



October 13, 2010

Via e-mail to [comments@fdic.gov](mailto:comments@fdic.gov)

Mr. Robert E. Feldman, Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Re: RIN 3064-AD37

Dear Mr. Feldman:

On behalf of the Connecticut Bar Foundation, the entity designated by the Judges of the Superior Court to administer the IOLTA program in Connecticut, I thank the FDIC for including IOLTA accounts in the Transaction Account Guarantee (TAG) Program. The FDIC action recognized that IOLTA accounts are functionally non-interest bearing to the depositor owner of the IOLTA account, and non-interest bearing to the owner of the funds in the IOLTA trust account. The proposed FDIC regulations regarding implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act, however, would require notice no later than December 31, 2010 to IOLTA account depositors that the accounts would no longer be eligible for unlimited FDIC coverage effective January 1, 2011. Due to the currently pending legislation that would allow for continued unlimited FDIC coverage for IOLTA accounts, we request the notice not be required for IOLTA accounts until after Congress has recessed, or if required, that the notice be sent to IOLTA account depositors **no earlier than** December 30, 2010.

Pursuant to Connecticut General Assembly Statute Section 51-81c and Rule 1.15 of the Rules of Professional Conduct, IOLTA provides a significant public benefit. Interest generated from IOLTA accounts is granted to nonprofit organizations that "...provide funding for (1) the delivery of legal services to the poor by nonprofit corporations whose principal purpose is providing legal services to the poor, and (2) law school scholarships based on financial need." Civil legal services to the poor are vital to our democratic system's guarantee of equal access to justice for all. If IOLTA accounts are not covered, millions of dollars that prevent homelessness, protect women and children from violence and help the elderly will be lost, at a time when those services are needed the most.

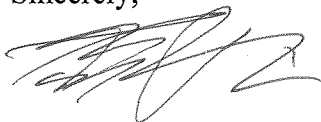
A bill is currently pending in the U.S. Senate that would correct the unintended exclusion of unlimited coverage for IOLTA accounts. Banks sending the proposed notification prematurely will have to rescind that notification when the legislation is passed, causing significant confusion

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among depositors about the insured funds. Upon receiving the proposed notice, attorneys with significant deposits in their IOLTA accounts will be forced to decide whether to move the accounts to larger banks that are presumed "too big to fail" and be in compliance with state mandates, establish multiple IOLTA accounts at multiple banks and greatly increase administration of attorney trust accounts, or out of an over-abundance of caution, violate state rules and place the IOLTA trust account funds in non-interest bearing, non IOLTA accounts to assure unlimited FDIC coverage.

I respectfully request the FDIC delay the proposed required notification requirement relative to IOLTA account depositors, allowing time for Congress to pass the pending Senate bill or other corrective action.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy S. Fisher". The signature is stylized and somewhat cursive, with a large initial "T" and "S".

Timothy S. Fisher  
President