Key Takeaways

- Bank Chain Alliance (BCA) has reached 42 states with signed LOIs, with Alaska and New York being the most recent additions.
- Bank membership is approaching 90 institutions, up from 79 as of October 15th, with Massachusetts, Iowa, and Missouri leading in bank sign-ups.
- Membership dues are structured at $3 per million in assets, with a minimum of $2,500 and a maximum of $50,000.
- Phase two technology due diligence is ongoing; a technology partner recommendation is expected within approximately 90 days (end of November/December).
- Pilot testing is targeted for early Q1, with broader implementation waves potentially beginning late Q1 to early Q2 (if all conditions are met).
- Councils and working groups have been formally stood up; initial kickoff meetings are expected before the end of October.
- ABA is actively supporting BCA, including a speaking opportunity at the ABA Annual Convention in October.
- ICBA is engaged in monthly check-ins and providing consultative support through Wade Peary.
- A membership welcome package and updated marketing materials (promo video, membership overview video, Q&A page) are being finalized and posted to the BCA website.

Discussed Topics

1. State LOI Progress and Alliance Growth

Jackson (Missouri Bankers) opened the meeting with an update on the overall growth of Bank Chain Alliance.

- **Details**
    - Missouri Bankers: 42 states have now signed LOIs, with Alaska and New York joining most recently. Additional states are still in board discussions and are expected to join.

    - Missouri Bankers: BCA has been invited to present at the ABA Annual Convention in October, where Brooke will lead a discussion with Jackson and Howard on the state of the alliance.

- **Conclusion**
    - BCA has achieved significant geographic reach in a short period, with momentum expected to continue toward near-full state participation.

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2. Bank Membership Status and Growth

Kim and Kathy provided a detailed update on bank membership numbers and the registration process.

- **Details**
    - kimberlyaskwith: As of October 15th, 79 banks had joined BCA. As of the meeting date, the number is approaching 90.
    - kimberlyaskwith: Massachusetts is leading in bank sign-ups, followed by Iowa and Missouri.
    - Kathy: The goal is to have the inaugural membership pool established, with committees actively driving bank input rather than relying solely on state executives.
    - kimberlyaskwith: A membership welcome package is being finalized and will be sent to newly joined members that week.
    - Jason: Asked whether there is a target number of bank members. kimberlyaskwith responded that approximately 500 organizations within 6 months is a working target, with a potential of around 1,000 by year-end.
- **Conclusion**
    - Bank membership is growing rapidly. A target of approximately 500 members within 6 months has been discussed, with optimism for reaching 1,000 by year-end.

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3. Membership Registration Process and Website Walkthrough

Rich Perez walked through the BCA website and the back-end membership management system.

- **Details**
    - Rich Perez | TBA: The membership page is live and includes a real-time dues calculator. Banks can apply directly online, select their state, and indicate association affiliation, which triggers a notification to the relevant state bankers association.
    - Rich Perez | TBA: The back-end system allows Kim and Kathy to review applications, approve entities, and trigger invoicing (including W-9 and ACH information) automatically.
    - Rich Perez | TBA: State association executives will have access to a state-specific view of their member banks' application statuses. Each state exec will only see their own state's data.
    - Rich Perez | TBA: Videos (promo and membership overview) will be posted to the website later that day.
    - kimberlyaskwith: All incoming bank inquiries are currently being managed manually through Kim's inbox, with state associations copied on relevant communications.
    - Bruce: Asked when a list of banks from each state that have joined would be available. kimberlyaskwith confirmed an extract would be sent out to state execs on the same day as the meeting.
    - Duncan Campbell: Requested notification of which member banks in each state have joined councils or working groups. kimberlyaskwith confirmed this would also be shared.
- **Conclusion**
    - The website and back-end system are functional and improving. State execs will receive a bank membership extract same day and will be kept informed of council/working group participation.

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4. Membership Dues Structure

Rick Clayburgh raised a question about whether membership requires a financial commitment.

