Who Pays for DEPOSIT INSURANCE

Not the government.

Not taxpayers.

Not bank customers.

Banks Pay.

BANK SAFETY and YOU

The economic turbulence of the last year has brought home the critical importance of deposit insurance provided through the Federal Deposit Insurance Corporation (FDIC). An independent agency of the federal government, FDIC was created in 1933 in response to the thousands of bank failures that occurred in the 1920s and early 1930s. Today, FDIC insures more than $4 trillion of deposits—in virtually every bank and thrift in the country.

> ***"The bottom line for consumers is this:*** ***No insured depositor has ever lost a penny of insured deposits—and none ever will. The FDIC was created specifically for times like these. Our resources are strong. Your insured deposits are absolutely safe."***
>
> **—Sheila C. Bair, FDIC Chairman**

The standard insurance amount currently is $250,000 per depositor. The $250,000 limit is permanent for certain retirement accounts (includes IRAs) and is temporary for all other deposit accounts through December 31, 2013. On January 1, 2014, the standard insurance amount will return to $100,000 per depositor for all deposit accounts except certain retirement accounts, which will remain at $250,000 per depositor.

There is no need for depositors to apply for FDIC insurance or even to request it; coverage is automatic when they bank at an FDIC-insured institution. Here are some additional facts to know about banks and deposit insurance:

Banks Protect Their Depositors

The money that has gone into the FDIC insurance fund to protect depositors was put there by banks. The FDIC receives no Congressional appropriations—it is funded by premiums that banks and thrift institutions pay and from earnings on investments in U.S. Treasury securities.

Banks Are Committed to the Future

The FDIC now has the money it needs to protect depositors. The banking industry is seeing to that. Banks' pre-payment of premiums through 2012 to bolster the insurance fund is a significant measure of their commitment. The combination of FDIC's reserves, plus the billions from these prepayments, means the FDIC has sufficient resources to address anticipated bank failures for some time to come.

Consumer Confidence is Warranted

In FDIC's 75 years, not a single depositor has ever lost a penny in an insured account. And because FDIC insurance is backed by the full faith and credit of the U.S. government, it essentially cannot run out of money. There is simply no safer place for consumers to entrust their money than to an FDIC-insured financial institution. Look for this symbol of safety:

Each depositor insured to at least $250,000
Temporarily increased from $100,000 to $250,000 through 12/31/2013

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/