

# FDIC FAQS

## What is the FDIC?

The Federal Deposit Insurance Corporation (FDIC) is an independent agency that helps maintain stability and public confidence in the U.S. financial system by insuring deposits and supervising nearly 5,000 banks for operational safety and soundness.



## What is deposit insurance?

Deposit insurance provides automatic protection to bank customers from the loss of deposits at an FDIC-insured bank should the bank or savings association fail. Search for FDIC-insured institutions using the [BankFind](#) tool at [FDIC.gov](#).

## Do I have to pay for coverage?

There is no fee. The FDIC is funded by insurance premiums paid by the participating banks. Coverage is automatic for any deposit account opened at an FDIC-insured bank.

## How much is protected?

The standard deposit insurance coverage limit is **\$250,000 per depositor, per FDIC-insured bank, per ownership category**. Insurance is calculated dollar-for-dollar, principal plus any interest accrued or due to the depositor, through the date of default.



## Is every financial product at a bank covered by the FDIC?

- Checking and savings accounts
- Certificates of deposit (CDs)
- Money market deposit accounts (MMDAs)
- Prepaid cards (if FDIC requirements are met)
- Cashier's checks and money orders
- Pension plans
- Traditional or Roth IRA savings accounts
- Section 457 deferred compensation plans
- 401(k)s and other self-directed defined contribution plans

- Stocks
- Bond investments
- Mutual funds
- Life insurance policies
- Annuities
- Municipal securities
- Safety deposit boxes or their contents
- U.S. Treasury bills, bonds, or notes
- Crypto assets

## How does FDIC insurance work for BUSINESS accounts?

Under FDIC rules, all deposits owned by a corporation, partnership or unincorporated entity (including a for-profit or a not-for-profit organization) at the same bank are added together and insured up to \$250,000, separately from the personal accounts of the owners or members.

The deposits of a sole proprietorship — an unincorporated business owned by one individual using a business name — are insured together with any personal funds the owner may have at the same bank in the single-ownership insurance category, up to \$250,000 in total.

## What should I do to ensure my funds are protected?



Confirm accounts are with an FDIC-insured institution. Look for the logo at the bank branch or their website.



Verify deposit insurance using FDIC's [BankFind](#) and stay informed by visiting [FDIC.gov](#).



Maximize coverage by opening accounts at multiple FDIC-insured banks or even credit unions.



Consider providers and brokerages that sweep funds into multiple FDIC-insured banks.



Need to insure excess deposits? Turn to a professional for strategies that could enhance your coverage.



Don't panic. If insured, the FDIC exists to protect banking customers.

# FAST FACTS on the FDIC

As of March 2023:

**4,703**

Total Insured Institutions

**\$23,700**

Billion Dollars in Assets

**\$19,269**

Billion Dollars in Deposits

**\$12,227**

Billion Dollars in Loans

The FDIC was created by The Banking Act of **1933** during the Great Depression, originally insuring **up to \$2,500** in event of failure.

In the past twenty years, the number of FDIC-insured commercial banks declined **nearly 50%**.

There were **563** bank failures from 2001 through 2023.

Coverage raised permanently from **\$100,000** to **\$250,000** in the Dodd-Frank Wall Street Reform and Consumer Protection Act of **2010**.

**43%** of bank deposits were uninsured as of 2022.

Since the start of FDIC insurance on January 1, 1934, **no depositor has lost a penny of insured funds** as a result of a failure.