



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

**Financial Institution Letter**  
**FIL-83-2006**  
**September 18, 2006**

## **DEPOSIT INSURANCE COVERAGE**

### **Changes to FDIC Rule for Deposit Insurance Coverage**

**Summary:** The FDIC Board of Directors has permanently adopted the attached final rule to implement provisions of the Federal Deposit Insurance Reform Act of 2005 pertaining to deposit insurance coverage. The Board had issued an interim rule, effective April 1, 2006, to implement the new insurance coverage provisions. The final rule is unchanged from the interim rule, except that the preamble provides a more detailed explanation of the types of retirement accounts included in the rule changes. The final rule takes effect on October 12, 2006.

**Distribution:**  
FDIC-Insured Institutions

**Suggested Routing:**  
Chief Executive Officer  
Compliance Officer

**Related Topics:**  
FDIC Deposit Insurance Regulations 12 C.F.R. 330

**Attachment:**  
Final Rule

**Contact:**  
FDIC Call Center, 1-877-275-3342

**Note:**  
FDIC financial institution letters (FILs) may be accessed from the FDIC's Web site at [www.fdic.gov/news/news/financial/2006/index.html](http://www.fdic.gov/news/news/financial/2006/index.html).

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#### **Highlights:**

- Effective April 1, 2006, coverage for certain retirement plan deposits increased to \$250,000. The basic insurance limit for other depositors – individuals, joint account holders, businesses, government entities and trusts – remains at \$100,000.
- Pass-through coverage for employee benefit plans is no longer tied to an institution's capital level, although institutions must meet certain capital requirements to accept employee benefit plan deposits.
- The FDIC Board of Directors is authorized to increase the insurance limits for all deposit accounts every five years, beginning in 2011, based on the rate of inflation.
- This FIL supersedes FIL-27-2006, dated March 28, 2006.