



**Your  
Coverage  
Increased to  
\$250,000**  
(see inside  
for details)



# Bank Safety You &



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

# Feeling Secure About Your Savings

**Y**our deposits in an FDIC-insured bank or savings institution couldn't be safer. These institutions are fundamentally sound, their insurance fund is well-capitalized, and a U.S. Government agency, the Federal Deposit Insurance Corporation (FDIC), administers the deposit insurance program.

**“Not one penny of insured savings has ever been lost by a customer of a federally insured bank”**

Banks and savings institutions maintain capital reserves and observe lending policies that aid in

protecting those reserves. This is one reason why they continue to hold up well in periods of tight credit and financial turmoil.

## Your Safety Net

Your money is only as safe as the insurance system that protects it. The fund protecting federally insured banks and savings institutions is backed by *the full faith and credit of the United States Government*. Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. The FDIC insures deposits at the nation's 8,560 banks and savings associations and it promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars—insured financial institutions fund its operations. Consider these other facts about

the Deposit Insurance Fund (DIF), which is administered by FDIC to protect federally insured banks and savings institutions:

## **Basic Coverage Increases**

FDIC's basic coverage has been increased from \$100,000 to \$250,000. Certain retirement accounts coverage had previously been increased to \$250,000, and this coverage has not changed.

The increased basic coverage was authorized by Congress

in response to recent economic turbulence, and is scheduled to be in effect through 2009. Coverage can be even greater depending upon how your accounts are structured (*see back page*).



## **The Deposit Insurance Fund is Exceptionally Strong**

Capitalization of the fund is now over \$50 billion in reserves. This is one good reason why not one penny of insured savings has ever been lost by a customer of a federally insured bank.

## **Federally Insured Banks Are Fundamentally Sound**

The great majority of federally insured banks and savings institutions meet or exceed capitalization adequacy goals, the leading indicator of safety and soundness for banks, and bank profitability remains strong.

## **The Fund Balance is Reviewed Regularly to Ensure Continued Strength**

The FDIC closely monitors the contribution levels of member institutions in order to evaluate the current viability of the fund. FDIC uses a risk-based assessment method, assuring that banks that might have a riskier profile pay more in annual premiums to help cover this risk.

## **For More Information From the FDIC**

Go to the FDIC web site at [www.fdic.gov](http://www.fdic.gov) to find publications. Or call toll-free 1-877-ASK-FDIC (1-877-275-3342).



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