



FEDERAL RESERVE BANK *of* KANSAS CITY

March 12, 2015

Subject: Guidance to Encourage Financial Institutions' Youth Savings Programs and Address Related Frequently Asked Questions

To the Chief Executive Officer of Each Tenth District State Member Bank, Bank Holding Company, and Savings and Loan Holding Company:

On February 24, 2015, the Board of Governors (Board) of the Federal Reserve System, in conjunction with the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency (as members of the Financial Literacy and Education Commission), and the U.S. Department of Treasury's Financial Crimes Enforcement Network, issued guidance that encourages financial institutions to develop and implement programs to expand the financial capability of youth and build opportunities for financial inclusion of more families.

The guidance is intended to clarify the applicability of existing legal and regulatory requirements to remove perceived barriers for financial institutions to establish school-based youth savings programs. Additionally, the guidance provides answers to common legal and regulatory questions regarding youth savings programs and electronic links to additional resources.

A copy of the joint SR 15-5 and CA 15-2 letter is available on the Board's public web site at <http://fedweb.frb.gov/fedweb/bsr/srltrs/sr1505.shtm>. Please direct any questions concerning the guidance to your Federal Reserve Bank of Kansas City central point of contact or Consumer Affairs contact at (800) 333-1010.

Sincerely,

James H. Hunter
Vice President
Examinations & Inspections

Linda S. Schroeder
Vice President
Consumer Affairs

Todd A. Offenbacher
Vice President
Examinations & Inspections