

MORE ABOUT

Insured Accounts

All accounts with us owned by the same person(s) in the same ownership category are treated as one account for insurance purposes. Thus, merely opening a number of accounts does not by itself increase account insurance. The ownerships must be different as well.

For example, if the same person opens an individual share draft/checking account with \$250,000 and an individual term share account/Certificate of Deposit account worth \$250,000, the balances are combined and insured only up to \$250,000.

A few simple technical rules exist for each separately insured ownership. Each ownership also has a number of other possible account structures and titles that are not included in our profiles.

The profiles we used are simple examples of what you can do, not necessarily what you should do. There are many possibilities and your situation may well require a different approach.

In addition to the four mentioned here, other ownerships also qualify for separate share insurance coverage, including:

- Partnerships
- Corporations
- Irrevocable Trusts
- Deferred Compensation Plans
- Decedents' Estates
- Keogh Plans

Please see us to find out how you can benefit from separate ownerships!

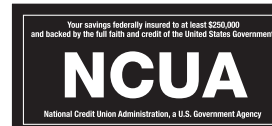
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ARE YOU COVERED?

NCUA Coverage on Your Insured Funds

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The increase in coverage from \$100,000 to \$250,000 is currently scheduled to expire December 31, 2009 for non-IRA accounts.



Insured share accounts are backed by the full faith and credit of the United States government

This statement is part of the official symbol of the National Credit Union Administration (NCUA), which insures your share accounts with us. That's the best guarantee you can get.

And, it keeps getting better.

In 2006, Congress increased the amount of insurance coverage for individual retirement account (IRA) shares up to \$250,000. In 2008, the Emergency Economic Stabilization Act increased the insurance coverage on all other ownership categories up to \$250,000 for each account.*

It's important to remember that the amount of share insurance an account owner has with each institution is determined by "ownership." Each "ownership" is insured separately, so individuals who have share accounts with different "ownerships" can multiply coverage many times.

These are common types of account ownerships for individuals:

INDIVIDUAL ACCOUNTS—These are accounts in the name of, and owned by, one person (not to be confused with IRAs). All of a person's "individual" accounts with us are insured up to \$250,000.

JOINT ACCOUNTS—These accounts have two or more owners, with each having equal withdrawal rights. The NCUA assumes each owner has an equal share of the account balance and insures each person's share of all his or her joint accounts up to \$250,000 per person. (A joint account may or may not have survivorship rights between the owners. Adding or deleting survivorship rights does not make an account a different form of ownership.)

REVOCABLE TRUST ACCOUNTS—These share accounts name one or more beneficiaries who are to get an interest in the account in the event the owner dies.

A trust can be very simple, comprised of one paragraph on a signature card and the name of a beneficiary. A pay-on-death account is a very simple form of this "ownership." On the other hand, a trust can be complicated by conditions on release of a beneficiary's share and partial interests like life estates.

In either case, the creator of the trust typically can, and does, retain complete control of the assets of the trust while alive. Complete control means just that; beneficiaries have no rights to anything and the trust can be revoked by the owner for any reason or no reason.

In 2008, the NCUA simplified these types of accounts even more, and—in some cases—made them eligible for even more insurance. Here are the changes effective October 2008:

- The share designated for a beneficiary is insured to the owner up to at least \$250,000.
- A beneficiary does not need to be a member of the owner's family to qualify for this coverage.
- A beneficiary can be a natural person, a charity, or other non-profit organization.

INDIVIDUAL RETIREMENT ACCOUNTS—These are tax advantaged accounts owned by just one person. An IRA is just one example. A person's IRA might be invested in more than one share account with us; these different accounts are all considered parts of one IRA.

KEOGH ACCOUNTS—A Keogh account is another tax advantaged retirement account similar to an IRA. Keogh accounts are for self employed persons. The NCUA insures Keogh accounts up to \$250,000, separate from (and in addition to) the insurance available on accounts in other ownership categories, including IRA's. (It is possible, but rare, for a person to have an IRA and a Keogh account. That is why we do not feature Keogh accounts in our profiles.)

