



## Safety and Soundness of Deposits at Directions Credit Union

Directions Credit Union is well capitalized with \$43.5 million in capital. Because we are member owned, our capital is not impacted by fluctuating stock prices so we can continue to maintain a strong balance sheet. We have been a safe and sound place for our members to save, borrow, and build wealth in the past, present and will continue to be in the future. On top of the safety and soundness our capital provides for you, we also insure the funds you keep with us.

Your shares at Directions Credit Union are insured by the National Credit Union Share Insurance Fund (NCUSIF), an arm of the National Credit Union Administration (NCUA). NCUA is a federal agency that charters and supervises federal credit unions and insures savings in federal and most state-chartered, federally-insured credit unions across the country. NCUSIF is a federal fund backed by the full faith and credit of the U.S. government. Share insurance is similar to the deposit insurance protection offered by the Federal Deposit Insurance Corporation (FDIC). ***Not one penny of insured savings has ever been lost by a member of a federally insured credit union.***

### **Here are the facts about the insurance on your accounts here at Directions Credit Union:**

- Share accounts are insured up to \$100,000 through NCUSIF.
- Certain retirement accounts, such as Individual Retirement Accounts (IRAs) and Keogh Plan accounts are insured up to \$250,000.
- Generally, if a member has more than one account in their name at the credit union, those accounts are added together and insured in the aggregate.
- There are exceptions. Members may obtain additional separate coverage on multiple accounts, but only if they have different ownership interests or rights in different types of accounts and properly complete account forms and applications. For example, if a member has a regular share account and an IRA at Directions Credit Union, the regular share account is insured up to \$100,000 and the IRA is separately insured up to \$250,000. However, if a member has a regular share account, a share certificate, and a share draft account, all in his/her name, there is no additional coverage. Those accounts will be added together and insured up to \$100,000 as an individual account. Additionally, shares denominated in foreign currencies are insured as outlined in NCUA Rules and Regulations. (The regulations can be found at [www.ncua.gov](http://www.ncua.gov))
- Coverdell Education Saving Accounts, formerly education IRAs, are insured as irrevocable trust accounts and are added to a member's other irrevocable trust accounts and insured up to \$100,000. Roth IRAs will be counted with traditional IRAs and insured up to \$250,000.
- Additional coverage is available on revocable trust or payable on death accounts. Members are able to name a parent or sibling as a beneficiary to get separate coverage. Previously, beneficiaries had to be a spouse, child, or grandchild.
- A co-owner's interest in all joint accounts will be added together and insured up to the \$100,000.
- As a credit union insured by NCUA, Directions Credit Union may not terminate its federal insurance without first notifying its members.

### **Even More Protection and Insurance for Directions Credit Union members:**

At Directions Credit Union we offer additional protection for our members. We offer Excess Share Insurance through Excess Share Insurance Corporation. The Excess Share Insurance Corporation is a wholly owned subsidiary of American Share Insurance, the nations largest private deposit insurer for credit unions. The Excess Share Insurance Corporation (ESI) insures each member up to an additional \$250,000. ESI is licensed by the Ohio Department of Insurance and dually regulated by the Ohio Departments of Insurance and Commerce. This allows members to maximize the funds they can have at Directions Credit Union and maintaining insurance on these funds.

All of the insurance is provided for you, our Directions Credit Union member, at no cost to you.

### **What does all this mean for YOU?**

Directions Credit Union has taken the steps to make sure you have several layers of insurance protecting your accounts. Your regular accounts are insured for up to \$350,000 (sum of all balances in savings, certificates, and checking accounts) and your retirement savings are insured for up to \$500,000. Also, depending on how your accounts are structured (joint tenancy, revocable trusts, payable upon death (POD)) every penny you have with Directions Credit Union may be insured. (For specific advice on how you should set up your accounts, you should consult an attorney or financial advisor).