

Date: [Insert Date]

To: Chief Executive Officers and Boards of Directors of All Supervised Banking Organizations

Subject: Interagency Supervisory Guidance on Crypto-Asset Related Activities

1. Purpose

The purpose of this letter is to provide joint guidance from [Agency Name 1], [Agency Name 2], and [Agency Name 3] regarding the safety and soundness, consumer protection, and legal compliance expectations for banking organizations engaging in, or seeking to engage in, crypto-asset related activities.

2. Supervisory Expectations

Banking organizations must ensure that any crypto-asset activities are legally permissible and conducted in a safe and sound manner. Organizations are expected to implement robust systems to manage the following risks:

- **Operational Risk:** Including cybersecurity, technical vulnerabilities, and reliance on third-party service providers.
- **Liquidity Risk:** Addressing the potential for rapid outflows and market volatility associated with crypto-assets.
- **Compliance Risk:** Ensuring strict adherence to Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) laws, and Bank Secrecy Act (BSA) requirements.
- **Consumer Protection:** Providing clear disclosures regarding the lack of deposit insurance (FDIC/NCUA) for certain crypto-assets.

3. Notification Requirement

Prior to engaging in any new crypto-asset related activity, or significantly expanding existing activities, a banking organization must notify its primary federal regulator. This notification should include a detailed business plan, a comprehensive risk assessment, and a description of the internal control framework.

4. Governance

The Board of Directors is responsible for overseeing the organization's crypto-asset strategy and ensuring that management has the expertise to identify and mitigate associated risks. Regular audits and independent reviews of these activities are mandatory.

5. Conclusion

The agencies will continue to monitor crypto-asset developments closely and may issue further guidance as market conditions evolve. Questions regarding this guidance should be directed to [Insert Contact Department/Phone Number].

Sincerely,

[Signature]

[Name of Agency Head/Official]

[Title]