Look at the Profiles in Coverage inside for examples of how different ownerships can be used to maximize your share insurance. If you have any questions, just ask. We can help you.

*The \$250,000 insurance for each ownership category is slated to revert back to \$100,000 each on 12/31/2009. Coverage for IRAs will remain at \$250,000.

PROFILES IN COVERAGE

Maximum Shares • Maximum Security

These profiles represent possible combinations of accounts for families.* Maximum balances are shown, and all accounts can be fully insured.



Profile 1
Husband and Wife
With Insured Accounts
Totaling \$2,000,000

Individual Accounts:	
Husband	\$250,000
Wife	250,000
Joint Account:	
Husband and Wife	\$500,000
Revocable Trust Accounts:	
Husband in Trust for Wife	\$250,000
Wife in Trust for Husband	250,000
Individual Retirement Accounts:**	
Husband	\$250,000
Wife	250,000
Total	\$2,000,000



Profile 2
Husband, Wife, and One Child
With Insured Accounts
Totaling \$3,750,000

Individual Accounts:	
Husband	\$250,000
Wife	250,000
Child	250,000
Joint Account:	
Husband, Wife, and Child	\$750,000
Revocable Trust Accounts:	
Husband in Trust for Wife and Child	\$500,000
Wife in Trust for Husband and Child	500,000
Child in Trust for Husband and Wife	500,000
Individual Retirement Accounts:**	
Husband	\$250,000
Wife	250,000
Child	250,000
Total	\$3,750,000



Profile 3
Husband, Wife, and Two Children
With Insured Accounts
Totaling \$6,000,000

Individual Accounts:	
Husband	\$250,000
Wife	250,000
Child 1	250,000
Child 2	250,000
Joint Account:	
Husband, Wife, Child 1, and Child 2	\$1,000,000
Revocable Trust Accounts:	
Husband in Trust for Wife, Child 1, and Child 2	\$750,000
Wife in Trust for Husband, Child 1, and Child 2	750,000
Child 1 in Trust for Wife, Husband, and Child 2	750,000
Child 2 in Trust for Wife, Husband, and Child 1	750,000
Individual Retirement Accounts:**	
Husband	\$250,000
Wife	250,000
Child 1	250,000
Child 2	250,000
Total	\$6,000,000



Profile 4
Grandparent, Parent, and Two Grandchildren With Insured Accounts
Totaling \$7,000,000

Individual Accounts:	
Grandparent	\$250,000
Parent	250,000
Grandchild 1	250,000
Grandchild 2	250,000
Joint Account:	
Grandparent, Parent, Child 1, and Child 2	\$1,000,000
Revocable Trust Accounts:	
Grandparent in Trust for Parent, Child 1, Child 2, and American Red Cross*	\$1,000,000
Parent in Trust for Grandparent, Child 1, Child 2, and American Red Cross	1,000,000
Child 1 in Trust for Grandparent, Parent, Child 2, and American Red Cross	1,000,000
Child 2 in Trust for Grandparent, Parent, Child 1, and American Red Cross	1,000,000
Individual Retirement Accounts:**	
Grandparent	\$250,000
Parent	250,000
Child 1	250,000
Child 2	250,000
Total	\$7,000,000



Profile 5
Single Person
With Insured Accounts
Totaling \$1,000,000

Individual Account:	\$250,000
Revocable Trust Account:	
Single Person in Trust for American Red Cross and United Way*	\$500,000
Individual Retirement Account:**	
Single Person Owner	\$250,000
Total	\$1,000,000

*A change made in 2008 by the NCUA now permits an owner to name
 • Any living person as beneficiary (not just a relative), and
 • Charitable organizations as beneficiaries.
 And, be insured for amounts designated for such beneficiaries up to \$250,000 each.

**The NCUA insures a Keogh account (also known as an H.R. 10 account) as a separate ownership from an IRA account. Someone who owns both types of accounts could get up to \$250,000 of coverage on each of them with us.