

Washington, DC 20219

Interpretive Letter #1184
May 2025

May 7, 2025

Subject: Clarification of Bank Authority Regarding Crypto-Asset Custody Services

Dear [],

This responds to your letter requesting the Office of the Comptroller of the Currency (“OCC”) to confirm that national banks and federal savings associations (collectively, “banks”) may provide and outsource cryptocurrency custody and execution services on behalf of customers.

Specifically, you request the OCC to confirm that banks may buy and sell assets held in custody at the custody customer’s direction and are permitted to outsource bank-permissible crypto-asset activities, including custody and execution services to third parties, subject to appropriate third-party risk management practices.

The OCC recently issued Interpretive Letter 1183, which reaffirmed Interpretive Letter 1170. Interpretive Letter 1170 addressed the authority of banks to provide crypto-asset custody services. The letter concluded that banks may provide crypto-asset custody services in a fiduciary or non-fiduciary capacity under applicable statutory authority.¹ Providing crypto-asset custody services is a modern form of traditional bank custody activities.² The letter acknowledged that banks may use sub-custodians for crypto-asset custody and provided examples of the types of services that banks may offer as custodians. Specifically, footnote 39 of Interpretive Letter 1170 stated:

The services national banks may provide in relation to the cryptocurrency they are custodying may include services such as facilitating the customer’s cryptocurrency and fiat currency exchange transactions, transaction settlement, trade execution, [recordkeeping], valuation, tax services, reporting, or other appropriate services. A bank acting as custodian may engage a sub-custodian for cryptocurrency it holds on behalf of customers and should develop processes to ensure that the sub-

¹ See OCC Interpretive Letter 1170. See also 12 U.S.C. 24(Seventh); 12 U.S.C 92a; 12 U.S.C 1464.

² See Interpretive Letter 1170. See generally *M & M Leasing Corp. v. Seattle First Nat. Bank*, 563 F.2d 1377, 1382 (9th Cir. 1977) (“the powers of national banks must be construed so as to permit the use of new ways of conducting the very old business of banking.”).

custodian's operations have proper internal controls to protect the customer's cryptocurrency.

Consistent with that language, a bank may buy and sell assets held in custody on a customer's behalf at the direction of the customer and in a manner consistent with the customer agreement and applicable law. The cryptocurrency and fiat currency exchange and trade execution services described above³ encompass these activities. Similarly, a bank may use a sub-custodian to provide custody services, including the services described above,⁴ subject to appropriate third-party risk management practices. If the bank acts in a fiduciary capacity, the bank must comply with 12 C.F.R. part 9 or 150, as applicable.⁵ As with any activity, the bank must conduct crypto-asset custody activities, including via a sub-custodian, in a safe and sound manner and in compliance with applicable law.

I trust this is responsive to your inquiry.

Sincerely,

/s/

Rodney E. Hood
Acting Comptroller of the Currency
Office of the Comptroller of the Currency

³ See footnote 39 of Interpretive Letter 1170 noted above.

⁴ See *id.*

⁵ Twelve C.F.R. part 9 applies to national banks engaged in fiduciary activities. Twelve C.F.R. part 150 applies to federal savings associations engaged in fiduciary activities. Twelve C.F.R. 9.13, 150.230, 150.240, 150.245, and 150.250 specifically address the custody and control of assets held in a fiduciary capacity.