN PAYMENTS FED SETTLEMENT STRESS TESTING
PUBLIC DEPOSITS PLEDGING FOREIGN CURRENCY
COIN & CURRENCY ABLE PLAN PAYMENT AGENT
TRUSTEE SWEEPS ACH MERCHANT SERVICES
GOV'T SECURITY PURCHASES LETTERS OF CREDIT WIRES ACCOUNTS
ANALYTICS ESCROW CERTIFICATES OF DEPOSIT
SAFEKEEPING FED FUNDS POSITIVE PAY
ITEM PROCESSING COLLATERAL VALUATION BOND REGISTRAR
REPURCHASE AGMTS DIRECT CASH MGMT OIL & GAS BONDING

Strengthening Financial Infrastructure

B3 Group

B3 Group is about building a stronger, more resilient financial foundation.

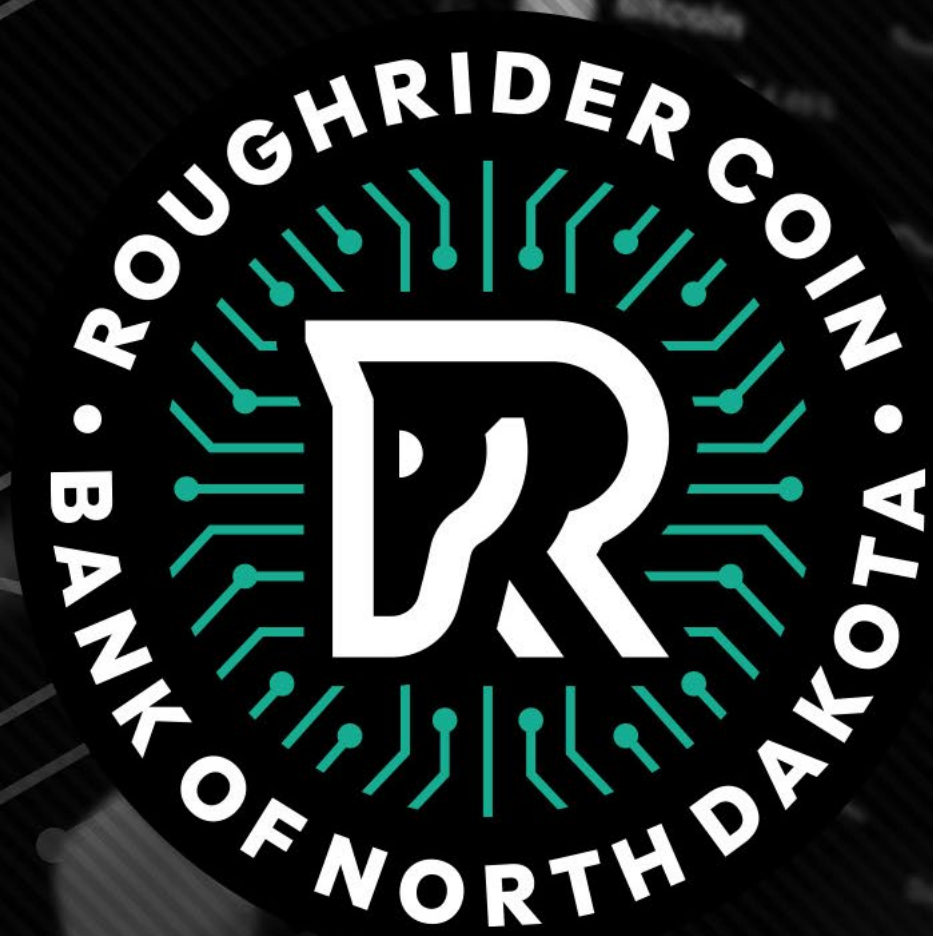
Every community and every financial institution plays a role in reinforcing our financial infrastructure while maintaining the local decision-making that defines our independence.



