

DYNASTY BANKING'S NOVEMBER REPORT

THE DYNASTY EVOLUTION

Message from the Chairman

Manalapan

November saw a very nice amount of growth. It seems once we got over the hill everything started flowing. With everything growing at an incredible rate Dynasty Banking is finally making its mark in EVE. With nearly a hundred new users this month and a dramatic increase in corporate accounts I am glad to say that we are growing to help the EVE community by providing a service that everyone enjoys and uses. There are some things that everyone should be made aware, so please read through the report check out the featured articles on our Interest Rates and Dynasty Foundation.

Interest Rate Change

The Board of Directors at their meeting in November voted to change interest rates. This came around with a lot of interest and concern in the sustainability of Dynasty Banking. The numbers from November confirm the need to lower the rates from a financial standpoint. Exact details are available on page 8.

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Dynasty Banking Your Financial Partner

The Dynasty Family

Manalapan Chairman, Teller, Market Manager

Leading Dynasty Banking as the Chairman Manalapan is responsible for maintaining the market trade to keep the interest rates high. He is also responsible for much of the backbone programming done to make deposits, loans, and interest payment function as smoothly as they do today.

Iknota Director, Teller, Server Manager

The second Dynasty Banking Founder, Iknota, is now responsible for maintaining the site and user interface that you have grown to enjoy. Most of the services you enjoy are responsible because of his programming. CDs, the login system, and money transfers are all made possible because of his hard work.

Exec Order Director, Advisor

Exec Order is our newest director. His ideas and concepts have been invaluable to Dynasty Banking. His concepts helped create corporate accounts, the automated loan system, and all the great services that have made Dynasty Banking known in EVE.

Lexander PR and Development Advisor

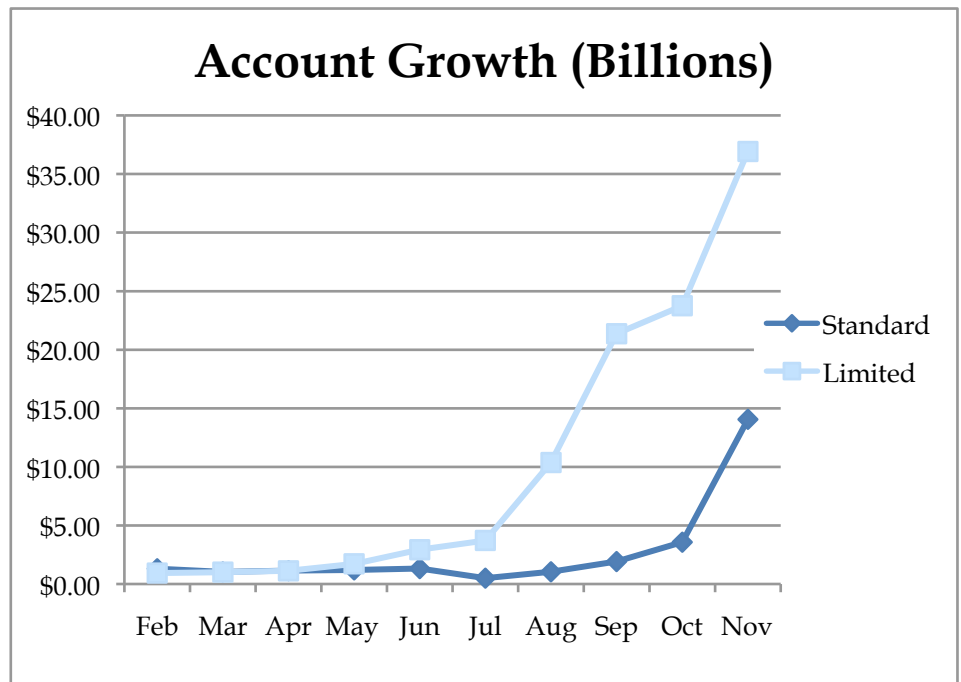
Lexander is our most recent employee. He has helped us for a long time and finally agreed to join the team last September. His insight has been essential to our reporting processes and future developments to provide more financial services to the greater EVE community.

