

DATE: May 12, 2010

SUBJECT: Interagency guidance on correspondent concentration risk.

HIGHLIGHTS: Attached is interagency guidance issued by the Board of Governors of the Federal Reserve System and the other federal banking agencies. This guidance reminds institutions of supervisory expectations on sound practices for managing risks associated with funding and credit concentrations arising from correspondent relationships (correspondent concentration risk).

**DOCUMENT
LOCATION:** <http://www.federalreserve.gov/boarddocs/srletters/2010/sr1010.htm>

**FURTHER
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