Federal Reserve Board Finalizes Board Effectiveness Guidance

March 10, 2021

On February 26, 2021, the Federal Reserve Board (the "FRB") released final supervisory guidance setting forth expectations for boards of directors of large financial institutions and, separately, announced conforming changes to related supervisory guidance.[1] The FRB's guidance applies to boards of domestic bank holding companies and savings and loan holding companies with total consolidated assets of $100 billion or more, as well as nonbank financial companies that may be designated as systemically important by the Financial Stability Oversight Council in the future. It does not apply to intermediate holding companies established pursuant to FRB Regulation YY. Although it is not stated, the guidance appears to be effective immediately.

The FRB's guidance details five attributes of an effective board of a large financial institution ("LFI"), which FRB examiners will use to evaluate such boards. The importance of the guidance is underscored by its close correlation to exam rating criteria. The wording of the five attributes is nearly identical to that of the board effectiveness element of the governance and controls component of the FRB's LFI rating system, which became effective in 2019.[2] A deficient rating by FRB examiners in any component of the LFI rating system (including the governance and controls component), at a minimum, severely impairs an institution's ability to engage in new activities or pursue bank or nonbank acquisitions. Further highlighting the significance of the guidance, the FRB recently identified "[b]oard effectiveness and engagement" as a supervisory priority

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1 SR letter 21-3, "Supervisory Guidance on Board of Directors' Effectiveness," *available* here; SR letter 21-4, "Inactive or Revised SR Letters Related to the Federal Reserve's Supervisory Expectations for a Firm's Boards of Directors," *available* here. Although it is unclear whether the FRB will submit the final guidance (SR letter 21-3) to Congress under the Congressional Review Act, this appears to be a "rule" subject to the Act. *Cf*. U.S. Gov't Accountability Office, Opinion Letter B-331324 (Oct. 22, 2019), *available* here; U.S. Gov't Accountability Office, Opinion Letter B-330843 (Oct. 22, 2019), *available* here. The guidance also appears to constitute "supervisory guidance" subject to SR Letter 18-5, "Interagency Statement Clarifying the Role of Supervisory Guidance."

2 *See* Large Financial Institution Rating System; Regulations K and LL, 83 Fed. Reg. 58724 (Nov. 21, 2018) [hereinafter "LFI Rating System"] and 84 Fed. Reg. 4309 (Feb. 15, 2019). SR Letter 19-3, "Large Financial Institution (LFI) Rating System." Although they are subject to the board effectiveness guidance, noninsurance and noncommercial savings and loan companies are not subject to the LFI rating system.

for LFIs.[3] By demonstrating compliance with the guidance, an LFI best positions itself to have regulatory standing to expand organically and through acquisitions.

In this Debevoise In Depth, we seek to support that compliance effort by first discussing key takeaways from the final guidance, then reviewing the five attributes and offering methods to demonstrate compliance with those attributes, and, finally, by describing related changes to FRB supervisory guidance.

Distinguishing the Board's Role from That of Management

The FRB's expectations for LFI boards depart meaningfully from those the FRB has articulated in prior guidance. Consistent with the FRB's concurrent revisions to 12 supervisory letters discussed below our summary of the five attributes, the guidance attempts to better distinguish the roles and responsibilities of the board from those of senior management by reallocating tasks from the board to management and by emphasizing the board's oversight role.

By contrast, the expectations for boards set out in SR letter 12-17—the supervisory guidance the FRB indicated it would use in evaluating a board under the LFI rating system until release of the final board effectiveness guidance—contemplates greater involvement by the board in day-to-day operations and requires boards to "ensure" certain results typically viewed as being within the scope of management's control.[4] Notably, however, SR letter 12-17 was not among those the FRB revised to align with its current supervisory expectations, and it remains active. The relevant portions of SR letter 12-17 are reproduced in Exhibit A.

The demarcation of board and management roles and responsibilities is expected to be further clarified in FRB guidance establishing principles for effective senior management, the management of business lines, and independent risk management and controls, which the FRB proposed in connection with the board effectiveness guidance but has not yet finalized.[5]

Refocusing, Rather than Reducing, the Board's Responsibilities

Directors should expect the FRB's guidance to reallocate, rather than reduce, the time they spend performing their duties. For example, the guidance suggests that a board's review of a matter should include "robust inquiry" and "candid discussion and debate of information," rather than a "check-the-box" review. The guidance suggests more than once that effective boards seek information between regular meetings. The guidance

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3 *See* Board of Governors of the Federal Reserve System, Supervision and Regulation Report, 27 (Nov. 2020).

