The FDIC's Transaction Account Guarantee Program

Blackhawk Bank & Trust is participating in the FDIC's Transaction Account Guarantee Program. Under that program, through June 30, 2010, all noninterest-bearing transaction 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.

The insurance coverage on noninterest-bearing transaction deposit accounts is over and above the $250,000 in coverage provided to a customer already through December 31, 2013. For example, if a customer has $500,000 in a noninterest-bearing transaction deposit account and $250,000 in a certificate of deposit, the FDIC would fully insure the entire $750,000.

The FDIC is including in the definition of a noninterest-bearing transaction account:

- Accounts commonly known as Interest on Lawyers Trust Accounts (IOLTAs) and functionally equivalent accounts; and
- NOW accounts with interest rates no higher than 0.50 percent for which the insured depository institution at which the account is held has committed to maintain the interest rate at or below 0.50 percent.

Blackhawk Bank & Trust's NOW & Super NOW accounts will **NOT** qualify for this additional coverage as the bank is not making a commitment to maintain the interest rate at or below 0.50 percent.

Blackhawk Bank & Trust's Homeowner's checking accounts will **NOT** qualify for this additional coverage as the bank is not making a commitment to maintain the interest rate at or below 0.50 percent.

The FDIC's definition of a noninterest-bearing transaction account does NOT include interest-bearing money market deposit accounts (MMDAs). It also does NOT include business sweep accounts in which funds are swept into an interest bearing product from a noninterest-bearing transaction account.

Please see a bank employee or go to the FDIC's website for more information www.fdic.gov/tlgp