

NOTICE OF CHANGES IN TEMPORARY FDIC INSURANCE COVERAGE FOR TRANSACTION ACCOUNTS

All funds in a "noninterest-bearing transaction account" are insured in full by the Federal Deposit Insurance Corporation from December 31, 2010 through December 31, 2012. This temporary unlimited coverage is in addition to and separate from, the coverage of at least \$250,000 available to depositors under the FDIC's general deposit insurance rules.

The term "noninterest-bearing transaction account" includes a traditional checking account or demand deposit account on which the insured depository institution pays no interest and also "IOLTA's" or Interest on Lawyer Trust Accounts. It does not include other accounts, such as traditional checking or demand deposit accounts that may earn interest, NOW accounts, and Money-market deposit accounts.

For more information about temporary FDIC insurance coverage of transaction accounts, visit www.fdic.gov.



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Press Releases

Basic FDIC Insurance Coverage Permanently Increased to \$250,000 Per Depositor

FOR IMMEDIATE RELEASE

July 21, 2010

Media Contact:

Andrew Gray (202) 898-7192

Email: Angray@fdic.gov

On July 21, 2010, President Barack Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act, which, in part, permanently raises the current standard maximum deposit insurance amount to \$250,000. The standard maximum insurance amount of \$100,000 had been temporarily raised to \$250,000 until December 31, 2013. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category.

The temporary increase from \$100,000 to \$250,000 was effective from October 3, 2008, through December 31, 2010. On May 20, 2009, the temporary increase was extended through December 31, 2013.

"With this permanent increase of deposit insurance coverage to \$250,000, depositors with CDs above \$100,000 but below \$250,000 will no longer have to worry about losing coverage on those CDs maturing beyond 2013. We strongly encourage all bank depositors who have questions about their insurance coverage to go to our Web site at www.fdic.gov and use our Electronic Deposit Insurance Estimator (EDIE) or call our toll-free number at 1-877-ASK-FDIC. Insured deposits provide the comfort and peace of mind to depositors that their money is 100 percent safe – provided they keep their deposit balances within the insurance limits," said FDIC Chairman Sheila C. Bair.

To help consumers, bankers and others understand how the new law affects deposit insurance coverage and to help consumers verify whether their deposit accounts are fully protected, the FDIC provides the following resources:

- **Information on deposit insurance on the FDIC Web site:** Updated brochures on deposit insurance coverage (including the basic guide, Deposit Insurance Summary, and the more comprehensive guide, Your Insured Deposits) and a new version of the "Electronic Deposit Insurance Estimator" (EDIE), an interactive service that allows consumers to quickly and easily check whether their accounts are fully protected, are now available on the FDIC's Web site.
- **A toll-free consumer assistance line:** Help and information about deposit insurance and other matters of interest to bank customers are available at 1-877-ASK-FDIC (1-877-275-3342) Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time. For the hearing-impaired, the number is 1-800-925-4618.

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Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. The FDIC insured deposits at the nation's 7,932 banks and savings associations and it promotes the safety and soundness of these institutions by identifying, monitoring the addressing risks to which they are exposed. The FDIC receives no federal tax dollars – insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-161-2010**



Press Releases

FDIC Issues Rule Including IOLTAs in Temporary Unlimited Deposit Insurance Coverage for Noninterest-Bearing Transaction Accounts

FOR IMMEDIATE RELEASE
January 18, 2011

Media Contact:
Greg Hernandez (202) 898-6984
Email: ghernandez@fdic.gov

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved a final rule to include Interest on Lawyer Trust Accounts (IOLTAs) in the temporary unlimited deposit coverage for noninterest-bearing transaction accounts.

The Dodd-Frank Wall Street Reform and Consumer Protection Act provides temporary, unlimited deposit insurance for all noninterest-bearing transaction accounts. The FDIC's final rule implements the December 29, 2010 amendment to that Act by including IOLTAs within the definition of a "noninterest-bearing transaction account."

All funds held in IOLTA accounts, together with all other noninterest-bearing transaction account deposits, are fully insured, without limit, from December 31, 2010, through December 31, 2012. This coverage is separate from, and in addition to, the coverage provided to depositors for other accounts at an insured depository institution.

Attachment:
[Final Rule - PDF](#) ([PDF Help](#))

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Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. The FDIC insures deposits at the nation's 7,830 banks and savings associations and it promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no tax dollars – insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-8-2011**