4 *See* LFI Rating System at 58727 (using SR Letter 12-17 in evaluating board effectiveness).

5 Proposed Supervisory Guidance, 83 Fed. Reg. 1351, 1351 (Jan. 11, 2018) [hereinafter "Proposed Management Guidance"]. Our Client Update on the Proposed Management Guidance is *available* here.

also emphasizes the board's core role in overseeing an institution's strategy and risk appetite, including by evaluating matters on the basis of whether they align with the institution's strategy, risk appetite and risk management capabilities.

The FRB's guidance is the most comprehensive articulation yet of the FRB's expectations for board practices, including with respect to meeting materials, agendas and minutes.[6] In the introduction to its guidance, the FRB indicates its belief that nothing in the guidance conflicts with any other legal, regulatory or listing requirements. However, the FRB does not say that its latest guidance trumps its prior supervisory guidance (*e.g.*, SR letter 12-17) in the event of a conflict. Although the guidance should not be viewed as modifying directors' fiduciary duties under state law, we can expect that the plaintiffs' bar will seek to use a board's failure to satisfy an expectation in the guidance to support an argument that directors failed to satisfy their state law fiduciary duties.

In the coming months, in anticipation of an exam or as part of a board self-assessment, LFIs may find it useful to benchmark their boards' practices against the expectations set out in the guidance.

Five Attributes of an Effective Board

The FRB's guidance describes five attributes of an effective board: (1) set clear, aligned and consistent direction regarding the institution's strategy and risk appetite; (2) direct senior management regarding the board's information needs; (3) oversee and hold senior management accountable; (4) support the independence and stature of independent risk management and internal audit; and (5) maintain a capable board composition and governance structure.

The FRB describes its guidance as adopting a "principles-based approach" that "reflects the view that including standardized expectations would not take into account material differences in activities, risk profile, and complexity among large financial institutions as they relate to boards of directors."

The final guidance is substantially similar to the proposed guidance.[7] In response to comments, the FRB made a small number of material changes and revised wording to

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[6] FRB, Overview of Comments on and Revisions to Proposed Guidance on Supervisory Expectations, *available* here.

[7] Supervisory Expectations for Boards of Directors, 82 Fed. Reg. 37219 (Aug. 9, 2017) [hereinafter "Proposed Board Guidance"]. Our Client Update on the proposed guidance and the FRB's concurrent proposal regarding the LFI rating system is *available* here.

further emphasize that the board's role is one of oversight. Notably, the final guidance removes the suggestion that institutions provide examiners with the results of board self-assessments. We summarize below the attributes in the final guidance, including key departures from the proposal.

Attribute 1: Set Clear, Aligned, and Consistent Direction Regarding the Institution's Strategy and Risk Appetite

- *Oversee the institution's strategy and risk appetite*. The "board oversees the development of, reviews, approves, and periodically monitors the institution's strategy and risk appetite."[8]

  - To further distinguish the board's role from that of management, the final guidance revised the wording of the board's responsibility from the "[board] guides" to the "board oversees" the development of the institution's strategy and risk appetite.

  - In evaluating matters before it, including entry into new business lines and policies, the board is expected to consider whether the matter is consistent with an institution's strategy, risk appetite and risk management capabilities. For example, the board should review enhancements to risk management or controls necessary to align an entry into a new business line with the board-approved risk appetite.

- *Board-approved strategy and risk appetite*. The attribute articulates general standards for the content of a board-approved strategy and risk appetite, including that they be sufficiently clear and detailed to provide direction to senior management.[9]

  - The board-approved strategy, among other things, "articulates a firm's strategic objectives for its businesses." The FRB's guidance clarifies that the risk appetite should reflect the level and types of risk the board not only is willing to assume, but also "believes the firm is capable of managing." Additionally, the guidance clarifies that, although strategy and risk tolerance should be aligned, they need not be developed and approved simultaneously, as was suggested in the proposal.

- *Significant policies, programs and plans*. The board should review and approve significant policies, programs and plans "based on the firm's strategy, risk appetite, risk management capacity, and structure." Significant policies, programs and plans

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8 The guidance explains that the terms "board of directors" and "board" include committees of the board.

