



NCUA Share Insurance

Understanding Deposit Account Insurance

Individual Accounts

An **Individual Account** is one owned by a single member. The total balances in a member's Individual Accounts at one credit union are insured up to \$250,000. This includes the combined amounts in all savings, checking, and certificate of deposit accounts. The amounts a member may have in IRAs, and joint accounts, do not count toward this total.

Joint Accounts

A Joint Account is owned by more than one person. Each Joint Owner has equal rights and access to the funds in the account. Each Joint Owner has signed the application for the account. A common example would be an account jointly owned by a husband and wife. Under NCUA regulations, each Joint Owner gets up to \$250,000 coverage for their "share" of the funds in jointly owned accounts. For example, if two Joint Owners have \$500,000 in their jointly owned accounts at an institution, the full amount is covered - \$750,000 for each owner. If there are three Joint Owners, the maximum coverage is \$750,000 - \$250,000 for each joint owner. Each individual is limited to \$250,000 maximum coverage for funds in Joint Accounts at one credit union, even if there is more than one combination of joint owners.

Individual Retirement Accounts

Funds in IRAs are eligible for separate insurance protection up to \$250,000. These accounts are not shown in the insurance examples because they are subject to special deposits and withdrawal rules.

Maximizing Your Coverage

The following examples show how typical families may use multiple ownerships of accounts to maximize coverage on family funds. The maximum amounts have been used because they most clearly demonstrate the total coverage available. The examples assume that the legal ownership requirements specified by NCUA have been met.

About These Examples and NCUA

The NCUA cannot officially sanction and approve the above, because the examples, although generally accurate, are designed to simplify complex legal rules. These rules may only be fully understood in the statutory and regulatory context in which they were written.

How a Family of Two May Have Insured Accounts Totaling \$500,000

Individual Accounts

Husband	\$250,000
Wife	\$250,000

Joint Accounts

Husband and Wife	\$500,000
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Total Coverage **\$500,000**

How a Family of Three May Have Insured Accounts Totaling \$1,500,000

Individual Accounts

Husband	\$250,000
Wife	\$250,000
Child	\$250,000

Joint Accounts

Husband and Wife	\$250,000
Husband and Child	\$250,000
Wife and Child	\$250,000

Total Coverage **\$1,500,000**

How a Family of Four May Have Insured Accounts Totaling \$2,000,000

Individual Accounts

Husband	\$250,000
Wife	\$250,000
Child Number One	\$250,000
Child Number Two	\$250,000

Joint Accounts

Husband and Wife	\$250,000
Husband and Child Number One	\$250,000
Wife and Child Number Two	\$250,000
Child Number One and Child Number Two	\$250,000

Total Coverage **\$2,000,000**