

## FDIC (Federal Deposit Insurance Corporation)

The FDIC (Federal Deposit Insurance Corporation) is a U.S. government agency that provides insurance for bank deposits to protect consumers against loss due to bank failures.

The FDIC was created in 1933 during the Great Depression as a response to a large number of bank failures that had caused panic and widespread financial losses. Its purpose was to restore confidence in the banking system and protect depositors from losing their money.

The creation of the FDIC was part of a broader set of measures taken by the U.S. government to stabilize the economy during the Great Depression, including the creation of other agencies such as the Securities and Exchange Commission (SEC) and the Social Security Administration.

The FDIC operates as an independent agency of the federal government and is funded through insurance premiums paid by banks insured by the FDIC. The agency has the authority to take over failed banks, sell their assets, and pay off depositors up to a certain amount per account. The FDIC insures deposits up to \$250,000 per depositor per insured bank.

We recommend watching [this video](#) to learn more about the FDIC.