9 The final guidance removed the definition of "senior management" appearing in the proposal. As articulated in the proposal, "'senior management' refers to the core group of individuals directly accountable to the board of directors for the sound and prudent day-to-day management of the firm." Proposed Board Guidance at 37224.

include, among others, an institution's capital plan, recovery and resolution plans, audit plan, enterprise-wide risk management policies, liquidity risk management policies, compliance risk management program and performance management and compensation programs. The FRB's revisions to its SR letters eliminate explicit expectations that the board approve certain policies, such as those regarding vendor risk management and investment of fiduciary assets in mutual funds. As a result, institutions are left to consider whether given policies, programs or plans would be considered "significant" to their institution.

- The final guidance adds that an effective board might review "summarized forms" (rather than full policies, programs, and plans) if they contain sufficient detail and context for the board to make informed decisions and to consider consistency with the institution's strategy, risk appetite, and risk management capacity.

Attribute 2: Direct Senior Management Regarding the Board's Information Needs

- *Board materials*. Boards should: (1) direct senior management to provide information that is "sufficient in scope, detail, and analysis" and "timely, accurate, and well organized"; (2) evaluate the sufficiency and quality of the information they receive; and (3) direct senior management, if weaknesses or deficiencies are identified, to "(a) provide more information, (b) address any concerns regarding the volume, structure, content, or quality of the information it receives, or (c) improve relevant firm processes and practices for the preparation of such information."
  - This attribute reflects the FRB's recognition that LFI boards "face significant information flow challenges, especially in preparing for and participating in board meetings," that they "can be overwhelmed by the quantity and complexity of information they receive" and that they "are inherently disadvantaged given their dependence on senior management for the quality and availability of information."[10]
  - In its overview of comments, the FRB states that "[b]oards are in the best position to determine their information needs," disagreeing with commenters who argued that management should control the flow of information to the board.[11]
  - Gaps in the quality of board materials, as well as the significant volume of those materials, causes continuing concern for directors. The FRB declined commenters'

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[10] Proposed Board Guidance at 37219.

[11] FRB, Overview of Comments on and Revisions to Proposed Guidance on Supervisory Expectations, *available* here.

requests to include specific practices or policies a board should adopt relating to the flow of information, however.

- To further clarify that a board's role is one of oversight, the FRB revised the description of the attribute in the proposed guidance by stating that an effective board "directs," rather than "actively manages," senior management regarding information flows. The change should reduce the possibility that the FRB would criticize a board for gaps in the information it receives, so long as the board performed the oversight duties of this attribute described above.

- Periodic discussions with management in board and committee meetings regarding board materials, and evaluating board materials in a board's self-assessment process, have assisted some boards in demonstrating their oversight of information flows for regulators. Outside advisers can help senior management and the board identify and incorporate industry best practices.

- *Seeking information outside regular meetings*. Boards should seek information outside regular board and committee meetings, including potentially through special sessions of the board, outreach to staff other than the chief executive officer and his or her direct reports and discussions with FRB senior supervisors. "Director training is another way directors may learn more about topics relevant to their responsibilities and may highlight the need for further director inquiries."

    - Directors' interactions with management, and meetings with examiners, often occur between the board's regular meetings as a matter of necessity. Indeed, the importance of key risk and compliance and audit officers having unimpeded access to committees outside committee meetings is well established. However, the wording of this expectation, which changed from "may seek" in the proposal to "seeks" in the final guidance, potentially could be interpreted to set a new expectation for directors to regularly dedicate time to the institution between meetings. In our experience, directors' interactions with management typically are limited to senior management, including the chief executive officer and his or her direct reports and, depending on the organizational structure of an institution, may include board interactions with the chief compliance officer, the bank secrecy act officer and the chief information security officer. We suggest that boards consider noting material exchanges directors have with management, or each other, outside meetings so that those interactions are shared and, if appropriate, recorded in the minutes.

    - In our experience, presentations from heads of business lines and risk management officers create useful forums for the board to engage management and stay abreast of current and emerging priorities to the institution, customers, shareholders, and regulators (*e.g.*, environmental, social, and governance (or ESG), cyber risk, Bank Secrecy Act/anti-money laundering).[12]

- *Meeting agendas*. Directors, particularly the lead independent director or independent board chair and committee chairs, should take an "active role" in setting meeting agendas. Corporate governance guidelines and committee charters may be appropriate places to articulate this responsibility.