Salpad PR Manager, Development Advisor

Our Public Relations Manager has been hard at work making sure Dynasty Banking is known in the universe. He has been in the process of developing a way to give back to the EVE community for all the help you have given us.

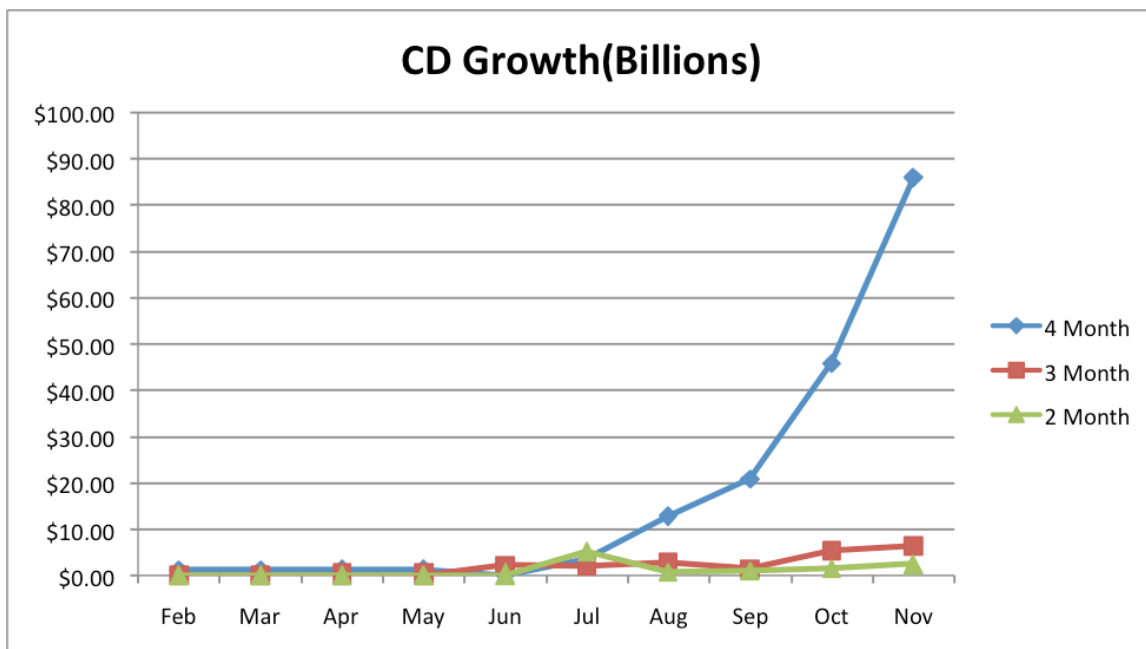
Account Growth

Going along with the trend from October, November saw a new level of account growth and usage. We at Dynasty Banking are thrilled to see more players are actively using the bank for more than its CDs. This increase in account balances has been met with a much higher level of withdrawals. We are glad to see the Standard and Limited Accounts growing as much as they have this past month. Though I would like to remind players to make sure they know when their CDs end so that if they were planning on reinvesting in another CD or moving the ISK to a higher interest option so that they maintain their financial plans. Remember that when a CD is terminated the ISK is placed into the Standard Account. We do feel that the abnormal change in the growth rate of the Standard Accounts is due to the now ending Four Month CDs that were created immediately following their reinstatement. Other than that we are pleased to see more of Dynasty Banking being used by our customers.



CD Development

CDs have seen an ever increasing level of growth. Four Month CDs are still booming more than ever as the Dynasty name becomes more common in the EVE community. We are anticipating very minimal effect, as a result of the interest rate alterations, on the growth of Four Month CDs. We are hoping with a decreased gap in the interest rates that Three Month CDs will start become a more prominent option as customers seek shorter investment periods.

