

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into by the Attorney General of the State of California (“Attorney General”), on behalf of the People of the State of California, and Fidelity Digital Assets, National Association (“FDA”), as successor to Fidelity Digital Asset Services, LLC (“FDAS”). The Attorney General and FDA are hereinafter collectively referred to as the “Parties.”

RECITALS

WHEREAS, the Attorney General, as head of the California Department of Justice, conducted an investigation pursuant to the powers conferred by Article 2 of Chapter 2 of Division 3 of Title 2 of the Government Code of California (Cal. Gov. Code § 11180 et seq.) into the sale and control of cryptocurrencies by FDAS;

WHEREAS, the Attorney General, based on his investigation, believes that there is an evidentiary basis for potential legal claims by the Attorney General against FDAS for violations of the California Commodity Law of 1990 in connection with those services;

WHEREAS, from November 2022 through April 2025, pursuant to its Customer Agreement and other disclosures, FDAS’s retail customers in California were able to buy and sell cryptocurrencies on FDAS’s platform but not able to transfer cryptocurrencies directly off FDAS’s platform;

WHEREAS, FDAS’s prudential regulator at the time did not approve such transfer functionality until April 2025, after which FDAS rolled out the functionality to all of its California customers by June 2025;

WHEREAS, effective December 12, 2025, FDAS converted into a national trust bank that is regulated by the U.S. Office of the Comptroller of the Currency and is now doing business as FDA;

WHEREAS, FDA denies all claims of wrongdoing, damages, and liability whatsoever to the Attorney General or the People of the State of California; and

WHEREAS, FDA, without admitting any violation of law, enters into this agreement and agrees to abide by the terms and conditions set forth below.

TERMS AND CONDITIONS OF THIS AGREEMENT

In consideration of the mutual promises, covenants, and obligations set forth in this Agreement, and for good and valuable consideration as stated herein, the Parties stipulate and agree as follows:

1. **Operation of FDA.** As of the date of this Agreement, FDA's California customers have the ability to transfer their cryptocurrency assets from FDA to external cryptocurrency wallets, in accordance with, and subject to, any applicable laws, rules, and regulations. If FDA decides to cease providing transfer functionality as a feature of its offering to retail customers, then FDA will provide reasonable written notice to its California customers. Notwithstanding the foregoing, this shall not limit FDA's ability to restrict or disallow transfers to ensure the safety and security of FDA's platform and/or individual account holders.
2. **Tax-Advantaged Accounts.** FDA plans to launch in California Fidelity Crypto® IRA accounts, consistent with tax-advantaged accounts currently offered by FDA in other states. Notwithstanding Paragraph 1, FDA does not provide—and this Agreement does not obligate FDA to provide—transfer functionality for such tax-advantaged accounts that are subject to federal law, including but not limited to 26 U.S.C. § 408, or any accounts for which any

federal law or regulation imposes specific requirements for the nontaxable transfer (including a direct rollover) of assets from one tax-advantaged account to another.

3. **Payment.** FDA agrees to pay a total sum of \$500,000 (five hundred thousand dollars) in recognition of the Attorney General's fees and costs incurred in connection with this investigation, and to be incurred in connection with the terms of this Agreement, and in settlement of all potential claims released by the Attorney General under this Agreement. Payment shall be made to the Attorney General by electronic funds transfer within thirty (30) days of receiving written payment processing instructions from the Attorney General.
4. **Covered Conduct.** "Covered Conduct" as used herein is defined as any conduct of FDAS from November 1, 2022 until June 20, 2025 related to the ability or inability of California customers to transfer cryptocurrency assets off FDAS's platform.
5. **Releases by the Attorney General.** Subject to the exceptions in Paragraph 6 (Excluded Claims), and conditioned solely upon FDA's full payment of \$500,000 to the Attorney General, in accordance with written payment instructions from the Attorney General, the Attorney General fully and finally releases FDA and FDAS, as well as their current and former parents, subsidiaries and affiliates, and each of their respective predecessors, successors and assigns, and all of their current and former directors, officers, members, owners, shareholders, employees, servants, agents, and representatives (together the "Released Persons") from any and all actual, potential, or threatened civil claims, demands, and/or causes of action relating to, concerning, or arising from the Covered Conduct that the Attorney General has against the Released Persons, including but not limited to claims under the California Commodities Law and any other civil claim under the laws of the State of California. The Attorney General executes this release in his official capacity and releases

only claims that the Attorney General has the authority to release for the Covered Conduct. The Attorney General and FDA acknowledge that they have been advised by their attorneys of the contents and effect of Section 1542 of the California Civil Code (“Section 1542”), which states:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Attorney General and FDA hereby expressly waive with respect to this Agreement any and all provisions, rights, and benefits conferred by Section 1542.

6. **Excluded Claims.** The following claims are specifically reserved and not released by this Agreement: (a) any liability based upon obligations created by this Agreement; (b) any liability of any person or entity other than the Released Persons; (c) any liability to the State of California, or its departments or agencies, for any conduct other than the Covered Conduct, including but not limited to liability under California criminal or tax laws or California or federal antitrust laws.
7. **Releases by FDA and FDAS.** FDA, on behalf of itself and FDAS, fully and finally releases the Attorney General and the State of California, and their political subdivisions, departments, agencies, and all their directors, officers, employees, servants, agents, and representatives from any claims, including claims for attorney’s fees, costs, and expenses of every kind and however denominated, that FDA or FDAS has asserted, could have asserted, or may assert in the future against them related to the Covered Conduct, to the extent released hereunder, and the investigation thereof.

