



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, DC 20429-9990

## Financial Institution Letter

FIL-15-2010

April 13, 2010

# TRANSACTION ACCOUNT GUARANTEE EXTENSION

## Interim Final Rule With Request for Comments

**Summary:** Summary: On April 13, 2010, the FDIC adopted the attached interim final rule extending the Transaction Account Guarantee (TAG) component of the Temporary Liquidity Guarantee Program for six months, through December 31, 2010, with the possibility of extending the program an additional 12 months without further rulemaking. For institutions choosing to remain in the TAG, the basis for calculating the current assessments is modified to one that uses average daily balances in TAG-related accounts. Interest rates on NOW accounts guaranteed under the TAG program are also lowered. Comments on the interim rule are due 30 days following its publication in the *Federal Register*.

**Distribution:**  
All FDIC-Insured Institutions

**Suggested Routing:**  
Chief Executive Officer  
President  
Chief Financial Officer

**Related Topics:**  
Temporary Liquidity Guarantee Program

**Attachment:**  
Interim Final Rule

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### Highlights:

- The TAG program is extended for six months, through December 31, 2010. IDIs currently participating in the program that wish to opt out of the TAG extension must submit their request to opt out on or before April 30, 2010. Such election will be effective on July 1, 2010.
- The interim rule gives the FDIC's Board of Directors the authority to grant an additional 12-month extension of the program, through December 31, 2011, without further rulemaking, if it determines that continuing economic difficulties warrant such extension. IDIs participating in the extended TAG program are obligated to remain in the program an additional 12 months if it is extended.
- Beginning with the September 30, 2010, Report of Condition or Thrift Financial Report, the total dollar amount of TAG-qualifying accounts and the total number of accounts must be reported as an average daily balance.
- The maximum interest rate limit for NOW accounts guaranteed under the TAG program will be 0.25 percent, effective July 1, 2010.
- Every IDI currently participating in the TAG program should review its disclosures and modify them as necessary to ensure that they will be accurate after June 30, 2010.
- TAG assessment rates will remain the same during the six-month extension.