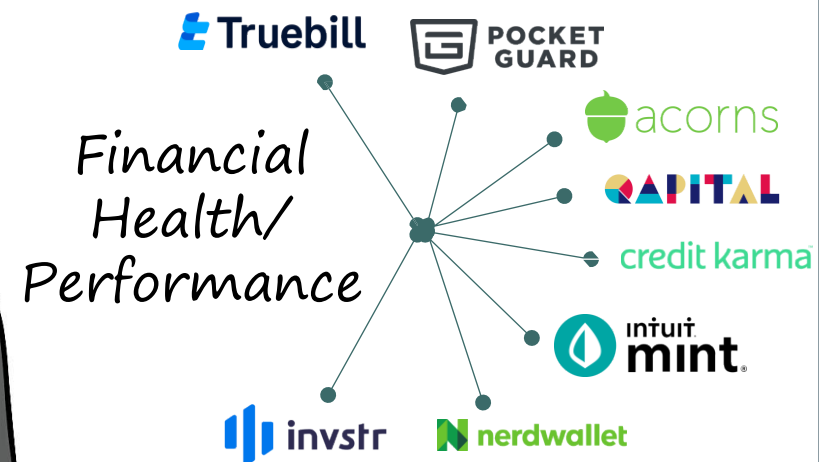
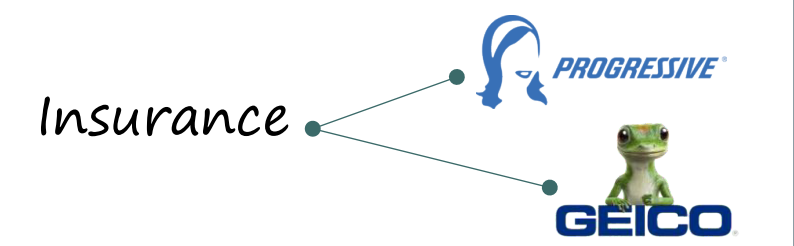
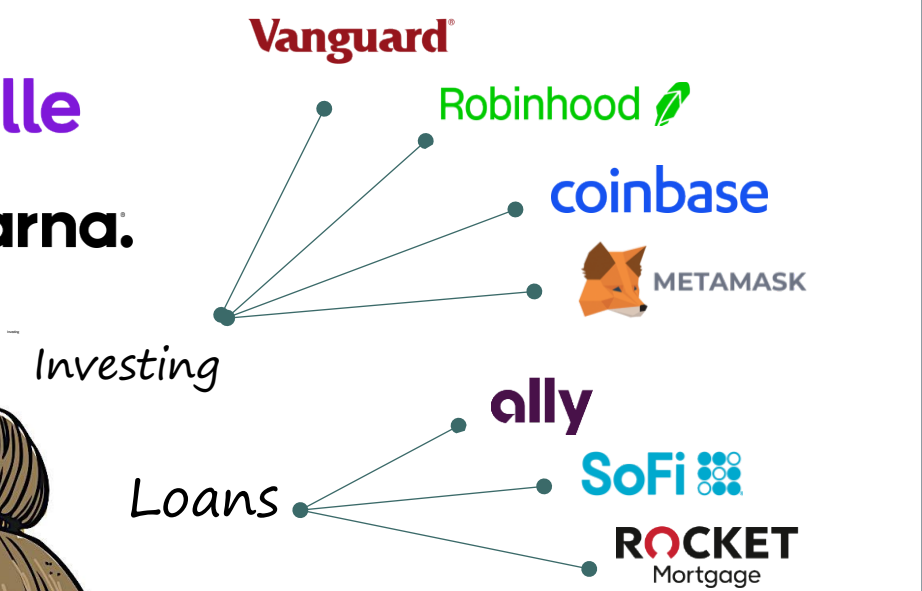
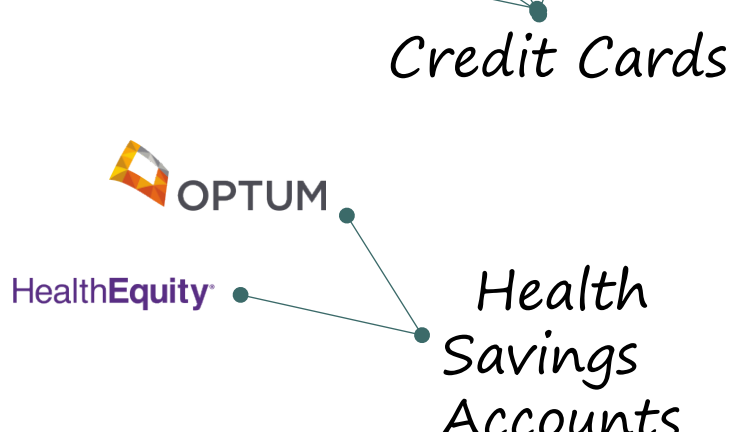
North Dakota
Financial
Institutions (FIs)

