

Dear Member/Owners,

Safety and soundness issues have really hit center stage in the banking world over the last few months. We want to assure you that ***your deposits at BMI are safe, sound, and federally insured!***

Your hard earned savings are federally insured by the NCUA for at least \$250,000 at BMI Federal Credit Union. Please [click here](#) to review the NCUA Special Bulletin covering your federal insurance. You can also see how a family of two can structure their credit union accounts to have the protection of over \$1,000,000 in federal deposit insurance coverage (*No credit union member has ever lost one cent of NCUA insured funds as a result of a credit union failure*).

We also offer our member/owners an additional \$250,000 per member in private placed deposit insurance from Excess Share Insurance (ESI). This is over and above the federal insurance coverage your credit union already provides.

Many of the problems currently shaking the financial landscape are the result of the sub-prime lending financial institutions participated in over the years. Your credit union does not pursue these types of risky loans. Your deposits at BMI FCU are protected from the impact of the sub-prime loan meltdown.

As a member-owned financial cooperative, your credit union loans your deposits back to your fellow member/owners in a fiscally responsible manner. Because of the more conservative nature of the credit union industry, credit unions have traditionally maintained much lower charge-off ratios than banks (*Charge-offs are the loans that a financial institution writes off*). BMI's exposure to bad loans is much better than an already low credit union industry average. As of the end of the latest reported fiscal quarter, BMI's charge off ratio was only 0.36%, which is well below the national credit union average of 0.66% and much better than the national bank average of 0.99%.

If you have any concerns about the safety and soundness of your deposits elsewhere, this may be a good time to move them to your credit union. You can safely earn more on your deposits at your credit union and your deposits are federally insured. Feel free to give us a call anytime. We'll be glad to help you safely protect your hard earned savings.

Sincerely,



William P. Allender, CPA
Vice President Finance

