

FDIC INSURANCE COVERAGE



FDIC INSURANCE COVERAGE BASICS

The FDIC - short for the Federal Deposit Insurance Corporation - is an independent agency of the United States government. The FDIC protects depositors of insured banks located in the United States against the loss of their deposits if an insured bank fails.

Any person or entity can have FDIC insurance coverage in an insured bank. A person does not have to be a U.S. citizen or resident to have his or her deposits insured by the FDIC.

FDIC insurance is backed by the full faith and credit of the United States government. Since the FDIC began operation in 1934, no depositor has ever lost a penny of FDIC-insured deposits.

WHAT DOES FDIC DEPOSIT INSURANCE COVER?

FDIC insurance covers all types of deposits received at an insured bank, including deposits in a checking account, negotiable order of withdrawal (NOW) account, savings account, money market deposit account (MMDA) or time deposit such as a certificate of deposit (CD).

FDIC insurance covers depositors' accounts at each insured bank, dollar-for-dollar, including principal and any accrued interest through the date of the insured bank's closing, up to the insurance limit.

The FDIC does not insure money invested in stocks, bonds, mutual funds, life insurance policies, annuities or municipal securities, even if these investments are purchased at an insured bank.

The FDIC does not insure safe deposit boxes or their contents.

The FDIC does not insure U.S. Treasury bills, bonds or notes, but these investments are backed by the full faith and credit of the United States government.

HOW MUCH INSURANCE COVERAGE DOES THE FDIC PROVIDE?

The standard deposit insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

The FDIC insures deposits that a person holds in one insured bank separately from any deposits that the person owns in another separately chartered insured bank. For instance, if a person has a checking account at Bank A and has a checking account at Bank B, the accounts would each be insured separately up to \$250,000. Funds deposited in separate branches of the same insured bank are not separately insured.

The FDIC provides separate insurance coverage for funds depositors may have in different categories of legal ownership. The FDIC refers to these different categories as "ownership categories." This means that a bank customer who has multiple deposits may qualify for more than \$250,000 in insurance coverage if the customer's accounts are deposited in different ownership categories and the requirements for each ownership category are met.

Calculate insurance coverage using the FDIC's online Electronic Deposit Insurance Estimator at: www.fdic.gov/edie

Read more about FDIC insurance online at: www.fdic.gov/deposit/deposits

View Frequently Asked Questions on Deposit Insurance Coverage at: www.fdic.gov/deposit/deposits/index.html

Note: 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.