

Q. Who manages and directs the Share Insurance Fund?

A. By law, the Share Insurance Fund is managed by a 19-person board of directors elected by member co-operative banks. Fifteen of those who serve are officers and/or directors of member banks; the remaining four are from the public sector.

The board of directors appoints a chief executive officer whose responsibility is to operate the Share Insurance Fund in accordance with federal and state laws, corporate by-laws, and policies and direction established by the board.

Q. How are the assets of the Share Insurance Fund invested?

A. Share Insurance Fund assets are invested in short-term obligations of the United States government, federal agencies, certificates of deposit, repurchase agreements and certain other secure and conservative investments.

Q. How does the combined deposit insurance coverage compare with other deposit insurance?

A. The unique combined insurance coverage afforded by the FDIC and the Share Insurance Fund provides the best deposit insurance available, whether deposit balances are held in passbook, statement or certificate type accounts, or in any combination of these accounts. At a Massachusetts co-operative bank, your deposits are always fully protected.

For more information, please visit our web site at www.coopcentralbank.com. Inquiries and/or requests for further information should be addressed to the headquarters for the Share Insurance Fund.

Your deposits are insured in full.



The Share Insurance Fund of
The Co-operative Central Bank
insures all deposits in excess of
FDIC limits at member banks.



The Co-operative Central Bank
Share Insurance Fund
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Combined insurance coverage for your protection

Customers of Massachusetts co-operative banks enjoy peace of mind knowing that their deposits are insured in full.

The Federal Deposit Insurance Corporation (FDIC) insures the first \$250,000 of “self-directed” retirement accounts. FDIC deposit insurance was temporarily increased from \$100,000 to \$250,000 for all other ownership categories through December 31, 2013. The Share Insurance Fund (SIF) of The Co-operative Central Bank insures all deposits above these amounts.

Here are answers to some questions you may have about this unique coverage:

Q. What types of deposits are insured?

A. Every deposit you make in a Massachusetts co-operative bank is insured in full, dollar-for-dollar, without restriction. This includes deposits and accumulated interest in savings accounts, checking and interest-bearing transaction accounts, money market accounts, and term deposit accounts such as certificates of deposit. This protection is provided by a unique combination of coverage provided by the FDIC and the Share Insurance Fund of The Co-operative Central Bank.

Q. What is the FDIC?

A. The FDIC is an independent agency of the United States government. It was established by Congress in 1933 to insure bank deposits.

Q. What are The Co-operative Central Bank, and the Share Insurance Fund?

A. The Co-operative Central Bank is a private special act corporation. It was established in 1932 to provide a source of cash reserves for all co-operative banks in Massachusetts. The Share Insurance Fund was established by the Legislature in 1934 to provide protection for deposits in Massachusetts chartered co-operative banks.

Q. How much does the FDIC insure?

A. Deposits in “self-directed” retirement accounts are insured up to \$250,000 per owner by the FDIC. Deposits in other ownership categories at the same bank are insured separately. FDIC insurance on these deposits has been temporarily increased to \$250,000 per owner through December 31, 2013. The most common other ownership categories are single accounts, joint accounts, trust accounts and corporate accounts. For more details regarding the FDIC’s most current account ownership definitions and coverage, please visit www.fdic.gov/deposit.

In all cases, the amounts in excess of FDIC coverage are insured without limit by the Share Insurance Fund.

Q. As a depositor, how am I protected against loss?

A. Co-operative banks are regularly examined by federal and state banking agencies for compliance with safe and sound banking practices. Should financial difficulties arise, The Co-operative Central Bank is positioned to help facilitate a merger, or restructure a member bank to sound condition. In any event, deposits to be insured by the FDIC and the Share Insurance Fund.

Q. Does the Share Insurance Fund of The Co-operative Central Bank have a track record of success?

A. From its inception, the Share Insurance Fund has preserved the enviable claim of member co-operative banks that “no depositor has ever lost a dollar in any Massachusetts co-operative bank.”

Q. Are there any additional safety features protecting the depositors of Massachusetts co-operative banks?

A. There are a number of additional checks and balances that make the state-chartered



co-operative bank system one of the safest and soundest in the country. These include:

- Legislative controls as provided by Massachusetts laws on banks and bankings;
- Regulatory controls by the supervision, examination, quarterly reporting and administrative rules and regulations of either the FDIC or the Commissioner of Banks for the Commonwealth of Massachusetts;
- External audits by independent public accountants; and
- Periodic member bank reporting to, and monitoring by, The Co-operative Central Bank.

Q. Is the Share Insurance Fund guaranteed by the Commonwealth of Massachusetts, or by any agency of the federal government?

A. The Share Insurance Fund is a private fund owned by the member co-operative banks. As such, there is no liability on the part of state or federal government to support or guarantee it.

Q. Who owns the Share Insurance Fund?

A. The Share Insurance Fund is exclusively owned by the Massachusetts co-operative bank industry, solely for the mutual benefit of all their depositors, providing deposit insurance in full under Massachusetts law.