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T. GLENN LATHAM
ADMINISTRATOR

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REGULATORY ALERT!!!

Investment Insurable Limit in a Commercial Bank:

To: Alabama State Chartered Credit Unions

From: T. Glenn Latham, Administrator/CEO 

Subject: **Alabama State Code 5-17-4 Section 6**

Per the above code, investment in each commercial bank is limited to the Federal Insurable amount of \$100,000.00.

Federal Deposit Insurance Corporation or other equivalent Federal Insurance Corporations limit remains \$100,000.00 for investments in a federally insured or chartered commercial bank or credit union.

This is a safety and soundness issue that primarily touches Credit Risk rating. Make sure that your policy and practice fully comply with the code.

During your next examination, we will review this area with particular emphasis on full compliance with the law.

Please call your ACUA examiner if you have any questions.