8. **Good Faith Negotiation.** The terms of this Agreement were negotiated in good faith by the Parties and reflect a settlement that was reached voluntarily after full investigation, consultation with experienced legal counsel and arms-length negotiation.
9. **Authorization.** FDA represents and warrants, through the signatures below, that the terms and conditions of this Agreement are duly approved, and execution of this Agreement is duly authorized.
10. **Amendment.** This Agreement may not be amended except by an instrument in writing signed on behalf of all the Parties.
11. **Notice.** All notices, reports, requests, and other communications to any party pursuant to this Agreement shall be in writing and shall be directed as follows:

If to FDA, to:

Talis Seja
Chief Legal Officer
Fidelity Digital Assets, National Association
88 Black Falcon Avenue
Suite 167
Boston, MA 02210-2426
talis.seja@fmr.com

If to the Attorney General, to:

Kenny V. Nguyen
Deputy Attorney General
Office of the Attorney General
State of California
1300 "I" Street, Suite 925
Sacramento, CA 95814
Kenny.Nguyen@doj.ca.gov

12. **Governing Law.** This Agreement shall be governed by the laws of the State of California without regard to any conflict of laws principles.

13. **Jurisdiction.** In the event of any dispute arising from or relating to this Agreement, the Parties and the Released Persons submit and consent to the exclusive jurisdiction of the Superior Court of California, County of Sacramento.
14. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties, and supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Agreement.
15. **Severability.** If any provision of this Agreement or the application thereof to any entity or circumstance, for any reason and to any extent, is adjudicated to be invalid or unenforceable, neither the remainder of this Agreement nor the application of such provision to any other entity or circumstance shall be affected thereby, but rather shall be enforced to the greatest extent permitted by law.
16. **Ambiguities and Uncertainties.** Any ambiguities or uncertainties in this Agreement shall be equally and fairly interpreted and construed without reference to the identity of the party preparing this Agreement, on the understanding that the Parties participated equally in the negotiation and preparation of this Agreement, or have had the opportunity to do so.
17. **Execution in Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
18. **Effects of Agreement.** This Agreement is intended to be for the benefit of the Parties and the Released Persons only. This Agreement is not intended for use by any other third party in any other proceeding and is not intended, and should not be construed, as an admission of liability by the Parties or Released Persons in this or any other proceeding. Except in an action by the Attorney General to enforce the obligations of this Agreement, this Agreement

(i) may not be deemed or used as an admission of, or evidence of, the validity of any alleged wrongdoing, liability, or lack of any wrongdoing or liability; or (ii) may not be deemed, used, or construed by any other third party as an admission of, or evidence of, any such alleged fault or omission of the Parties or Released Persons in any civil, criminal, arbitration, or administrative proceeding in any court, administrative agency, or tribunal. Nothing in this agreement affects FDA's (i) testimonial obligations; or (ii) right to take any legal or factual position that may contradict an allegation in this investigation or this Agreement in litigation or other legal proceedings. Nothing contained herein shall be construed to create any other third-party rights or private rights of action or to deprive any person of any private right under the law.

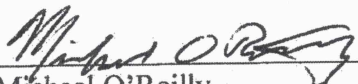
- 19. No Disqualification.** This Agreement is made without any notice or hearing or trial or adjudication or finding, by a court or otherwise, on any issue of fact or law, and is not a final order of any court or governmental authority. This Agreement is not intended to subject the Released Persons to any disqualifications contained in the federal securities laws or the Commodity Exchange Act, the rules and regulations thereunder (including, without limitation, Section 8a(2) or (3) of the Commodity Exchange Act; Section 3(a)(39) of the Securities Exchange Act of 1934; or Rules 504(b)(3) and 506(d)(1) of Regulation D, Rule 262(a) of Regulation A and Rule 503(a) of Regulation CF under the Securities Act of 1933), the rules and regulations of any self-regulatory organizations ("SROs"), Section 204(a)(2) of the Uniform Securities Act of 1956 or Section 412(d) of the Uniform Securities Act of 2002, or various states' securities laws, including any disqualifications from relying upon registration/licensing exemptions or safe harbor provisions. In addition, this Agreement is not intended to form the basis for any such disqualifications. This Agreement is also not

intended to form the basis of disqualification under the FINRA rules prohibiting continuance in membership absent the filing of a MC-400A application or disqualification under SRO rules prohibiting continuance in membership. This Agreement is not a final order of any court, is not based upon violations of the California Commodity Law of 1990 that prohibit fraudulent, manipulative, or deceptive conduct and contains no findings of the type described in Rule 803(8) of the Federal Rules of Evidence. This Agreement is not intended to disqualify the Released Persons from any business that they are otherwise qualified, licensed, or permitted to perform under the laws or regulations of California or any other federal or state jurisdiction, and does not impose any disqualifications from relying upon California's registration exemptions or safe harbor provisions.

- 20. Effectiveness.** This Agreement shall become effective and binding upon execution by the Parties hereto.

Dated: October 14, 2026

FIDELITY DIGITAL ASSETS, NATIONAL ASSOCIATION, as successor to
FIDELITY DIGITAL ASSET SERVICES, LLC



Michael O'Reilly
Authorized Signatory

Dated: October 14, 2026

PEOPLE OF THE STATE OF CALIFORNIA by
and through the Attorney General



Kenny V. Nguyen
Deputy Attorney General