Attribute 3: Oversee and Hold Senior Management Accountable

- *Accountability*. The board should oversee and hold senior management accountable for "[e]ffectively implementing the firm's strategy, consistent with its risk appetite, while maintaining an effective risk management framework and system of internal controls." Engaging senior management in substantive discussions and in robust inquiry, having sufficiently empowered independent directors, and overseeing the performance and compensation of senior management are three ways the FRB expects a board to hold senior management accountable.

- *Discussing and debating information, challenging assessments and engaging in robust inquiry*. The board should (1) engage senior management, including by allocating sufficient time in meetings to facilitate a "candid discussion and debate of information while encouraging diverse views"; (2) "challenge" senior management's assessments and recommendations as warranted (*e.g.*, if weaknesses or gaps are identified or the information provided is incomplete); and (3) engage in "robust inquiry" with senior management into current and emerging risks, adherence to board-approved strategy and risk appetite by relevant lines of business, and material or persistent deficiencies in risk management or control practices, whether in policy or in practice.

  - The final guidance adds the expectation that a board review reports of internal and external complaints, including "whistleblower" reports, and notes that engagement of senior management "may also take place outside board and committee meetings."

  - <u>Minutes</u>. In response to comments asking whether boards should maintain detailed records of individual questions by directors and answers provided by management, the FRB indicated in its overview of comments that it expects boards to "maintain records that provide a general description of the matters discussed with senior management."

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[12] *See* Board of Governors of the Federal Reserve System, Supervision and Regulation Report, 27 (Nov. 2020).

- *Independent directors*. Independent directors should be "sufficiently empowered" to serve as an "effective check" against executives who sit on the board and senior management. The guidance provides as an example empowering "independent directors through the election of a lead independent director with authority, among others, to call board meetings with or without the [executive] chair present."

- *Performance and compensation*. The board should oversee the institution's performance management and compensation program, approve performance objectives and oversee and evaluate the performance and compensation of each member of senior management. The guidance emphasizes that board oversight of senior management's performance and compensation is a "crucial aspect of holding senior management accountable."

- *Succession plans*. The board should oversee succession plans for the CEO and, depending on the size, complexity and nature of the institution, other members of senior management.

Attribute 4: Support the Independence and Stature of Independent Risk Management and Internal Audit

- The board, through its risk and audit committees, should assess and support the stature and independence of the institution's independent risk management and internal audit functions, including by meeting directly with the chief risk officer and chief audit executive and overseeing their budgets and staffing.

- *Robust inquiry*. These committees should engage in robust inquiry into the causes and consequences of material or persistent breaches of risk appetite policies and risk limits, the timeliness of remediation of material or persistent internal audit and supervisory findings, and the appropriateness of the annual audit plan.

- *Management-level committees*. The final guidance removed the reference in the proposal to the risk committee's involvement in identifying the membership of management-level committees.

- *Compliance function*. The final guidance removed the suggestion in the proposal that an institution's compliance function sit within the risk management function, and clarified that the risk committee coordinates with the compliance function. The change is consistent with the proposal setting forth principles of effective management, that the FRB released subsequent to the proposed board effectiveness guidance and states that the "structure and reporting lines" for the compliance function "may vary across firms."[13]

- *Risk committee escalation to the board*. In response to comments, the FRB explained that boards have flexibility to determine whether the risk committee should escalate review or determination of certain matters to the full board. This may encourage boards to delegate additional approval authorities with respect to significant policies, programs and plans (see attribute 1) to a committee, particularly the risk committee. We would advise boards to exercise caution, however, in relying exclusively on this statement to delegate approval authority without more insight into the FRB's expectations.

Attribute 5: Maintain a Capable Board Composition and Governance Structure

- The board should consider whether its composition, governance structure, and practices support governing an institution in light of its size, complexity, scope of operations, risk profile and other changes that occur over time.

- *Board composition*. The board should establish a process to identify and select potential director nominees with an appropriate mix of skills, knowledge, experience and perspective. The guidance reflects the FRB's expectation that a board have a "diverse composition," stating that a "diverse pool of potential nominees" includes "women and minorities."

- *Governance structure*. The board's governance structure, including committees and management-to-committee reporting lines, should enable the board to oversee and address issues, support effective oversight, provide timely access to information and lead to sound decision-making.

