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### **FDIC's Transaction Account Guarantee Program (TAG) FAQs**

First Citizens Bank is participating in the FDIC's Transaction Account Guarantee Program. Under that program, through June 30, 2010, all non interest bearing accounts 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.

To provide you peace of mind that your money is safe and secure, we are pleased to announce our participation in the FDIC Transaction Account Guarantee (TAG) Program. The FDIC created the Program to help customers during a time when some may question whether their funds will be insured at their bank. If you have further questions, please contact your local branch. Here are some frequently asked questions about the TAG Program.

**What is the Transaction Account Guarantee (TAG) Program?** On October 14, 2008, the FDIC announced its new Transaction Account Guarantee (TAG) Program as part of the Temporary Liquidity Guarantee Program. The TAG program guarantees full deposit insurance coverage of non-interest bearing deposit transaction accounts, regardless of the dollar amount. All FDIC-insured institutions were automatically enrolled for a 30-day period. We are pleased to announce that we will continue our participation in this program.

**How long will the additional FDIC coverage last?** The TAG program guarantees full deposit coverage of non interest bearing transaction accounts until June 30, 2010, regardless of the dollar amount and is in addition to the standard FDIC insurance that was temporarily increased to \$250,000 per depositor, which is now insured through December 31, 2013. (On January 1, 2014, the standard insurance amount will return to \$100,000 per depositor for all account categories except for IRAs and other certain retirement accounts (including IRAs) which will remain at \$250,000 per depositor.)

**How does the Transaction Account Guarantee Program affect my insurance coverage on other types of accounts?** The FDIC coverage on non-interest bearing deposit transaction (checking) accounts is over and above the current FDIC coverage of \$250,000 per depositor.

**Example:** If you have \$50,000 in a non interest bearing deposit transaction (checking) account and \$250,000 in a certificate of deposit (CD), the FDIC will insure the entire \$300,000.

**What are non interest bearing deposit transaction accounts?** Non-interest bearing deposit transaction accounts are any demand deposit accounts, such as personal or business checking accounts, that do not earn interest. There are a couple of exceptions to the "interest bearing/noninterest bearing" rule:

**IOLTA accounts (Interest on Lawyers Trust Accounts).** These are accounts that ARE interest bearing that are maintained by Lawyers for their clients, but the interest is not given to the attorneys, but to the State Bar Association. This money is then used to provide legal services for low income individuals. In this sense, the account is considered a non-interest bearing account.

**NOW accounts (Interest Checking Accounts)** that maintain an interest rate of no greater than 0.50% will also be an exception to the rule and will be completely covered by FDIC insurance.

**Money Market Checking Accounts** since they have are a limited transactional account, fall under the category of Savings Accounts. These accounts will be insured like all other Savings accounts.

For more information on the TAG program, please visit the [FDIC website](#).