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Federal Reserve Announces Crypto-Asset-Related Supervisory Requirements and Final Guidelines for Access to Federal Reserve Accounts



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This week, the Federal Reserve Board (“FRB”) made two announcements of particular interest to the crypto-asset sector. First, on [August 15](#), the FRB announced its final guidelines establishing factors for Reserve Banks to use in reviewing requests to access FRB accounts and payment services. Second, on August 16, the FRB issued [SR/CA Letter 22-6](#) regarding engagement in Crypto-Asset-Related Activities by Federal Reserve-Supervised Banking Organizations.

FRB Account Guidelines

While the guidelines on approving access to FRB accounts is not just applicable to crypto-asset firms, those firms, along with other fintech firms, are particularly interested in the guidelines. As we noted in [March](#) when the FRB re-proposed the guideline, many crypto-currency exchanges or custodians seek access to Reserve Bank accounts and services to better integrate with the payments system. The FRB stated that the final guidelines are “substantially similar” to the proposals and that it would keep the three-tier framework for the review process for different types of institutions.

- Tier 1 review would generally be less intensive and more streamlined. It would only be available to consist of eligible institutions that are federally insured.
- Tier 2 review would generally be an intermediate level of review. It would apply to eligible institutions that are not federally insured but (i) are subject (by statute) to prudential supervision by a federal banking agency; and (ii) any holding company subject to Federal Reserve oversight (by statute or by commitments).

- Tier 3 review would generally be the strictest level of review. Tier 3 institutions consist of eligible institutions that are not federally insured and not subject to prudential supervision by a federal banking agency at the institution or holding company level.

Crypto-Asset-Related Supervisory Letter

The FRB issued a supervisory letter giving guidance to state-member banks and bank holding companies engaged in or interested in engaging crypto-asset-related activities. The theme for the FRB this week may just be “substantially similar,” as in addition to the final guidelines noted above being substantially similar to the proposals, the FRB’s supervisory letter is substantially similar to letters issued by the [OCC](#) and [FDIC](#) (which we discussed in [April](#)).

As required by the FDIC and the OCC, the FRB will also require FRB-supervised organizations to “notify its lead supervisory point of contact at the Federal Reserve prior to engaging in any crypto-asset-related activity.” Institutions already engaged in crypto-asset-related activities should also provide notice to its point of contact. The FRB also encouraged state-member banks to notify their state regulator.
