



Federal Deposit Insurance Corporation  
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter  
FIL-87-2018  
December 19, 2018

## Reciprocal Deposit Rulemaking and Request for Comments on Brokered Deposit and Interest Rate Restriction Issues

**Summary:** On December 18, 2018, the FDIC Board of Directors authorized publication of (1) the attached final rule on the treatment of reciprocal deposits, and (2) the attached advance notice of proposed rulemaking (ANPR) inviting comment on all aspects of the FDIC's brokered deposit and interest rate regulations.

**Statement of Applicability to Institutions with Total Assets under \$1 Billion:** This Financial Institution Letter applies to all FDIC-insured financial institutions.

### Suggested Distribution:

All FDIC-insured institutions

### Suggested

**Routing:** Chief  
Executive Officer Chief  
Financial Officer

### Related

**Topics:**  
Brokered Deposits

### Attachments:

Federal Deposit Insurance Corporation  
[CFR Parts 327 and 337 RIN 3064-AE89](#),  
[Limited Exception for a Capped Amount of Reciprocal Deposits from Treatment as Brokered Deposits \(Updated preamble text March 8, 2019\)](#)  
12 CFR Part 337 RIN 3064-AE94 [Advance Notice of Proposed Rulemaking Relating to Brokered Deposits](#)

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### Note:

FDIC Financial Institution Letters (FILs) may be accessed from the FDIC's website at [www.fdic.gov/news/news/financial/2018/](http://www.fdic.gov/news/news/financial/2018/).

To receive FILs electronically, please visit [www.fdic.gov/about/subscriptions/fil.html](http://www.fdic.gov/about/subscriptions/fil.html).

Paper copies may be obtained through the FDIC's Public Information Center, 3501 Fairfax Drive, E 1002, Arlington, VA 22226 (877-275-3342 or 703-562-2200).

### Highlights:

#### Final Rule:

- Section 202 of the Economic Growth, Regulatory Relief, and Consumer Protection Act amends Section 29 of the Federal Deposit Act to except a capped amount of reciprocal brokered deposits from treatment as brokered deposits for certain insured depository institutions. Section 202 defines terms, including "reciprocal deposits," "covered deposits," and "agent institution."
- The FDIC is incorporating these statutory definitions into section 337.6(e)(2) of the FDIC Rules and Regulations without change.
- Section 202 also confirms that the current statutory and regulatory rate restrictions for less than well-capitalized institutions apply to reciprocal deposits that are excepted from treatment as brokered deposits.
- Additionally, the FDIC is making conforming amendments to its assessments regulations, Part 327 of the FDIC Rules and Regulations, to be consistent with the statutory definition of reciprocal deposits.
- The Final Rule will take effect 30 days after publication in the Federal Register.

#### Advance Notice of Proposed Rulemaking:

- The ANPR is part of the FDIC's effort to comprehensively review its regulations and policies.
- The FDIC seeks comment on all aspects of the brokered deposit and interest rate restriction regulations.
- Comments will be accepted for 90 days after publication in the Federal Register.