



FR 2900 / News

Monetary and Financial Reporting

Fall 2011

Important Due Dates

Weekly Reporters

Please submit weekly FR 2900 reports on the Tuesday following the Monday “as-of” date.

Quarterly Reporters

Your personalized form for the report week ending **September 26, 2011**, should arrive very soon. Please submit the report to us on **Tuesday, September 27, 2011**.

Resource Center Links

FR 2900 Forms and Instructions

<http://www.federalreserve.gov/reportforms>

Federal Deposit Insurance Corporation

<http://www.fdic.gov>

National Credit Union Administration

<http://www.ncua.gov>



Interest on Demand Accounts

Under a provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), insured depository institutions (IDIs) may pay interest on demand deposit accounts (DDAs) that were effective on July 21, 2011. Section 627 of the Dodd-Frank Act repeals the prohibition for all insured depository institutions by rescinding a provision in REG Q concerning state members institutions, repealing a provision in section 5 of the Home Owners Lending Act (HOLA) concerning federal thrifts and repealing a provision in section 18 of the FDI Act concerning state non-members.

The FDIC has imposed no specific conditions that must be satisfied if an insured depository institution (IDI) chooses to offer new interest-bearing DDAs to its customers. However, as is always the case, the FDIC expects IDIs to act in a commercially reasonable manner and to comply with applicable state and federal laws and regulations in establishing and marketing such accounts.

If an IDI modifies existing DDA agreements to allow for the payment of interest, pursuant to 12 C.F.R. § 330.16(c)(3), the IDI must notify affected customers in writing that their DDAs are no longer fully insured as noninterest-bearing transaction accounts under the Dodd-Frank Deposit Insurance Provision.

Congress did not abolish or change the law regarding NOW accounts when it enacted Section 627. The laws and regulations regarding NOW accounts remain intact without any modifications. IDIs still can offer NOW accounts to eligible customers – individuals, nonprofit organizations and governmental units. For-profit entities are not eligible to own NOW accounts.

As outlined in the following table, there are several differences between DDAs (interest-bearing and noninterest-bearing) and NOW accounts:

NOW Accounts	DDAs
IDI reserves the right to require at least seven days' written notice prior to withdrawal or transfer of any funds (See 12 C.F.R. § 204.2(e)(2)).	IDI <u>does not</u> reserve the right to require at least seven days' written notice of an intended withdrawal (See 12 C.F.R. § 204.2(b)(1)).
Only individuals, nonprofit organizations and governmental units can own a NOW account; for-profit entities are expressly prohibited from holding NOW accounts.	Any depositor can own a DDA.

Please review the following link for more information regarding insured depository institutions:

<http://www.fdic.gov/deposit/deposits/unlimited/section627.html>



FR 2900 reporting: switching reporting frequency — dates to remember

Please keep the following dates in mind if your institution has been contacted by us and will be changing its reporting category.

- Institutions no longer reporting the FR 2900 on a weekly basis will file their last weekly report for the week ending September 19, 2011.
- Institutions no longer reporting the FR 2900 on a quarterly basis will file their last quarterly report for the week ending June 27, 2011.
- Institutions beginning to report the FR 2900 on a weekly basis will file their first weekly report for the week ending September 26, 2011.
- Institutions beginning to report the FR 2900 on a quarterly basis will file their first quarterly report for the week ending September 26, 2011.
- Institutions beginning to report the FR 2910a on an annual basis will file their first FR 2910a on June 30, 2012.



Holidays

We all love holidays! When one occurs during the report week, please carry forward the previous day's balances through the date of the holiday. The Federal Reserve Bank of Richmond will observe the following upcoming holidays:

Columbus Day

Monday, October 10

Veterans Day

Friday, November 11

Thanksgiving

Thursday, November 24



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