+

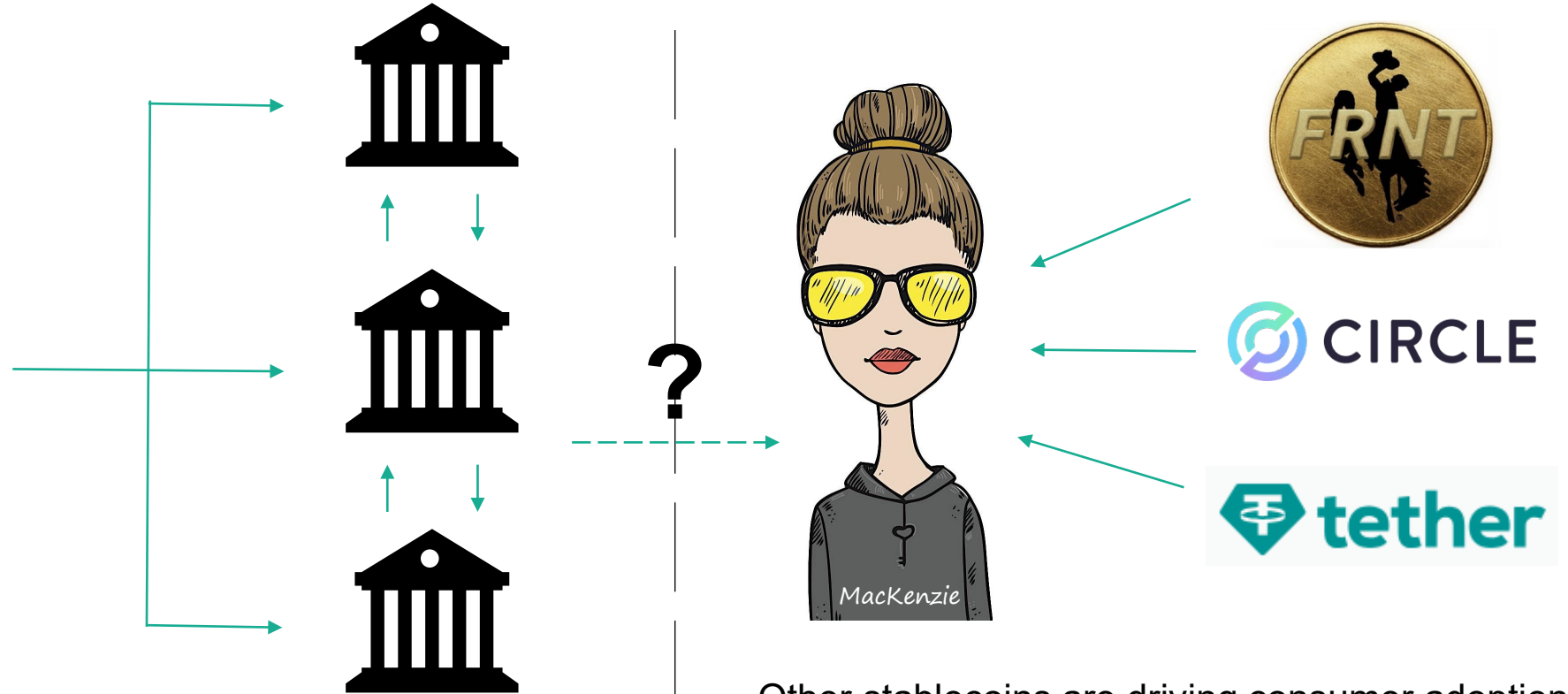
BND
Bank of North Dakota



WHY NOW?



Roughrider Coin Infrastructure




Roughrider Coin is “infrastructure” for local financial institutions to transfer funds while maintaining deposits on their balance sheets.

Other stablecoins are driving consumer adoption and will divest deposits from local financial institutions, shrinking their balance sheets.


Bank-to-Bank Transaction

Bank A

Step 1  Initiate transfer of \$10K Using RRC



Bank B

Step 6  Convert 10,000 RRC Into \$10K Deposit

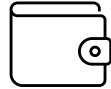
Step 2  Mint 10,000 RRC Record on Blockchain



Step 5  Blockchain Approved Record 10,000 RRC

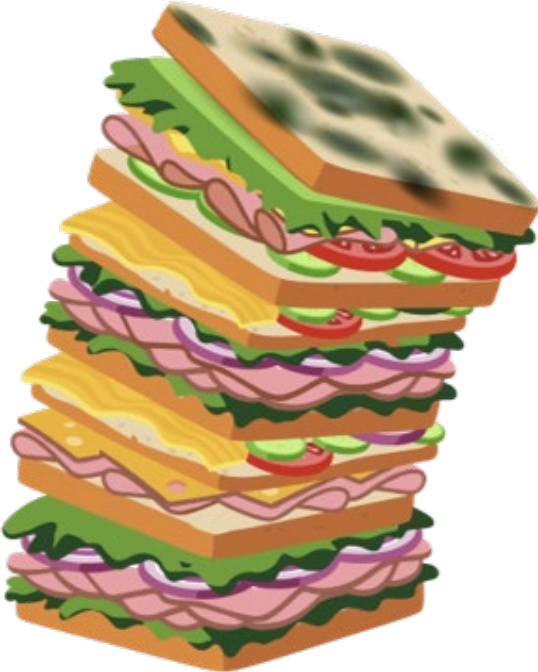
Step 3  Send 10,000 RRC to Bank B's Wallet