- *Self-assessment*. The board and its committees should evaluate on an ongoing basis their strengths and weaknesses and adapt their structure and practices in response to identified weakness or deficiencies as the institution's profile changes (including its size) over time. In a departure from the proposal, the final guidance removed the suggestion that institutions submit the results of self-assessments to their FRB examiners.

- *Third-party advisors*. The board should have the ability to engage and pay third-party advisors and consultants.

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[13] Proposed Management Guidance at 1360.

Revisions to Existing Supervisory Guidance

At the same time as it finalized the board effectiveness guidance, the FRB completed its review of 27 SR letters, a multiyear initiative the FRB undertook to align board expectations established in SR letters with the FRB's supervisory framework.[14] A table of the results of the FRB's review of the 27 SR letters is provided in Exhibit B.

The FRB revised 12 SR letters. Many of the revisions reduce expectations on the board. For example, the revisions to the SR letter regarding vendor risk management (SR letter 13-19) eliminates the expectation that the board approve the institution's vendor risk management policies; however, consistent with the final guidance, senior management is expected to provide the board with "sufficient information" to inform the board of risks arising from such relationships.

Many other revisions are intended to distinguish more clearly obligations of the board from those of senior management. For example, revisions to the SR letter regarding compliance risk management programs (SR letter 08-8) make clear that senior management—rather than the board—is responsible for implementing and enforcing compliance policies and compliance risk management standards. The revisions also clarify that the board, in contrast, should develop, review, approve and monitor compliance strategy. It should also be responsible for senior management oversight, including by requesting information from senior management and holding management accountable.

The FRB also "made inactive" another nine SR letters it considered outdated. The FRB chose not to revise or rescind six of the 27 SR letters it reviewed as part of this process.[15] Board expectations in these letters remain in place, suggesting that FRB staff view them as consistent with the board effectiveness guidance and its current supervisory framework.

These revisions to the SR letters do not mean that all of the FRB's regulatory or supervisory expectations are now consistent with the board effectiveness guidance or the FRB's current supervisory framework. For example, as noted above, the board's responsibilities under SR letter 12-17 appear somewhat inconsistent with those articulated in the final board effectiveness guidance. Moreover, the FRB also proposed to review issuances that could take more effort to amend—regulations (requiring notice

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[14] Proposed Board Guidance at 37220.

[15] These SR Letters are SR 16-17, SR 14-8, SR 13-13, SR 12-17, SR 09-4 and SR 08-9.

and comment) and interagency guidance (requiring interagency coordination)—after it completed its review of SR letters.[16]

It remains to be seen how much the FRB and its supervisory staff will expect banking organizations to adhere to outdated expectations in supervisory letters that remain active. Without additional clarity, institutions may need to determine for themselves the appropriate extent of adherence to FRB expectations that conflict with those in the board effectiveness guidance. As neither the FRB nor banking organizations are legally bound to follow supervisory expectations, one would hope that FRB supervisory staff would agree that banking organizations would have a reasonable basis for not adhering to clearly outdated guidance regardless of its formal status. Similarly, although regulations are legally binding, the FRB should—at least as a normative matter—use its enforcement discretion to not enforce outdated or inconsistent requirements on boards.

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Please do not hesitate to contact us with any questions.

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[16] Proposed Board Guidance at 37220. In the proposed board effectiveness guidance, the FRB also proposed to revise the SR letter regarding supervisory communication of supervisory findings (SR letter 13-13) to clarify that examiners would direct most matters requiring attention and matters requiring immediate attention to senior management (rather than the board) and that the findings would only be directed to the board for corrective action when the board should address its corporate governance responsibilities or when senior management fails to take appropriate action to address the findings. *Id.* at 37222-23. It is unclear whether the FRB will finalize that proposal, but finalizing would seem consistent with the board effectiveness guidance.

