

NOTICE OF FEDERAL DEPOSIT INSURANCE COVERAGE CHANGES

Noninterest-bearing Accounts Fully Guaranteed

Century Bank is participating in the Federal Deposit Insurance Corporation's ("FDIC") Transaction Account Guarantee Program. Under that program, through December 31, 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 which has been permanently expanded from \$100,000.00 to \$250,000.00 per depositor.

Beginning December 31, 2010 through December 31, 2012, deposits held in noninterest-bearing transaction accounts will be fully insured regardless of the amount in the account, at all FDIC insured institutions.

NOW Accounts

In its Final Rule, the FDIC has provided that NOW Accounts with interest rates no higher than 0.25% are considered noninterest-bearing transaction accounts. Century Bank's Interest Checking accounts are by definition classified as NOW Accounts for regulatory reporting. However, Century Bank's Interest Checking accounts may earn interest at a rate in excess of 0.25%. Therefore, Century Bank's Interest Checking accounts are **not eligible** for the FDIC fully guaranteed deposit insurance coverage as described above. Century Bank's Interest Checking accounts **are eligible** for coverage under the FDIC's general deposit insurance rules.

Other Affected Transactions

There are other transactions you may have with Century Bank where the FDIC fully guaranteed insurance coverage provided under the Transaction Account Guarantee Program may or may not be available. Examples of such transactions would be the purchase of a Personal Money Order or an Official Check, which are provided by a third-party provider.

Century Bank also offers sweep arrangements that may result in funds being transferred or reclassified from a noninterest-bearing account to an interest-bearing account on a periodic basis. At the time such funds were transferred or reclassified to an interest-bearing account they would no longer be eligible for the full guarantee provided under the Transaction Account Guarantee Program, but would continue to be eligible for coverage under the FDIC's general deposit insurance rules.

For additional information regarding the FDIC's general deposit insurance rules, please visit their website at www.fdic.gov.

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