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ICBA: Insured Deposits Are Safe at a Community Bank

Washington, D.C. (July 17, 2008)—The Independent Community Bankers of America (ICBA) and First National Bank of Kemp remind community banking customers that their insured deposits are safe and backed by the full faith and credit of the federal government through the Federal Deposit Insurance Corporation (FDIC).

“We understand that during these difficult economic times some people are concerned about the safety of the money they have in their bank savings or retirement accounts, but they shouldn’t be,” said Vidal Jones, President, First National Bank of Kemp. “The federal government has insured their funds held in an FDIC-insured community bank for up to \$100,000 and \$250,000 for certain retirement accounts.”

“Community banks are stable and well-capitalized,” said Cynthia L. Blankenship, ICBA chairman and vice chairman and chief operating officer of Bank of the West, Irving, Texas. “In spite of the headlines about the challenges facing Wall Street financial institutions, community banks are open for business and our customers can bank with confidence knowing their money is safe because it is insured by the FDIC. Since the FDIC was founded in the 1930s, no one has ever lost a penny of FDIC-insured funds.”

The FDIC insures deposits and protects depositors' funds in banks and savings associations. FDIC deposit insurance covers each depositor's account, dollar-for-dollar, up to the insurance limit, including principal and any accrued interest. Customers should look for an official FDIC sign at each teller window or teller station in their local community bank to know their institution is covered by FDIC insurance.

According to the FDIC, insurance covers all types of deposits received by a financial institution in its usual course of business, including savings and checking accounts, NOW accounts, Christmas club accounts, and time deposits like certificates of deposit. Cashiers' checks, officers' checks, expense checks, loan disbursement checks, interest checks, outstanding drafts, negotiable instruments and money orders drawn on the institution are also considered deposits, and are protected by the FDIC.

“If you are having difficulties managing your finances, talk with your local community banker. Community banks are here to serve our communities,” said Blankenship. “Our relationships with our customers are very important to us. We want to keep our customers for the long-term.”

The FDIC's [Electronic Deposit Insurance Estimator \(EDIE\)](#) is an interactive application that can help you learn about deposit insurance and calculate the insurance coverage of your accounts. For more information on community banks, visit www.icba.org.

About ICBA

The Independent Community Bankers of America, the nation's voice for community banks, represents nearly 5,000 community banks of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. For more information, visit www.icba.org.

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