

How Does the National Credit Union Administration (NCUA) Compare to the Federal Deposit Insurance Corporation (FDIC)?

In short, the National Credit Union Administration (NCUA) and the Federal Deposit Insurance Corporation (FDIC) are two agencies of the United States federal government that provide (nearly identical) deposit insurance to credit union members and bank customers.

If you're a West End Bank customer who will become a 3Rivers member in 2020, or you've recently made the switch from a bank to a credit union, you may be curious as to how each agency compares when it comes to protecting your money.

Here's a look at how your money is protected when you bank with a credit union!

What is the National Credit Union Administration (NCUA)?

According to the NCUA, "The National Credit Union Administration, commonly referred to as NCUA, is an independent agency of the United States government that regulates, charters and supervises federal credit unions. NCUA also operates and manages the National Credit Union Share Insurance Fund (NCUSIF). Backed by the full faith and credit of the U.S. government, the NCUSIF insures the accounts of millions of account holders in all federal credit unions and the vast majority of state-chartered credit unions."

As a member of 3Rivers, your deposits are covered by the NCUSIF, up to \$250,000 per account category.

TYPE OF ACCOUNT	COVERAGE	EXAMPLE
Single owner Share, share draft (i.e. checking), and money market accounts and share certificates	\$250,000	An account with one owner and no beneficiaries has \$250,000 in coverage.
Joint owner Share, share draft (i.e. checking), and money market accounts and share certificates	\$250,000 per co-owner	An account with two co-owners and no beneficiaries has \$500,000 in coverage.
Trust accounts Revocable and irrevocable	Generally, \$250,000 per owner, per beneficiary, up to 5 beneficiaries for revocable trusts.	A revocable trust with one owner and 5 beneficiaries has \$1,250,000 in coverage.

Does one agency have better coverage than the other?

The amount of protection offered by the NCUA and FDIC are the same. Each offers the same coverage for share, share draft (checking), share certificates, and money market accounts. Neither agency covers losses on money invested in stocks, bonds, mutual funds, life insurance policies, or annuities offered by affiliated entities.

In the past, some larger banks have been "bailed out" by the federal government; yet, this has never been the case with a credit union, thanks to the NCUSIF!

Can I get a better idea of how my deposits are covered by the NCUA?

Yes! The NCUA has a free tool — their Share Insurance Estimator — which helps you see how your deposits are covered and further explains NCUSIF's coverage. You can find it at mycreditunion.gov/insurance-estimator.

If you have additional questions on how your deposits are insured, or any other merger related questions, get in touch with us by emailing us at support@westendbank.com or giving us a call at **765.962.9587**.