



## **FDIC & DIF Insurance - Frequently Asked Questions**

### **What makes PeoplesBank a financially stable institution?**

PeoplesBank is a Massachusetts-chartered mutual bank that is locally owned and managed. Through the Federal Deposit Insurance Corporation (FDIC) and the Depositors Insurance Fund (DIF), our deposit customers have unlimited coverage. We are highly capitalized; in fact we are well over the FDIC's definition of a "Well Capitalized Institution". In addition, PeoplesBank has no sub-prime loans.

PeoplesBank continues its commitment to the region's community, civic and charitable organizations. Recently, the Boston Business Journal recognized our corporate values and contributions to the area's quality of life by naming us one of the top corporate charitable contributors in the state and top three in Western Massachusetts.

### **What is the Federal Deposit Insurance Corporation (FDIC)?**

The FDIC—short for the Federal Deposit Insurance Corporation - is an independent agency of the United States government founded in 1933. The FDIC protects depositors against the loss of their insured deposits if an FDIC-insured bank or savings association fails. FDIC insurance is backed by the full faith and credit of the United States Government.

### **How much insurance coverage does the FDIC provide?**

On May 20, 2009, the FDIC deposit insurance extended the temporary increase in their coverage on all deposit accounts from \$100,000 to \$250,000 per depositor through December 31, 2013.

### **What about the FDIC's Temporary Account Guarantee Program?**

After June 30, 2010, funds held in noninterest-bearing transaction accounts will no longer be guaranteed in full under the Transaction Account Guarantee program, but will be insured up to \$250,000 under the FDIC's general deposit insurance rules.

### **What is the Depositors Insurance Fund (DIF)?**

The Depositors Insurance Fund (DIF) is a private, industry-sponsored insurance fund that insures all deposits above the FDIC limits at Massachusetts-chartered mutual banks. *All deposits above the FDIC limit are insured in full by DIF.* DIF has been insuring deposits since 1934.

All DIF member banks are also members of the FDIC. The DIF is examined annually by the Massachusetts Division of Banks and is audited by an independent auditor.

### **What deposit accounts are covered through FDIC and DIF?**

The FDIC and DIF covers funds in personal and business deposit accounts, including checking, savings and money market deposit accounts and certificates of deposit.

### **What is the insurance coverage on a Certificate of Deposit (CD) that matures after December 31, 2013?**

Through our FDIC and DIF insurance, our deposit customers have unlimited coverage. *All deposits above the FDIC limit are insured in full by DIF.*

For more information on the FDIC or DIF, please visit:

<http://www.fdic.gov>

<https://www.difxs.com>

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