



## **FDIC Transaction Account Guarantee Program**

American Bank is participating in the FDIC's Transaction Account Guarantee Program. Under the Program, through December 31, 2010, all non-interest bearing transaction accounts and certain NOW accounts (checking with interest) are fully guaranteed by the FDIC for the entire amount in the account. Coverage under the Transaction Account Guarantee Program is in addition to and separate from the coverage available under the FDIC's general deposit insurance rules.

For the purposes of the Transaction Account Guarantee Program, the FDIC is including in the definition of non-interest bearing transaction accounts:

- Traditional demand deposit checking accounts that allow for an unlimited number of deposits and withdrawals at any time;
- Accounts commonly known as Interest on Lawyers Trust Accounts (IOLTAs) and functionally equivalent accounts; and
- Negotiable order of withdrawal accounts (NOW accounts) with interest rates no higher than 0.25 percent for which the depository institution at which the account is held has committed to maintain the interest rate at or below 0.25 percent.

The following applies to accounts that involve the transfer of funds from a non-interest bearing transaction account into another type of account –such as an interest bearing savings or bank money market account.

- The funds in your non-interest bearing account at the close of business each day will be insured in full under the FDIC's Transaction Account Guarantee Program.
- Under the program, the FDIC will not fully guarantee the funds swept into interest bearing savings or money market accounts. These funds will, however, will still be subject to the FDIC's general deposit insurance limit of \$250,000.00.

Should you have any questions about the Transaction Account Guarantee Program or any other deposit insurance matter, please contact an American Bank Branch Employee.

Please contact us at 301-572-3740