



# EXAMINING ISSUANCE

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Comptroller of the Currency  
Administrator of National Banks

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Type: Examining Circular

Subject: Asset Management

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TO: Department and Division Heads and All Examiners

## PURPOSE

Banking Circular 254, issued June 14, 1991, summarizes the OCC's policy of allowing national banks and their operating subsidiaries to engage in asset management. This document provides further guidance to OCC examining personnel for assessing asset management activities, in national banks. It discusses asset management contracting, provides guidelines relating to operational, financial and legal risks associated with asset management activities, and contains sample supervisory questions addressing a national bank's ability to engage in this activity.

## BACKGROUND

Asset management has become a specialized line of business enabling national banks to use their expertise to manage asset portfolios. The OCC has determined that, under certain circumstances, national banks can engage in asset management for other banks, savings associations, or government agencies, such as the Federal Deposit Insurance Corporation (FDIC) or the Resolution Trust Corporation (RTC).

## SUMMARY

These guidelines address the operational risks, financial risks, and legal risks associated with asset management. Other risks include imprudent lending practices and potential conflicts of interest. Examiners should use these guidelines in supervising national banks and their operating subsidiaries engaged in asset management.

## ORIGINATING OFFICE

Questions about this circular may be directed to the Office of the Chief National Bank Examiner, 202-874-4447.

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## **Related Links**

- [Guidelines](#)