

# WEST SIDE NEWS

JUNE 5, 2008



## Your Money, Your Business

*By Tom Snyder*

### How the FDIC Can Insure More Than \$100,000 of Your Deposits

Your FDIC-insured bank deposits remain one of the safest investments you can have. But did you know that it is possible to insure assets in an amount significantly beyond \$100,000? Nashville Bank & Trust can help you protect millions of dollars without fear.

For example, FDIC regulations allow a husband and wife to have up to \$1,100,000 in fully insured deposits in a single bank simply by setting up accounts in the proper way.

Here's how it works:

- The husband and wife each have \$100,000 in individual accounts.
- The couple has \$200,000 in a joint account.
- Husband and wife each have \$250,000 in individual retirement accounts.

- Husband and wife each set up \$100,000 revocable trust accounts, payable on death, naming each other as beneficiaries.

The benefits don't stop there. Our couple has the option of establishing as many revocable trusts as they want for qualified beneficiaries including parents, siblings, spouses, children and grandchildren. Each account can be insured up to \$100,000.

Following this pattern, it is possible for a family to insure a lot more than \$100,000 with the FDIC. The key is to speak with a banker who knows the rules and can ensure that you follow them to the letter. It can be a complex undertaking and you should seek the help of a trusted financial professional.

If titling accounts differently is problematic, there is an easier way to

get fully insured deposits. Nashville Bank & Trust is a member of the Certificate of Deposit Account Registry Service (CDARS) which can insure up to \$25 million in deposits.

Using the CDARS program, Nashville Bank & Trust would keep the first \$100,000 and CDARS will deposit the residual amount into CDs at other banks throughout the country, allowing you to earn interest on your investment and still retain the full protection of the federal government. You negotiate the rate only with Nashville Bank & Trust. You receive only one statement with the one rate showing each bank where your funds are deposited. It is an elegant, transparent solution that provides peace of mind as well as convenience.

The FDIC was created to boost consumer confidence in the banking system after the bank failures of the late '20s and early '30s. Modern banking is regulated to the point where bank failures are, thankfully, a very rare occurrence. The economy will continue to rise and fall, but your FDIC-insured account will remain safe and, with the help of your banker, can protect a significant amount of your assets.

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