



# PRESS RELEASE

Federal Deposit Insurance Corporation

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**Media Contact:**  
Jay Rosenstein (202) 898-7303  
[jrosenstein@fdic.gov](mailto:jrosenstein@fdic.gov)

## How to "Get a Good Night's Sleep" with FDIC Insurance: Answers to Common Questions

*Other Topics in the Latest FDIC Consumer News Include Fixing a "Frozen" Home Equity Line, Avoiding Phone and Fax Fraud, and "Going Green" When Saving and Borrowing Money*

For consumers who have wondered about the health of their banking institution, if their deposits are fully protected, or what happens if a bank fails, the latest **FDIC Consumer News** provides answers to common questions and other useful information so people can rest assured that their money is safe in an FDIC-insured account. Other articles in the Summer 2008 issue of the agency's quarterly consumer newsletter explain what to do if a home equity line of credit has been reduced or frozen, how to avoid phone and fax fraud, and options for saving the environment as bank customers save and borrow money.

The main feature is a collection of articles about how to "get a good night's sleep" with FDIC insurance. It also includes an "FDIC-Insured Depositor's Bill of Rights" that spells out the agency's promise to bank customers, plus information about a new advertising and education campaign to raise awareness about deposit insurance coverage limits. Among the key points for consumers to remember:

- If someone's deposits are within the FDIC's insurance limits, as is the case for most bank customers, those deposits are safe regardless of the financial condition of the bank.
- The FDIC's guarantee – that we will protect against the loss of insured deposits if an FDIC-insured bank or savings associations fails – is ironclad. As FDIC Chairman Sheila C. Bair said, since the creation of the FDIC 75 years ago, "no one has ever lost so much as a penny of FDIC-insured deposits – not a single penny," as a result of a bank failure.
- The FDIC protects deposit accounts – including checking and savings accounts, money market deposit accounts and certificates of deposit (CDs) – up to the federal limits. But FDIC insurance doesn't protect against losses on non-deposit products – such as stocks, bonds and mutual funds – even if they were sold by insured banks.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. 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.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-68-2008

- The basic insurance coverage is \$100,000 per depositor per insured institution, but individuals may qualify for more than \$100,000 in coverage at one insured bank if they own deposit accounts in different "ownership categories," such as single accounts, joint accounts, certain retirement accounts, and trust accounts.
- Consumers who have questions about their insurance coverage can call the FDIC toll-free (1-877-ASK-FDIC, which is 1-877-275-3342), read or print information online at [www.fdic.gov](http://www.fdic.gov), or send questions to the FDIC in an e-mail or letter.
- If a bank fails, the FDIC provides quick access to insured funds, usually on the first business day after the institution is closed. It is also possible to recover money over the FDIC's insurance limits, depending on how much the FDIC recovers by selling the bank's assets. In some cases, the FDIC is able to make an initial payment on the uninsured portion of deposits within a few days or weeks. Additional payments are made over the course of a year or two after the bank failure.

The Summer issue can be read or printed at [www.fdic.gov/consumers/consumer/news/cnsum08](http://www.fdic.gov/consumers/consumer/news/cnsum08). To order up to two free copies, use the online form on that same Web page or call the Federal Citizen Information Center toll-free at 1-888-8-PUEBLO (1-888-878-3256) weekdays from 8:00 a.m. to 8:00 p.m. Eastern Time and ask for Department 87.

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