

## Financial Institution Letters

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### FDIC Deposit Insurance Coverage

The Federal Deposit Insurance Corporation (FDIC) is an independent agency of the United States government that protects against the loss of insured deposits if an FDIC-insured bank or savings association fails. FDIC deposit insurance is backed by the full faith and credit of the United States government. Since the FDIC was established, no depositor has ever lost a single penny of FDIC-insured funds.

FDIC insurance covers funds in deposit accounts, including checking and savings accounts, money market deposit accounts and certificates of deposit (CDs). FDIC insurance does not, however, cover other financial products and services that insured banks may offer, such as stocks, bonds, mutual fund shares, life insurance policies, annuities or municipal securities.

There is no need for depositors to apply for FDIC insurance or even to request it. Coverage is automatic.

To ensure funds are fully protected, depositors should understand their coverage limits. The FDIC provides separate coverage for deposits held in different account ownership categories. The coverage limits shown in the chart below refer to the total of all deposits that an accountholder has in the same ownership categories at each FDIC-insured bank. The chart shows only the most common ownership categories that apply to individual and family deposits, and assumes that all FDIC requirements are met.

#### Basic FDIC Deposit Insurance Coverage Limits \*

Single Accounts (owned by one person)	\$250,000 per owner
Joint Accounts (two or more persons)	\$250,000 per co-owner
IRAs and certain other retirement accounts	\$250,000 per owner
Trust Accounts	\$250,000 per owner per beneficiary subject to specific limitations and requirements
Corporation, Partnership and Unincorporated Association Accounts	\$250,000 per corporation, partnership or unincorporated association
Employee Benefit Plan Accounts	\$250,000 for the non-contingent, ascertainable interest of each participant

Government Accounts	\$250,000 per official custodian
Non-interest Bearing Transaction Accounts	Unlimited coverage – only at participating FDIC-insured banks and savings associations **

\* On January 1, 2010, the standard coverage limit will return to \$100,000 for all deposit categories except IRAs and Certain Retirement Accounts, which will continue to be insured up to \$250,000 per owner.

\*\* Unlimited deposit insurance coverage is available through December 31, 2009, for non-interest bearing transaction accounts at institutions participating in FDIC's Temporary Liquidity Guarantee Program.

If you have questions about FDIC coverage limits and requirements, visit [www.myFDICinsurance.gov](http://www.myFDICinsurance.gov), call toll-free 1-877-ASK-FDIC or ask a representative at your bank.