

## 360.9 Frequently Asked Questions

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### **My institution is currently a Covered Institution, but our Call Report numbers do not meet the criteria for a Rule 360.9 Covered Institution. Does this mean my institution no longer needs to comply with the requirements of the rule?**

If your institution does not meet the definition of a Covered Institution (as defined in 12C.F.R. § 360.9(b)(1)) for three consecutive quarters it is no longer subject to the requirements of the rule. Please keep in mind that in the future, should your institution meet the requirements as a Covered Institution under this rule, your institution will once again be required to comply with the rule. Institutions in this situation may wish to consider the costs and benefits of maintaining their current 12 C.F. R. § 360.9 functionalities against the likelihood of becoming a Covered Institution once again and the one-time costs associated with returning to a rule compliant state.

### **Our holding company has three affiliated insured depository institutions, but only one meets the requirements of a Covered Institution. Does this mean all three insured depository institutions must meet the requirements of the rule?**

No. The rule only applies to a Covered Institution by charter. It is possible for a multi-bank holding company to have affiliated insured depository institutions that are both Covered Institutions and Non-Covered Institutions.

### **What kind of data would the FDIC like to use in our test environment?**

The FDIC prefers to test with either production data in its entirety or a subset of production data loaded into the test environment. The FDIC prefers not to use made-up test accounts. The test environment should contain all of the same systems and software specifications as the production environment.

### **Are separate data extract files for each system/sub-system acceptable?**

Yes. The FDIC can accept separate files from each system. All bank data extract files will be loaded together and will create a consolidated set of FDIC files (add hold file, remove hold file, credit file, and debit file) for the bank to process. The Covered Institution needs to be able to separate records for each system and process them accordingly.

### **What delimiter will the add/remove hold file and the debit/credit file use?**

The FDIC will provide these files in pipe-delimited format with header and trailer records.

### **How do we report deposits denominated in foreign currencies?**

A deposit denominated in a foreign currency can be a domestic deposit or a foreign branch deposit. According to 12 CFR 330.3(c) of the FDIC's Rules and Regulations, "[d]eposit insurance for such deposits shall be determined and paid in the amount of United States dollars that is equivalent in value to the amount of the deposit denominated in the foreign currency as of close of business on the date of default of the insured depository institution. The exchange rates to be used for such conversions are the 12 PM rates (the "noon buying rates for cable transfers") quoted for major currencies by the Federal Reserve Bank of New York on the date of default of the insured depository institution, unless the deposit agreement specifies that some other widely recognized exchange rates are to be used for all purposes under that agreement, in which case, the rates so specified shall be used for such conversions." You should report foreign currency type in deposit file data field #13. DP\_Currency\_Type using the 3-digit ISO

4217 currency code. You will need to use the same exchange rates to convert US dollars in the FDIC add hold and remove hold files, credit file, and debit file back to their respective foreign currencies before processing these files in your deposit systems.

### **What is the order of processing the incoming FDIC files?**

1. Remove hold file to remove FDIC holds.
2. Add hold file to add FDIC holds.
3. Credit file to post credits to accounts.
4. Debit file to post debits to accounts.

### **What happens to the files provided after the review is complete?**

All raw data files, intermediate data files, and database tables for validation will be securely deleted. The FDIC review team will send a written confirmation for deleting all files.

