

# FDIC Insurance

## **Dodd-Frank Wall Street Reform and Consumer Protection Act**

In accordance with the Dodd-Frank Wall Street Reform and Protection Act, from December 31, 2010, through December 31, 2012, all funds in "noninterest-bearing transaction accounts" are insured in full by the Federal Deposit Insurance Corporation. This unlimited coverage is in addition to, and separate from, the coverage of at least \$250,000 available to depositors under the FDIC's general deposit insurance rules.

The term "noninterest-bearing transaction account" includes a traditional checking account (or demand deposit account) on which the insured depository institution pays no interest. It also includes Interest on Lawyers Trust Accounts ("IOLTAs"). It does *not* include any transaction account that may earn interest, such as a negotiable order of withdrawal ("NOW") account or money-market deposit account, even if checks may be drawn on the account.

The temporary full insurance coverage of "noninterest-bearing transaction accounts" expires on December 31, 2012. After December 31, 2012, funds in noninterest-bearing transaction accounts will be insured under the FDIC's general deposit insurance rules, subject to the Standard Maximum Deposit Insurance Amount of \$250,000.

## **About the FDIC**

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 account holder 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

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.