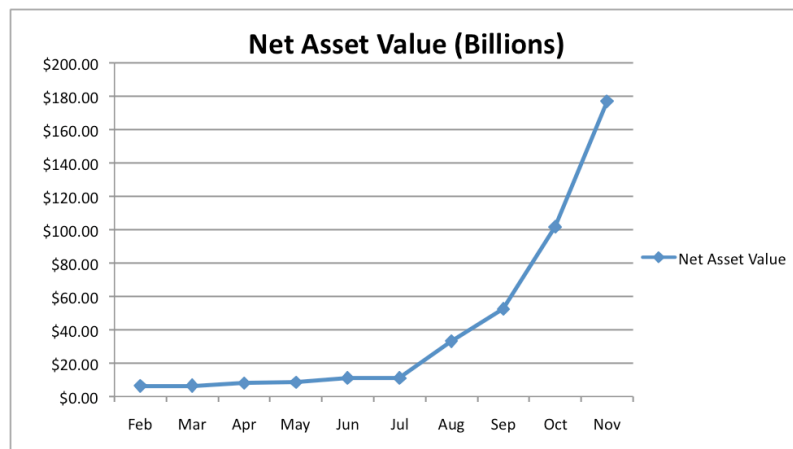


We have continued looking at ways to add to the CD program at Dynasty Banking. A new idea brought to us from a customer was the ability to transfer CDs to another account. This idea was met with great approval by the Board of Directors and is currently in the coding stage. We feel this will help customers by allowing them the ability to leverage even more out of a CD. We are taking small steps to becoming your Financial Partner.

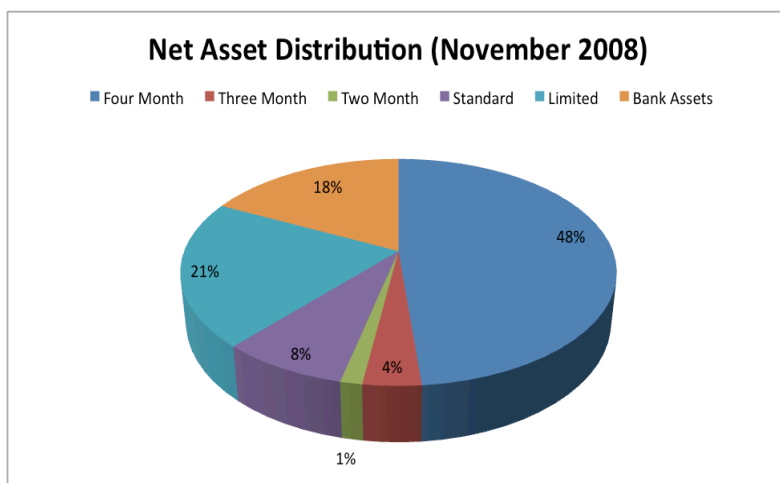
Asset Management

Recently there has been a lot of talk of Dynasty Banking’s sustainability. When we look at the issues of sustainability we try to focus on maximizing our profits rather than minimizing our expenses. Unfortunately as the report spells out our profits have fallen. We accredit this with the increased Escrow Funding. Our hopes are to lower Escrow Funding in the long run, but currently as more ISK flows in, it is better to keep it working rather than to watch it earn nothing in the wallet. The current breakdown of assets is as follows:

| | |
|----------------|-----|
| Escrow Funding | 53% |
| Investment | 13% |
| Holdings | 12% |
| Loans | 5% |
| Reserves | 17% |



We have looked at means of increasing other sources of revenue. The result is a new corporation, Dynasty Investments. this concept is to be lead by one of our directors, Exec Order. Details on Dynasty Investments are still limited but we are hoping it will be a successful means of steering ISK away from Escrow Funding. We are also pleased at the increase in loans. Dynasty Banking currently possesses over nine billion in loan assets, which is a sizable growth from last months 450 million. We hope this increase in loans continues as interest rates for loans have decreased due to the alterations of account interest.



