



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, D.C. 20429-9990

**Financial Institution Letter**  
**FIL-8-2023**  
**February 23, 2023**

## **Joint Statement on Liquidity Risks to Banking Organizations Resulting from Crypto-Asset Market Vulnerabilities**

**Summary:** The Federal Deposit Insurance Corporation, Board of Governors of the Federal Reserve System, and the Office of the Comptroller of the Currency (collectively, the agencies) are issuing this statement on the liquidity risks to banking organizations presented by certain sources of funding from crypto-asset related entities.

**Statement of Applicability:** The contents of, and material referenced in, this FIL apply to all FDIC-supervised financial institutions.

### **Related Topics:**

Digital Assets  
Fintech  
Third-Party Relationships

### **Attachments:**

[Interagency Policy Statement on Funding and Liquidity Risk Management \(PDF\)](#)  
[Standards for Safety and Soundness, Section 39 of the Federal Deposit Insurance Act 12 U.S.C. 1831p--1\(a\), 12 CFR Part 364](#)  
[FDIC Statement on Providing Banking Services Notification of Engaging in Crypto-Related Activities](#)  
[Joint Statement on Crypto-Asset Risks to Banking Organizations](#)  
[Joint Statement on Liquidity Risks to Banking Organizations Resulting from Crypto-Asset Market Vulnerabilities \(PDF\)](#)  
[FDIC Advisory to FDIC-Insured Institutions Regarding FDIC Deposit Insurance and Dealings with Crypto Companies \(Financial Institution Letter-35-2022\) \(PDF\)](#)

### **Contacts:**

[Division of Risk Management Supervision](#)

### **Note:**

### **Highlights:**

- In light of events that highlight a number of risks associated with crypto-assets and crypto-asset sector participants, the agencies issued a statement in January 2023 addressing key risks and are now issuing a statement related to liquidity risks.
- Banking organizations that use certain sources of funding from crypto-asset-related entities may be exposed to heightened liquidity risks due to the unpredictability of the scale and timing of deposit inflows and outflows.
- Examples of these sources of funding include, among others, deposits placed by a crypto-asset-related entity that are for the benefit of the crypto-asset-related entity's customers (end customers) and deposits that constitute stablecoin-related reserves.
- In light of these heightened risks, it is important for banking organizations that use certain sources of funding from crypto-asset-related entities to actively monitor the liquidity risks inherent in such funding sources, and establish and maintain effective risk management practices.
- The statement reminds banking organizations to apply existing risk management principles and provides examples of practices that could be effective.
- Banking organizations are neither prohibited nor discouraged from providing banking services to customers of any specific class or type, as permitted by law or regulation.