Exhibit A: Excerpt of Board Responsibilities in SR Letter 12-17[17]

2. **Corporate Governance**

In order for a firm to be sustainable under a broad range of economic, operational, legal or other stresses, its board of directors . . . should provide effective corporate governance with the support of senior management. The board is expected to establish and maintain the firm's culture, incentives, structure, and processes that promote its compliance with laws, regulations, and supervisory guidance. Each firm's board of directors and committees, with support from senior management, should:

a. Maintain a clearly articulated corporate strategy and institutional risk appetite. The board should set direction and oversight for revenue and profit generation, risk management and control functions, and other areas essential to sustaining the consolidated organization.

b. Ensure that the firm's senior management has the expertise and level of involvement required to manage the firm's core business lines, critical operations, banking offices, and other material entities. These areas should receive sufficient operational support to remain in a safe and sound condition under a broad range of stressed conditions.

c. Maintain a corporate culture that emphasizes the importance of compliance with laws and regulations and consumer protection, as well as the avoidance of conflicts of interest and the management of reputational and legal risks.

d. Ensure the organization's internal audit, corporate compliance, and risk management and internal control functions are effective and independent, with demonstrated influence over business-line decision making that is not marginalized by a focus on short-term revenue generation over longer-term sustainability.

e. Assign senior managers with the responsibility for ensuring that investments across business lines and operations align with corporate strategies, and that compensation arrangements and other incentives are consistent with the corporate culture and institutional risk appetite.

f. Ensure that management information systems (MIS) support the responsibilities of the board of directors to oversee the firm's core business lines, critical operations, and other core areas of supervisory focus.

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[17] SR letter 12-17, "Consolidated Supervision Framework for Large Financial Institutions," *available* here.

Exhibit B: Results of the FRB's Review of Supervisory Guidance[18]

Revised	*Made Inactive*	*Not Amended*
• Guidance on Managing Outsourcing Risk (SR 13-19/CA 13-21) • Disposal of Problem Assets through Exchanges (SR 11-15) • Supervisory Expectations for Risk Management of Agricultural Credit Risk (SR 11-14) • Compliance Risk Management Programs and Oversight at Large Banking Organizations with Complex Compliance Profiles (SR 08-8/CA 08-11) • Supervisory Guidance on Equity Investment and Merchant Banking Activities (SR 00-9) • Supervisory Guidance Regarding the Investment of Fiduciary Assets in Mutual Funds and Potential Conflicts of Interest (SR 99-7) • Sound Credit Risk Management and the Use of Internal Credit Risk Ratings at Large Banking Organizations (SR 98-25) • Assessment of Information Technology in the Risk-Focused Frameworks for the Supervision of Community Banks and Large Complex Banking Organizations (SR 98-9)	• Supervisory Guidance Relating to a Change to Permissible Securities Activities of State Member Banks (SR 01-13) • Supervisory Guidance on Complex Wholesale Borrowings (SR 01-8) • Lending Standards for Commercial Loans (SR 98-18) • Risk-Focused Framework for the Supervision of Community Banks (SR 97-25) • Risk-Focused Framework for Supervision of Large Complex Institutions (SR 97-24) • Risk Management and Capital Adequacy of Exposures Arising from Secondary Market Credit Activities (SR 97-21) • Examining Risk Management and Internal Controls for Trading Activities of Banking Organizations (SR 93-69) • Policy Statement on the Use of "Points" in Settling Foreign Exchange Contracts (SR 90-22) • Implementation of Examination Guidelines for the Review of Asset Securitization Activities (SR 90-16)	• Supervisory Expectations for Risk Management of Reserve-Based Energy Lending Risk (SR 16-17) • Consolidated Recovery Planning for Certain Large Domestic Bank Holding Companies (SR 14-8) • Supervisory Considerations for the Communication of Supervisory Findings (SR 13-13/CA 13-10) • Consolidated Supervision Framework for Large Institutions (SR 12-17/CA 12-14) • Applying Supervisory Guidance and Regulations on the Payment of Dividends, Stock Redemptions, and Stock Purchases at Bank Holding Companies (SR 09-4) • Consolidated Supervision at Bank Holding Companies and the Combined U.S. Operations of Foreign Banking Organizations (SR 08-9/CA 08-12)

[18] *See* SR letter 21-4, "Inactive or Revised SR Letters Related to the Federal Reserve's Supervisory Expectations for a Firm's Boards of Directors," *available* here.

Revised	*Made Inactive*	*Not Amended*
• Conversion of Common Trust Funds to Mutual Funds (SR 97-3) • Risk-Focused Fiduciary Examinations (SR 96-10) • Rating the Adequacy of Risk Management Processes and Internal Controls at State Member Banks and Bank Holding Companies (SR 95-51) • Investment Adviser Activities (SR 94-53)		

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