The graph to left represents the cash distribution in the bank. The Bank Assets section represents the total value of the bank or the NAV. We have seen the percentage of the total NAV shrink over the past month from 22% to 18% this falls in line with decrease in profits that were experienced. We hope with the decrease in interest rates and new asset development that this number will stabilize again as profits grow more inline with liabilities.

The Future of EVE Financial Solutions

Manalapan

We here at Dynasty Banking have been looking at way to maximize the experience with Dynasty Banking. Our primary focus is looking at ways to fully utilize the potential of liquid ISK. The underlying idea behind the success of Dynasty Banking and EBANK has always been the analysis of liquidity so we have decided to allow you to take advantage of liquidity that has made us successful. With that I present the future of your Financial Partner.

Credit Lines

Dynasty Banking is looking to launch a credit system at the New Year. This allows for players to have access to funds that they normally would not so that they could draw from it at a time of need. This would act as an account where players would be able to withdraw up to their limit and have an interest payment on any outstanding balance. Any ISK transferred to the account would lower the outstanding balance. The goal here is to provide users the ability to leverage more ISK to earn themselves more in EVE.

Electronic Funds

Just like credit and debit cards are in real life, Dynasty Banking is planning to release alongside the credit lines a means of purchasing from online stores products in EVE. The system would allow users to buy items from a store just as they do with online shopping in real life with credit cards pulling from a credit line and debit cards pulling from accounts. This is another means to allow users to do more with their ISK by allowing players to purchase straight from a store rather than withdraw the ISK prior to a purchase.

What Services Does Your Corporation Need?

Exec Order

The Dynasty Board of Directors and Staff are committed to growing Dynasty into more than just a deposit and loan institution. We strongly support the growth and expansion of the MD forum community, the independent banking and financial environment, and enjoy seeing new and existing corporations practice free market activities to varying levels of success. It is our belief that these types of activities really help to add an additional depth to the EVE Gaming Community that is difficult to find anywhere else.

Our objective is to make services available to Dynasty Banking customers that help them to better manage the financial resources of their enterprise, save time, and empower them to spend more time making ISK rather than managing it. We all know that the in-game wallet system is limited when it comes to trying to manage and control resources for an organization with any real size or complexity. As your financial partner, Dynasty Banking is working to provide you with more flexibility to manage your ISK how you want and also to automate some routine actions to save our customers time from having to manually process tedious transactions over and over.

Last month I reported on some of the new services that Dynasty Banking will be launching for the benefit of EVE Corporations. As a reminder, these will include, but not limited to, Corporate Salary Management Program, Multi-User Corporate Accounts, and a Corporate Sponsored Loan Program that will partner with individual corporations to help them manage loan programs for their members.

We believe that the services mentioned above fall right in line with our objective to truly be "Your Financial Partner", but would like to hear your input on other programs or services that we could offer to help save you time and/or improve your ability to efficiently and profitably run your organization.

Interest Rate Change

Manalapan

The Board of Directors at their meeting in November voted to change interest rates. This came around with a lot of interest and concern in the sustainability of Dynasty Banking. The numbers from November confirm the need to lower the rates from a financial standpoint. With a massive drop in profitability the need to lower our rates has finally come about.

The original reasoning behind the original rates was due to competition with Fury Bank. Since the end of Fury Bank market forces behind the higher rates disappeared with the only remaining competitor to Dynasty Banking being EBANK. With our lowest rates out performing EBANK's highest rates there is simply no logical competitive reason to keep our rates at their extreme heights.

Along with the market analysis we can see that our higher rates were also due to the unknown nature of Dynasty Banking and myself at its initial public offering. Following standard Risk v. Reward logic that meant that our return should have been high, but over time as we have been more trustable in the community the risk has assuredly decreased and therefore so should the reward.

With that I present the new interest rates for both personal and corporate accounts.