- **Details**
    - Rick Clayburgh: Asked whether bank membership requires a financial contribution or is simply an expression of interest.
    - kimberlyaskwith: Confirmed that membership requires payment of first-year dues, calculated at $3 per million in assets, with a minimum of $2,500 and a maximum of $50,000. A dues calculator is available on the website.
    - Kevin: Asked whether dues are prorated for banks joining mid-year. kimberlyaskwith confirmed they would be prorated.
    - Kathy: Noted that the board has not yet decided when inaugural membership will close, and that this will be discussed further, potentially at the November in-person meeting.
- **Conclusion**
    - Membership requires payment of first-year dues. Dues are prorated for mid-year joiners. The closing date for inaugural membership has not yet been determined.

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5. Value Proposition and Marketing Messaging for Banks

KarlAdam raised concerns about how to communicate the value of joining BCA to member banks, particularly given the uncertainty of a new initiative.

- **Details**
    - KarlAdam: Expressed concern about how to reassure banks that their membership investment is worthwhile, especially if the initiative does not succeed.
    - kimberlyaskwith: Emphasized that banks are joining to help architect the network from the ground up, and that the energy and commitment behind BCA make failure unlikely.
    - Missouri Bankers: Highlighted that the cost of membership is low relative to the potential upside, particularly for banks under $1.6 billion in assets where dues are $2,500–$5,000. Argued this is a rational investment even in a worst-case scenario.

    - Adam Gregg - Iowa Bankers: Shared that framing membership as an opportunity to build a bank-owned, bank-governed network from the ground floor has resonated strongly with Iowa banks.
    - Chris: Explained that BCA's model is fundamentally different from other networks, which typically secure investment capital first and then build the network. BCA has built the network first, ensuring banks have a seat at the table in governance and technology decisions.
- **Conclusion**
    - The low cost of entry, the bank-owned governance model, and the opportunity to shape the network from inception are the primary value propositions for bank membership.

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6. Councils, Working Groups, and Committee Formation

Kathy and Kim provided an update on the formation of governance committees.

- **Details**
    - kimberlyaskwith: The nomination process for councils and working groups closed the previous Thursday. Selected council members were notified last week; working group members will be notified that week.
    - kimberlyaskwith: Initial kickoff meetings for all councils and working groups are expected before the end of October. Draft charters and mandates will be socialized at those meetings.
    - Kathy: Emphasized the importance of having actual bankers driving the process, not just state executives.
- **Conclusion**
    - Councils and working groups are formally established. Kickoff meetings are expected before the end of October.

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7. Marketing Assets and Resources for State Bankers Associations

Andee and Rick Clayburgh asked about available marketing materials for state associations to use when promoting BCA to their member banks.

- **Details**
    - kimberlyaskwith: Available and forthcoming assets include a promo video, a membership overview video, a newsletter, Q&A documents posted to the website, and a membership welcome package.
    - kimberlyaskwith: Regional bank webinars are being planned, with the first expected before the end of October or early November. In the interim, Kim is available to join state association calls to present directly to banks (as was done with Kansas Bankers Association).
    - Rick Clayburgh: Asked where to find marketing resources. kimberlyaskwith confirmed they will be accessible via the membership section of the BCA website, and a notification email will be sent once published.
    - Andee: Asked whether a login would be required to access posted materials. kimberlyaskwith clarified that the promo and membership overview videos will be publicly accessible, while a deeper members-only section will require a login.
- **Conclusion**
    - Marketing materials are being finalized and will be posted to the BCA website. State execs will be notified by email. Regional webinars are planned for late October or early November.

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8. Technology Due Diligence and Timeline

Duncan Campbell asked for an update on the technology provider selection process and projected launch timeline.

- **Details**
    - kimberlyaskwith: Phase two due diligence is currently underway. A technology partner recommendation is expected within approximately 90 days, targeting end of November to December.
    - kimberlyaskwith: If due diligence is successful, a pilot phase involving approximately 15 banks of various sizes is planned for early Q1. Customer-facing use cases would follow in late Q1 to early Q2, assuming all conditions are met.

- Missouri Bankers: Advised caution about over-promising on timelines, suggesting that a Q2 2027 beta or active testing phase would be a strong outcome.
- Duncan Campbell: Asked whether a Q1 2027 launch is realistic. kimberlyaskwith indicated it is possible but contingent on technology validation.
- kimberlyaskwith: Noted that most major competing networks cannot begin piloting until end of 2027, and stablecoin capabilities are not expected from competitors until 2028, positioning BCA favorably.
- Rick Clayburgh: Asked whether BCA is working with a third party that already has a solution or one that will develop one from scratch. kimberlyaskwith clarified that finalists already have existing solutions, and BCA is seeking an ownership stake rather than a turnkey vendor arrangement. Building from scratch was considered but ruled out due to cost and time-to-market concerns.
- KarlAdam: Asked why BCA is ahead of or on par with other technologies in this space. kimberlyaskwith explained that BCA's RFP process prioritized partners with existing, deployable technology and favorable governance and interoperability terms, filtering out later-stage competitors.

