



Change of Insured Status

FIL-55-97
May 30, 1997

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: *FDIC Seeks Comments on Proposed Notification of Changes of Insured Status*

The FDIC Board of Directors proposed amendments on April 29, 1997, to 12 CFR Part 307, regarding notification of changes of insured status. The amendments, which are being proposed as part of the FDIC's ongoing review of regulations, are intended to clarify the scope and applicability of the FDIC's existing regulation. The proposed amendments also are designed to assist the industry with compliance. The FDIC will accept comments on the proposed rule through July 14, 1997.

The proposed amendments would:

Require all insured depository institutions assuming deposits of another insured depository institution, other than where the deposits are being assumed from an institution for which the FDIC is acting as receiver, to provide the FDIC with a certification of the partial or total assumption of the transferring institution's deposits within 30 calendar days after the assumption takes effect.

Clarify the extent of deposit insurance coverage on deposits assumed by an insured depository institution and the circumstances under which the insured status of a transferring institution will be terminated.

Provide for prior review and approval by FDIC of proposed depositor notification letters when an insured depository institution seeks to voluntarily terminate its insured status without having another insured depository institution assume its deposits.

Provide sample certification and depositor notification letters to facilitate compliance with the proposed amended rule.

The proposed rule is attached. For more information about the proposal, please contact William P. McNamara, Examination Specialist in the FDIC's Division of Supervision, at (202) 898-6778, or Rodney D. Ray, Counsel in the FDIC's Legal Division, at (202) 898-3556.

William F. Kroener, III
General Counsel

[Attachment](#): Federal Register, May 14, 1997, pp. 26431-26435, see also FDIC's website, [News, Events & FOIA](#)

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