

**FDIC ANNOUNCES THAT IT WILL NOT EXTEND THE UNLIMITED
INSURANCE COVERAGE FOR NONINTEREST-BEARING TRANSACTION
ACCOUNTS PAST DECEMBER 31, 2012**

On November 5, 2012, the FDIC issued a Financial Institution Letter (FIL) stating that absent a change in law, beginning January 1, 2013 the FDIC will no longer provide separate, unlimited deposit insurance coverage for noninterest-bearing transaction accounts, including Interest on Lawyer Trust Accounts. FIL-45-2012. The FDIC also encourages depository institutions to take the following actions:

- (i) Provide adequate advance notice in writing to depositors that the temporary unlimited coverage noninterest-bearing transaction accounts is scheduled to expire on December 31, 2012, and thereafter the FDIC will insure such accounts up to \$250,000 per depositor. The FIL provides model language that financial institutions can use in their advance notice to depositors.
- (ii) Remove from the depository institution's main offices, branches, and websites the "Notice of Changes in Temporary FDIC Insurance Coverage for Transaction Accounts" required by 12 CFR Section 330.16(c)(1).
- (iii) Review account agreements and related disclosure statements, and modify the documents as necessary to reflect accurately noninterest-bearing transaction account coverage on January 1, 2013.

The FDIC's FIL-45-2012 is available at www.fdic.gov/news/news/financial/2012/fil12045.html. The FDIC has also issued FAQs on the expiration of the unlimited insurance coverage. The FAQs are available at www.fdic.gov/deposit/deposits/unlimited/expiration.html.