

Strong. Stable. Local. Personal.

Your business' funds are safe, secure & protected at 1st Source Bank. 1st Source has a strong financial standing and our deposits are insured by the Federal Deposit Insurance Corporation (FDIC).

What is the FDIC coverage for deposits of a business?

Non-interest bearing transaction accounts, such as some checking accounts, have unlimited deposit insurance coverage through June 30, 2010. Other checking accounts that pay interest rates of 0.50% or less also qualify for unlimited coverage. The remaining interest bearing accounts are insured to \$250,000 through December 31, 2013 at a single bank.

Deposits of a corporation, partnership, or unincorporated association are insured separately from the personal accounts of the stockholders, partners, or members. To qualify for this coverage, the entity must be engaged in an independent activity, meaning that the entity is operated primarily for some purpose other than to increase deposit insurance.

Can a business receive insurance coverage for different purposes?

Yes. For example, a business can have certificates of deposits (interest bearing) totaling \$250,000 that are FDIC insured. They can also have a checking account (non-interest bearing) for payroll with a \$750,000 balance, all of which is insured through June 30, 2010.

Does the number of partners, members, or signatories affect deposit insurance coverage?

The number of partners, members, or signatories that a corporation, partnership, or unincorporated association has does not affect coverage. For example, interest bearing accounts that are owned by a homeowners association are insured up to \$250,000 in total (unlimited coverage if it is a checking account earning 0.50% interest or less), not \$250,000 for each member of the association.

How are deposits of a sole proprietorship insured?

Deposits owned by a business that is a sole proprietorship are not insured under this category. Rather, they are insured as the single account deposits of the person who is the sole proprietor. So, interest bearing deposits in the sole proprietorship's name are added to any other interest bearing single accounts of the sole proprietor and the total is insured to a maximum of \$250,000 (temporary unlimited coverage if it is a checking account earning 0.50% interest or less).

Are Government Accounts Insured by the FDIC?

Yes, government accounts are insured up to the limits set by the FDIC. Additionally, in the state of Indiana, funds deposited in Indiana which exceed the limits of coverage provided by the FDIC are insured by the Public Deposit Insurance Fund (PDIF). More information on PDIF can be found at www.in.gov.