Standard Account: 3%

Limited Account: 4%

2 Month CD: 5%

3 Month CD: 6%

4 Month CD: 7%

Deposit Limit: 1 Billion ISK per Month

Please, note that the change in interest rates will take effect January 1, 2009. Any interest accumulated will not be affected. All CD created prior to the change in rates will retain their original rates, only CD created on or after January 1, 2009 will be subject to the new interest rates. Also corporate and personal accounts are now the same in term of interest rates and deposit limits.

Dynasty Foundation

Manalapan

Dynasty Banking has decided to give back to the community that believed in them and helped them to grow into a respected financial institution. Dynasty Foundation is a public service to reward those players that put their time and efforts into helping out members of the EVE community. Dynasty Foundation is dedicated to the promotion and growth of tool development and resources to help all players in EVE new and old to learn about and play the game they love.

We at Dynasty Banking feel that this is an excellent opportunity for us to use our position to promote growth amongst the EVE community. A lot of the tools we use are taken for granted but someone spent a lot of time making that API tool and the list of reactions or that POS design tool you keep forgetting to bookmark. It is time that we show these players that we are thankful for the extra work they put into the game to make it better for all of us.

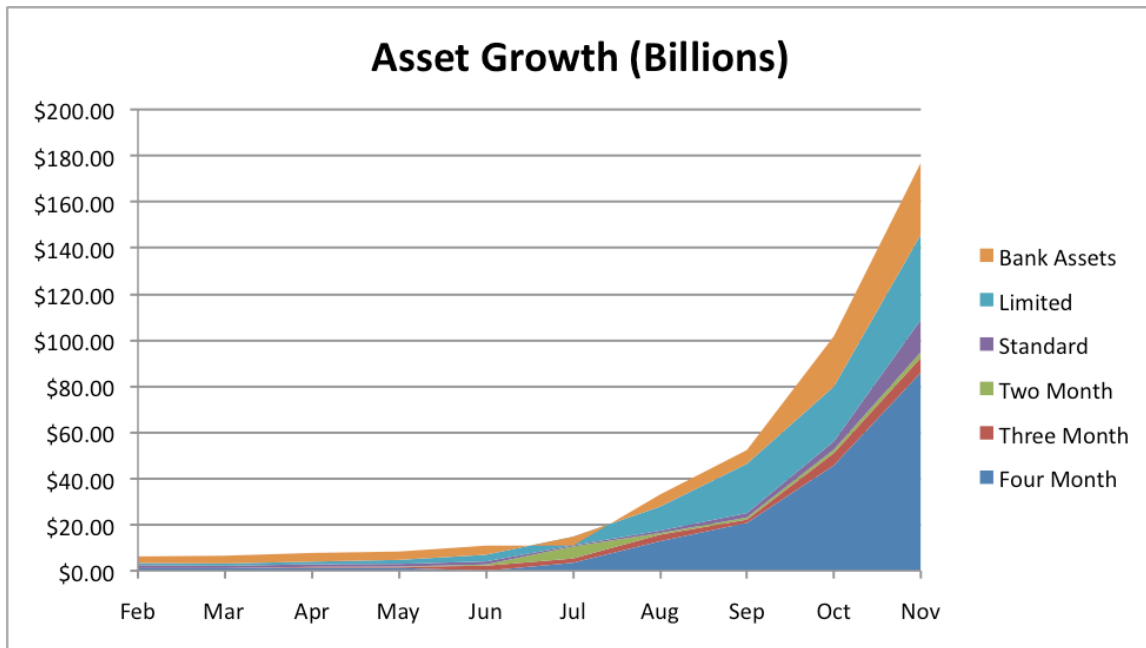
Dynasty Foundation lets members of Dynasty Banking nominate and vote on their favorite tools and resources. The top three win a cash prize that we hope shows them the appreciation for their hard work. These players spent a lot of time working on what we use everyday and expect nothing in return. Let us give thanks to these players that have gone above and beyond to make EVE a better game.

I ask that you try and take a moment out of your day to nominate the tools and resources that you use the most. It could make a difference in promoting future development and growth of our community.

