# Bank Safety & You

## Federally insured banks and savings institutions offer safety and security for your deposits. Here's what you need to know.

The **FDIC**—short for the **Federal Deposit Insurance Corporation**—is an independent agency of the United States government. The FDIC protects depositors against the loss of their insured deposits if an FDIC—insured bank or savings association fails. FDIC insurance is backed by the full faith and credit of the United States government to at least $250,000.

***From the Federal Deposit Insurance Corporation's first day of operation in 1933 through today, not one depositor has ever lost a penny of FDIC insured deposits.***

### ■ What FDIC deposit insurance covers

FDIC insurance covers deposits received at an insured bank. Types of deposit products include: checking, NOW and savings accounts, money market deposit accounts (MMDA), and time deposits such as certificates of deposit (CDs).

### ■ FDIC insurance amounts

The basic insurance amount is $250,000 per depositor, per insured bank. This includes principal and accrued interest up to a total of $250,000. The $250,000 amount applies to all depositors of an insured bank.

- Deposits in one insured bank are insured separately from deposits in another insured bank.
- Deposits maintained in different categories of legal ownership at the same bank can be separately insured. Therefore, it is possible to have deposits of more than $250,000 at one insured bank and still be fully insured.

### ■ Who pays for FDIC insurance

The FDIC is funded not with taxpayer money but with deposit insurance premiums imposed on banks. Though the FDIC has the authority to borrow from the Treasury Department to meet its obligations, it has never done so to cover losses.

## Insured…or not?

**FDIC-Insured**

- Checking Accounts, including money market deposit accounts, NOW Accounts
- Savings Accounts including passbook accounts
- Certificates of Deposit
- Certain Retirement Accounts
- Cashier's checks, money orders, other official items issued by a bank

**Not FDIC-Insured**

- Investments in mutual funds (stock, bond or mutual funds) whether purchased from a bank, brokerage or dealer
- Annuities, life insurance policies (underwritten by insurance companies but sold at some banks)
- Stocks, bonds, Treasury securities or other investment products, whether purchased through a bank or a broker/dealer
- Contents of a safe deposit box

## How to know if a bank is FDIC insured

Insured banks must display an official sign at each teller window or station where deposits are regularly received. You can find out whether a particular bank or savings association has FDIC insurance coverage by contacting the FDIC using one of the resources listed on the back panel. Look for this symbol of coverage:

Each depositor insured to at least $250,000

*Backed by the full faith and credit of the United States government*

**FDIC**

Federal Deposit Insurance Corporation·www.fdic.gov

## Resources

To learn more about exactly how your deposits are insured, obtain a copy of the FDIC booklet "Your Insured Deposits." Ask your banker, or go directly to FDIC:
**Web: www.fdic.gov; phone: 1-877-275-3342**

Estimate your coverage with EDIE the Estimator: **www.fdic.gov/edie/**