### **What are the most common issues found with Deposit File?**

- Data field #8. DP\_Tax\_ID: account does not have tax ID or any type of unique identifier
- Data field #9. DP\_Tax\_Code: cannot clearly identify what type of code reported in data field #8. DP\_Tax\_ID, i.e., SSN, TIN, or Other
- Data field #11. DP\_Cost\_Center: cost center code or general ledger code not reported
- Data field #12. DP\_Dep\_Type: domestic or foreign branch deposits not clearly labeled
- Data field #13. DP\_Currency\_Type: all amounts reported in the Deposit file should be in US Dollars with the originating currency code reported here
- Data field #14. DP\_Ownership\_Ind: ownership indicator is a key data field for FDIC insurance determination.
- The Deposit file provides two sets of data fields to report names and addresses. Parsed names and addresses can be reported in data field #17. DP\_Acct\_Title\_1 through data field #27. DP\_Country. Unparsed names and addresses can be reported in data field #28. DP\_NA\_Line\_1 through data field #33. DP\_NA\_Line\_6. Most Covered Institutions report either parsed or unparsed names and addresses, but not both.
- If parsed name and address data fields are used, then city, state, zip, and country code should be reported accordingly. The country name should be provided in the country name data field (data field #27. DP\_Country) (up to 10 characters) or follow the standard two-digit IRS country code table.
- Data field #39. DP\_Int\_Term\_No: this is the CD term in months. A one-year CD should report 12 in this data field. Do not report the frequency that interest accrues, or number of months until maturity.
- Data field #42. DP\_Sweep\_Code: a value "Y" means this deposit account has sweep investment vehicle product accounts linked to it.
- Data field #47. DP\_Deposit\_Class\_Type and data field #48. DP\_Product\_Class\_Cde: it is important to populate these two data fields as accurately as possible. It is related to the provisional hold calculation and insurance determination.

### **What are the most common issues found with Hold File?**

- For accounts with existing bank holds, a new FDIC provisional hold may result in a negative Available Balance. This is acceptable. Do not alter the calculated FDIC provisional hold amount to make the available balance zero. Instead, leave the available balance negative. This is to protect the FDIC's interest in the event bank holds are released prior to the FDIC hold.
- Non-daily operational bank holds are to be reported in the Hold file, such as loan collateral hold, legal holds, court order holds, etc.

### **What are the most common issues found with Deposit-Customer Join File?**

The most common issue related to the Deposit-Customer Join file is missing data field #8. CS\_Rel\_Code and data field #9. CS\_Bene\_Code. The relationship code indicates how the customer is related to the deposit account. If the customer is considered a beneficiary, the type of the account should be reported in the Beneficiary type code data field.

### **What are the most common issues found with Customer File?**

- Data field #1. CS\_Cust\_Identifier: a Covered Institution should be able to report a unique and non-duplicated customer identifier. This data field allows Customer file to be linked to Join file.
- Data field #2. CS\_Tax\_ID and data field #3. CS\_Tax\_Code: do not leave them blank
- Similar to Deposit file, the Customer file provides two sets of name and address data fields, one for parsed data, the other for unparsed data. If parsed name and address data fields are used, the city, state, zip, and country fields should be populated. The country name should be provided in the country name data field data field #23. CS\_Country (up to 10 characters) or follow the IRS standardized codes.

### **How are different data files linked together?**

Appendix H to the rule illustrates the possible linkages of different data files. The first six fields are key fields in the Deposit and Hold files and should match each other. Data fields #2 to #7 in the Join file should match to data fields #1 to #6 in the Deposit file. Data field #1 (CS\_Cust\_Identifier), of both the Customer and Join files should also match. These six account identifier fields should be used consistently in all files to ensure proper file linkages.

### **Can I report “+” sign with padding or trailing zeros for monetary (amount) data fields?**

All monetary values should not include plus “+” signs as a leading character. The only sign needed is the negative “-” sign when the amount is less than zero US dollars. Also, please do not pad with leading zeros and trailing zeros. All monetary values need to be reported in US dollars. If a currency conversion is needed, use a reputable source for conversion rates and store that rate so that it would be possible to convert the deposit amount back to the original currency type for processing. For example, to report an amount of \$123,456.78, the deposit file record should look like |123456.78|, and not |+00000123456.7800|.

### **If the file layout allows for 50 positions for a field and our system has only a 30 position field, do you want us to pad the remaining 20 positions with spaces?**

No, for name fields or any character fields do not pad leading or trailing spaces. Instead of | John Doe |, please simply use |John Doe|.

### **How do I report missing data in numeric and character field?**

Please use two consecutive delimiters “||” to report missing data.