Step 4  Monitor and Receive 10,000 RRC Into Wallet

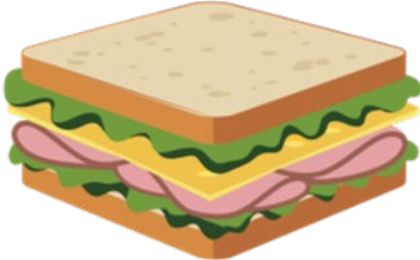
ACH vs. Stablecoin

ACH (Standard) Sandwich



- Commercial Center
- To BND
- ACH (Standard)
- To the Fed
- 1-3 Days
- Back to BND
- Credit/Debit
- To Ending FI

Stablecoin Sandwich



- Commercial Center
- Roughrider Coin
- Send
- To Ending FI

The Role of Bank of North Dakota

- **BND is the infrastructure provider** and program steward. It integrates RRC into the Bank's core systems, governs policy and controls, oversees vendors, maintains alignment with the GENIUS Act standards for reserves and compliance, and coordinates reporting to leadership and the Industrial Commission.
- **BND's role is to equip community banks and credit unions with modern capabilities** while keeping settlement activity inside North Dakota's regulated banking ecosystem.
- **Participation by institutions is voluntary.** BND will provide education, outreach, and onboarding support so each bank and credit union can decide if and how RRC fits into its strategy, risk posture and operations.

High-level Operating Model

- Under one agreement with Fiserv, RRC connects a bank-to-bank settlement asset to the BND's core. Fiserv Regulated Trust provides minting, reserve management and redemption with one-to-one reserves.
- Fireblocks provides secure institutional wallets and transaction orchestration using multiparty computation.
- Solana provides high speed settlement with programmable compliance features and proof of reserves. BND maintains governance and oversight across this integrated ecosystem.
- Institutional users do not handle digital assets directly. Solana network fees are prepaid by Fiserv Regulated Trust, and BND invoices institutions in U.S. dollars (USD) on a predictable monthly cycle. This keeps operations familiar and simple for treasury and accounting teams.

Benefits to North Dakota Financial Institutions

- **Operational speed and reliability:** Continuous real-time settlement reduces cut-off constraints, manual reconciliation, and delays in loan payoffs, funding, and liquidity transfers. Institutions gain improved visibility and control across treasury operations.
- **Lower costs:** Target pricing is lower than legacy payment rails and removes file-based charges, with sub-cent network fees managed centrally. Institutions receive simple monthly USD invoices.
- **Transparency and auditability:** Integrated reporting and programmable compliance provide clear audit trails, sanctions screening and transaction monitoring without bespoke builds by each institution.
- **No major platform build:** There is no standalone platform build for BND, and financial institutions avoid multimillion-dollar investments and specialized staff. The state delivers a turnkey option that levels the playing field for community banks and credit unions.
- **Preserves community banking:** Offering modern rails through a state-aligned model, RRC helps retain deposits and lending capacity within North Dakota, supporting agriculture, commerce and industry.
- **Voluntary adoption:** Banks and credit unions can participate if and when it aligns with their strategy. Roughrider is optional and complementary to existing methods such as wires and ACH.

Implementation Plan

- Phase 1 focuses on internal and interbank settlement. Readiness work includes core integration, wallet policy configuration, reserve procedures, compliance tooling, vendor service levels, pilot transactions with selected institutions, and go-live with onboarding in waves.
- Reporting cadence to BND leadership, advisory board, and the Industrial Commission will include performance, compliance and risk metrics along with roadmap status.
- BND Advisory Board and Industrial Commission will review in late March. The first transaction is anticipated for late summer or early fall of 2026.

What is Success?

RRC equips North Dakota's community banks and credit unions with a modern payment rail that is secure, compliant, and cost-effective, keeping North Dakota's money moving within North Dakota's financial ecosystem. Participation remains voluntary, and the state provides the infrastructure so institutions can adopt when it fits their strategy:

- Faster, lower-cost settlement for daily institutional transactions
- Improved liquidity visibility and reconciliation for loan operations and treasury teams
- Transparent compliance and audit readiness across the network
- Preservation of community banking through a modern state-aligned rail that keeps activity within North Dakota

A photograph of a modern, multi-story office building with a prominent glass facade. The building has a curved section on the left and a more rectangular section on the right. An American flag and another flag are flying on a tall pole in front of the building. Two large evergreen trees are positioned in front of the glass facade. The sky is blue with some light clouds. The text "Thank You!" is overlaid in the center of the image.

Thank You!

Bank of North Dakota