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Nave Bank receives approval to start operating in Puerto Rico

The first digitally focused bank on the island aspires to offer banking services with more advantages and fewer obstacles, centered on the customer's experience.

With embargo until Tuesday, August 15, 2023

San Juan, PR (August 15, 2023) – Nave Bank, the first digitally focused local bank, has received authorization from the Federal Reserve Bank, the FDIC (Federal Deposit Insurance Corporation), and OCIF (the local Office of the Commissioner of Financial Institutions) to start operating on the island. This milestone will mark the first new bank in Puerto Rico in over two decades and only the fourth banking license approved this year in the United States and its territories.

Nave Bank's mission is to provide financial solutions that facilitate growth in the communities and propel Puerto Rico into the future. The bank's founding team is committed to exceeding the client's expectations; developing local talent; and offering banking services with more advantages and fewer obstacles, adding convenience with simplicity and transparency.

Nave Bank's CEO, Carlos M. García, emphasized that the team is fully aware of the responsibility that represents being the first community bank with a digital focus in Puerto Rico, and the first new banking license in the island in 24 years. The CEO pointed out that, from 1995 to the present, the number of active banking institutions

in Puerto Rico decreased from 21 to 6. He added that 90% of the local activity is concentrated in only three banks.

The team behind Nave Bank's launch is a blend of seasoned veterans from the local and U.S. banking industry, complemented by a talented group of professionals skilled in technology, business management, finance, and other diverse industries. Many of these talented professionals were trained by Forward 787, a talent development program created by Red Ventures after Hurricane Maria.

Nave Bank will become a Minority Depository Institution (MDI) and will scale up its operations in phases. The initial offering will focus on providing digital and accessible financial solutions to businesses in Puerto Rico. Once it completes all the phases, Nave Bank will provide Business and Consumer banking services.

"Our goal is to deliver a superior customer-centric banking experience, with streamlined processes, and powered by cutting-edge technology", said Mariel Arraiza, President of Product and Consumer Banking. The executive further emphasized that the technology infrastructure will foster a secure digital environment for customers with the highest cybersecurity standards.

Nave Bank is supported by major investors such as Red Ventures, founded by Puerto Rican businessman and Red Ventures CEO Ric Elías; BayBoston, founded by Carlos M. García and with a portfolio that includes community and digital banks; and Ribbit Capital, with investments focused on Fintech companies like CreditKarma and Nubank. Among the investors are also five of the top banks in the U.S. and over 20 local investors.

Nave Bank expects to start operations in the month of September, with a branch and office facilities on the second floor of 1608 Ponce de Leon Avenue in Santurce. Once it starts operating, Nave will provide more details about their initial offering for businesses.

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