



Excess Share Insurance Corporation (ESI) YOUR INSURED FUNDS

Excess share insurance, as offered by ESI, provides additional security on your deposits beyond that of the credit union's primary insurer.* For instance, combined with federal share insurance, excess share insurance can provide up to \$500,000** in total coverage per member on the sum of your traditional savings/demand accounts, and up to \$500,000 on your IRAs. This exceptional level of protection gives credit union members like you the financial security you are seeking during these uncertain times.

- ❑ No credit union member has ever lost money in any ESI-insured credit union.
- ❑ Founded in 1993, ESI is a licensed property and casualty insurance company domiciled in the State of Ohio. ESI is a wholly owned subsidiary of American Share Insurance (ASI), which was founded in 1974.
- ❑ ESI insures credit unions... and only credit unions... in 32 states plus the District of Columbia. There is no direct cost to the member for ESI's coverage.
- ❑ ESI has always been and continues to be in good standing with the various insurance departments and regulators in all states of operations.
- ❑ ESI's financial statements are audited by a nationally recognized "Big 4" CPA firm and its loss reserves are certified by internationally recognized actuaries. The corporation maintains various committed lines of credit and reinsurance from national firms, which further strengthens its financial position.
- ❑ ESI does not hold any mortgage-backed securities or exotic investments like those held by AIG, some banks and investment firms that are subject to the government's \$850 billion bailout. At June 30, 2009, ESI's balance sheet exhibited solid characteristics with 65% invested in U.S. government-guaranteed agency bonds and US Treasuries, 31% in cash and cash equivalents and 4% in other assets.
- ❑ ESI has reinsurance with an A++ rated company, which is the highest rating available.
- ❑ ESI is not assigned a traditional insurance industry rating by companies like A.M. Best or Standard and Poor's due to the limited number of companies in our industry. Financial data and other information are supplied to rating services annually for their review and analysis.
- ❑ ESI is selective as to which credit unions it insures. Not all credit unions that apply for coverage are accepted due to ESI's strict underwriting standards.
- ❑ The ESI insurance fund has never needed a bailout and doesn't need one now. For over 15 years, it has been a strong, high-quality program that credit union members can trust and rely upon.

*ESI's coverage may be less than \$250,000 and be limited to certain account types. Please contact your credit union to determine the exact nature and extent of the coverage available from your credit union's primary insurer and ESI.

**Please verify with your credit union that it actually has a policy with ESI for full or standard coverage, which provides up to \$250,000 of coverage in addition to that of the primary insurer's coverage of \$250,000 in most cases. Together the two amount to \$500,000.

IMPORTANT NOTICE: Under the Helping Families Save Their Homes Act of 2009, federal share insurance for select deposit accounts was temporarily increased from \$100,000 to \$250,000 per member. This temporary increase in coverage is to expire December 31, 2013. Federal insurance coverage for IRA accounts is permanently set at \$250,000 per member.

