



## FINAL RULE ON ASSET AND LIABILITY BACKUP PROGRAM

The Federal Deposit Insurance Corporation (FDIC) has adopted a final rule that requires asset and liability backup programs for limited deposit account and loan account information in FDIC-insured depository institutions rated less than "satisfactory" for Year 2000 (Y2K) readiness on or after July 31, 1999. Affected institutions must follow specific programs to back up certain deposit and loan account information beginning December 24, 1999. This information will be retained by each bank or savings and loan association to which the rule applies, and will be used by the FDIC only if the institution must be closed. An affected institution will be exempted from the Asset and Liability Backup Program (ALBP) rule if its primary federal regulator provides a written determination to the FDIC's Executive Secretary that the ALBP is not needed. The final rule took effect on September 17, 1999 and will sunset on June 30, 2000.

The FDIC made the following changes to the rule since it was first published in the *Federal Register* as an interim final rule effective July 9, 1999:

- The deadline for completing programming and testing of ALBP extract files has been extended to October 31, 1999.
- The deadline for submitting sample extract files to the FDIC has been extended to November 15, 1999.
- Changes to extract file formats relating to the treatment of date fields, interest rate fields, account status codes and addresses are included in the final rule.

The formatting changes identified in the final rule will ensure the accurate and consistent interpretation of the data contained in the ALBP deposit and loan extract files. If an affected institution already completed its programming and testing of ALBP extract file formats before the final rule's publication in the *Federal Register* on September 17, 1999, or if an affected institution is unable to meet the November 15, 1999, deadline for submitting sample extract files, the FDIC will work with the institution and its primary federal regulator to determine the most appropriate course of action.

The rule requires affected institutions to program for, test, produce and retain in a standard format certain key deposit and loan account information. The institution may select the most cost-effective method of capturing and storing the required data sets.

Affected institutions must comply with the rule until:

- The institution is exempted by its primary federal regulator; receives a "satisfactory" Y2K readiness rating; or establishes to the satisfaction of its primary federal regulator that its deposit and loan systems and data are fully functional and reliable post millennium; or
- The rule sunsets on June 30, 2000.

**Data to Be Provided to Acquirers of Deposit and Loan Accounts from Institutions Placed in Receivership Due to Y2K-Related Problems**

If an institution is placed in receivership due to Y2K-related problems, the FDIC will seek to expedite the transfer of deposit and loan account information to the selected acquirer(s) using electronic media.

- Loan Account Information: Upon the request of the acquirer(s), the FDIC will deliver loan account information to the acquirer(s) in the same format as the ALBP loan extract file format, using the electronic medium most appropriate to the size of the file to be delivered.
- Deposit Account Information: Upon the request of the acquirer(s), the FDIC will deliver deposit account information to the acquirer(s) in the same format as the ALBP deposit extract file format, using the electronic medium most appropriate to the size of the file to be delivered. In addition, the FDIC will supplement the ALBP data by appending six additional fields of information, as set forth on the following page, to the end of the ALBP deposit extract file records. This supplemental information will be produced from the FDIC's own business systems using only information obtained from the ALBP extract files or data obtained by the FDIC from the failed institution's records after the institution is closed..

Information Field	Definition	Info Type	Info Length	Dec
37 Insured Principal	The amount of depositor's principal by the FDIC.	N	15	2
38 Insured Interest	The amount of paid and accrued interest insured by the FDIC.	N	15	2
39 Excess Principal	The amount of depositor's principal in excess of FDIC deposit insurance coverage.	N	15	2
40 Excess Interest	The amount of paid and accrued interest in excess of FDIC deposit insurance coverage.	N	15	2
41 FDIC Hold on Principal	The amount of depositor's insured principal subject to a hold by the FDIC. Some or all of this amount may be subsequently released to the depositor.	N	15	2
42 FDIC Hold on Interest	The amount of depositor's insured interest subject to a hold by the FDIC. Some or all of this amount may be subsequently released to the depositor.	N	15	2

- The selected acquirer(s) may elect to receive preliminary deposit or loan account data before the completion of the determination of insured deposit accounts by the FDIC as a "test file" containing only the information fields available in the ALBP deposit extract file format. In

delivering such a test file, the FDIC will offer no implied or express warranty as to the completeness or accuracy of the data transmitted in the test file.

Inactive