Official rules and details have been posted on the EVE forums in the Events section [here](#). Please help us reward the hard work of others and vote on your favorite tools.

Appendix

Appendix A



The Accounting Report

Total Assets Value Prior to November: 101,727,709,488.21

Total Deposits Prior to November: 79,876,660,902.98

Standard Account Total Prior to November: 3,569,088,759.48

Standard Account Deposits: 73,114,066,583.95

Standard Account Withdrawals: 62,929,641,903.58

Standard Account Interest: 304,896,202.47

Standard Account Total Change: 10,489,320,882.84

Standard Account Total: 14,058,409,642.32

Limited Account Total Prior to November: 23,756,725,903.40

Limited Account Deposits: 27,772,813,793.00

Limited Account Withdrawals: 16,129,276,202.74

Limited Account Interest: 1,527,762,655.17

Limited Account Total Change: 13,171,300,245.43

Limited Account Total: 36,928,026,148.83

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Appendix Continued

Two-Month CD Prior to November: 1,502,931,652.31
Two-Month CD Deposits: 1,435,100,000.00
Two Month CD Matured: 644,840,074.36
Two-Month CD Liability Increase: 122,403,670.78
Two Month CD Terminated: 101.4
Two Month CD Change: 912,663,495.02
Two Month CD Total: 2,415,595,147.33

Three-Month CD Prior to November: 5,315,568,828.77
Three-Month CD Deposits: 1,772,543,333.33
Three Month CD Matured: 110,1895,132.51
Three-Month CD Liability Increase: 425,184,600.25
Three Month CD Terminated: 0.00
Three Month CD Change: 1,095,832,801.07
Three Month CD Total: 6,411,401,629.84

Four-Month CD Prior to November: 45,732,345,759.02
Four-Month CD Deposits: 38,858,660,161.57
Four Month CD Matured: 6,552,557,455.96
Four-Month CD Liability Increase: 10,700,641,391.66
Four Month CD Terminated: 2,768,842,671.49
Four Month CD Change: 40,237,901,425.78
Four Month CD Total: 85,970,247,184.80

Change in Total Deposits: 65,907,018,850.14
Current Total Deposits: 145,783,679,753.12

Total Amount Loaned Prior to November: 450,000,000.00
Total Amount Loaned During November: 9,073,600,000.00
Total Interest Earned During November: 596,376,533.33
Total Amount Currently Loaned: 9,073,600,000.00
Number of Active Loans: 4

Continued...

Appendix Continued

Total Amount in Wallet: 49,302,568,060.31

Total Amount in Reserves: 30,000,000,000.00 (58.82% of Withdrawable Deposits, 20.05% of Total Liability)

Total Value in Escrow: 56,700,000,000.00 (Only Significant Orders Rounded Down to nearest 100,000,000.00)

Total Value in Holdings: 20,500,000,000.00 (Book Value Rounded Down to Nearest 1,000,000.00)

Total Value in Stocks/Securities: 22,588,371,284.00

Total Received Dividends: 702,642,371.88

Current Assets: 179,090,939,344.31

Operating Expenses: 2,135,621,100.59

Change in Assets: 77,363,229,856.1

Profit: 9,320,589,905.37

Final Assets: 176,955,318,243.72

Notes on Terms:

Holdings = Inventory resulting from defaulted loans or long term market investments

Book Value = Value paid for inventory

CD Liability Increase = the value increase of a CD due to daily compounded interest

CD Terminated = the value of a prematurely terminated CD

Overhead Expenses: Salaries, Bonuses, PR Expenses, and Operating Expenses

Notes on Calculations:

Standard Deposits also includes Transfers From Limited Accounts and all completed CD Values in addition to basic deposits.

Limited Deposits include Transfers from Standard Accounts.

Standard and Limited Withdrawals also include Transfers between accounts and creation of CDs in addition to basic withdrawals.

The value of a terminated CD (CD Terminated) is the result from total liability decreases not the actual ISK received from the termination.

For the September report only the CD Liability Increase includes all previous months.