

## **Restoration Plan**

### Term of plan

- The DIF reserve ratio will be increased to 1.35 percent by September 30, 2020, pursuant to the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank).

### Assessment rates

- The 3 bps uniform assessment rate increase previously scheduled to go into effect January 1, 2011, will not take effect.
- Current assessment rates will remain in effect until the reserve ratio reaches 1.15 percent, which is expected to occur at the end of 2018. Until then, Risk Category I institutions, for example, will continue to pay initial assessment rates between 12 and 16 basis points.

### Increasing the reserve ratio from 1.15 percent to 1.35 percent

- The FDIC will pursue further rulemaking in 2011 regarding the statutory requirement that the FDIC offset the effect on small institutions of the requirement that the reserve ratio reach 1.35 percent by September 30, 2020, rather than 1.15 percent by the end of 2016.

## **Notice of Proposed Rulemaking**

### Proposed assessment rates once the reserve ratio reaches 1.15 percent

- When the reserve ratio reaches 1.15 percent, assessment rates would be lowered significantly. Risk Category I institutions, for example, would pay initial assessment rates between 8 and 12 basis points.

### Proposed assessment rates when the reserve ratio reaches 2 percent

- When the reserve ratio equals or exceeds 2 percent, assessment rates would be lowered approximately 25 percent. Risk Category I institutions, for example, would pay initial assessment rates between 6 and 10 basis points.

Proposed assessment rates when the reserve ratio reaches 2.5 percent

- If the reserve ratio equals or exceeds 2.5 percent, assessment rates would be lowered approximately 50 below the rates that will take effect when the reserve ratio reaches 1.15 percent. Risk Category I institutions, for example, would pay initial assessment rates between 4 and 8 basis points.

Designated Reserve Ratio

- The DRR would be set at 2 percent.

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