- **Conclusion**
  - Technology partner selection is expected by end of November/December. Piloting is targeted for early Q1, with broader rollout in late Q1 to early Q2 if conditions are met. BCA is competitively positioned relative to other networks in the market.

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9. ICBA and ABA Engagement

Adam Gregg asked for a status update on outreach to ICBA.

- **Details**
  - kimberlyaskwith: BCA is holding monthly check-in meetings with ICBA, sharing updates and receiving market intelligence.

    - Peter: Added that ICBA has been very helpful, with Wade Peary serving as a consultant and providing deep expertise. Both ABA and ICBA are providing meaningful support.

- **Conclusion**
    - Both ABA and ICBA are actively engaged with BCA. ICBA is participating in monthly check-ins and providing consultative support.

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10. North Dakota State Bank (Bank of North Dakota) – Roughrider Coin

Rick Clayburgh shared a relevant development from North Dakota.

- **Details**
    - Rick Clayburgh: The state-owned Bank of North Dakota recently went live with its Roughrider coin after completing beta testing, now available to member banks in the state.
    - kimberlyaskwith: Acknowledged the milestone and noted that she and Rick Jelliff are in close communication regarding this development.
- **Conclusion**
    - The Roughrider coin launch is a notable development in the broader digital payments landscape and is being monitored by BCA leadership.

Challenges

- Kim is managing all incoming bank membership inquiries manually, creating a significant workload as membership grows rapidly toward 90 and beyond.
- State association executives currently lack real-time visibility into which of their member banks have joined BCA or been selected for councils/working groups; this is being addressed but not yet fully resolved.
- Marketing materials and the members-only website section are still being finalized, leaving some state execs without complete resources to promote membership to their banks.
- The closing date for inaugural membership has not been determined, creating some uncertainty for banks and state associations about timing.

- Technology partner selection is still in progress, making it difficult for state execs to answer detailed questions from banks about the specific technology solution.
- Some state associations (e.g., North Dakota) have competing or complementary digital payment initiatives (Roughrider coin) that may create questions about BCA's positioning.
- Regional bank webinars have not yet launched, leaving state execs as the primary point of contact for bank questions in the interim.

Action Items

- **kimberlyaskwith**
    - Send a state-by-state extract of current bank members to all state association executives (same day as meeting)
    - Send a list of which banks in each state have joined councils or working groups to state association executives
    - Continue responding to all incoming bank membership inquiries daily
    - Finalize and distribute the membership welcome package to newly joined members (that week)
    - Coordinate with Rich Perez to ensure promo video and membership overview video are posted to the BCA website (same day as meeting)
    - Send a notification email to all state execs once marketing materials are live on the website
    - Plan and launch the first regional bank webinar (target: before end of October or early November)
    - Continue making herself available to join state association calls to present BCA to member banks
- **Rich Perez | TBA**
    - Post promo video and membership overview video to the BCA website (same day as meeting)
    - Send login credentials to any state association executives who do not yet have access to the back-end website portal

    - Continue building out the members-only section of the BCA website as the authoritative information hub for bank members

- **Kathy**
    - Facilitate board discussion on the closing date for inaugural membership (target: November in-person meeting or sooner)
    - Continue supporting state execs with communication and information sharing
- **Missouri Bankers (Jackson)**
    - Maintain regular monthly call cadence with state association executives
    - Present at ABA Annual Convention in October alongside Brooke and Howard on the state of Bank Chain Alliance
- **BCA Board / Leadership**
    - Complete phase two technology due diligence and deliver a technology partner recommendation (target: end of November/December)
    - Finalize board nomination process and communicate timeline to state associations
    - Determine and communicate the closing date for inaugural membership
    - Organize and launch initial council and working group kickoff meetings (target: before end of October)
    - Develop and execute an overarching marketing and communications plan, including newsletters, webinars, and member portal updates