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CAUGHT ON VIDEO: FDIC Plans a Bail-In with YOUR Money

Daisy Luther

11-14 minutes

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Author of *Be Ready for Anything* and *Bloom*

Where You're Planted **online course**

Things are rough in the US economy, and the FDIC seems to be making plans to handle further collapse. How? By helping themselves to *YOUR money* that you have on deposit, safely (you thought) tucked away in your bank account.

If I'm right, a lot of people are going to be financially devastated in the not-so-distant future.

Think I'm a crazy conspiracy theorist? Well, as we've seen, that often means you're just ahead of the game. There are several reasons that I believe it may come to this, not the least of which is that there's a publicly accessible video of their meeting in which they discuss how to do it, when to do it, and how to keep the public from freaking out about it.

Let's take a closer look.

What's the FDIC?

FDIC stands for Federal Deposit Insurance Corporation. From their website, we find what that means:

> The Federal Deposit Insurance Corporation (FDIC) is an independent agency created by Congress to maintain stability and public confidence in the nation's financial system. To accomplish this mission, the FDIC insures deposits; examines and supervises financial institutions for safety, soundness, and consumer protection; makes large and complex financial institutions resolvable; and manages receiverships.

They go on to say:

> Since its creation in 1933, the FDIC has been an essential part of the American financial system. In the 1920s and early 1930s, a rise in bank failures created a national crisis, wiping out many Americans' savings. Since FDIC insurance began in 1934, no depositor has lost a single penny of insured funds due to bank

failure.

Sounds great, right? It is when it works properly.

Depositors do not need to apply for FDIC insurance. Coverage is automatic whenever a deposit account is opened at an FDIC-insured bank or financial institution. If you are interested in FDIC deposit insurance coverage, simply make sure you are placing your funds in a deposit product at the bank.

The standard insurance amount is $250,000 per depositor, per insured bank, for each account ownership category.

The FDIC provides separate coverage for deposits held in different account ownership categories. Depositors may qualify for coverage over $250,000 if they have funds in different ownership categories and all FDIC requirements are met.

All deposits that an accountholder has in the same ownership category at the same bank are added together and insured up to the

standard insurance amount.

If the bank fails, FDIC covers the balance of a depositor's account up to the insurance limit.

So we know how it's supposed to work, and how it's worked up until now.

Our wealth and risk are dangerously concentrated.

Quick history: Back in the early 90s, there were 37 major banks in the US. That number is now down to four:

- Citigroup
- JP Morgan
- Bank of America
- Wells Fargo

This concentrates the wealth, and it also concentrates the risk. If one of the Big Four goes down, we all go down with it.

And all of this risk? It's being done with YOUR money. And it's all legal. Remember 2008? Nobody went to jail for that catastrophe that literally ruined the lives of tens of thousands of hardworking people. Those in charge, the ones who chose the risks to take, laughed all the way to their tax shelters in the Cayman Islands. And nobody will be held to account this time, either.

Why?

Because what they're doing is legal. It was all legalized by our Congress. You know, the folks who are supposed to represent our best interests.

Incidentally, this isn't just an American issue. It's global, too.

Only half the money on deposit is insured by the FDIC.

But why should we worry? Our money is insured, right?

Well, some of it.

According to the FDICs own numbers:

- 4,780 banks and savings and loans business are FDIC-insured
- The insured institutions have 23.8 trillion in assets.
- $18.1 trillion of those assets are deposits.
- $9.9 of that 18.1 is FDIC-insured.
- $8.2 trillion is *not* insured.

The rest of it falls above that $250,000 threshold for the insurance. Trillions of dollars of customer deposits are uninsured, and what's more, the insurance fund itself is sorely lacking.

All that money is available for a bail-in.

Simply put, that means the money could be used for a bank bail-in if things go sideways.

If you think I'm crazy, you don't have to go very far back in history to see exactly that happening. Greece came within days in 2015 of having all accounts with €8,000 Euro or more "trimmed" by 30%, euphemistically calling it a "haircut." The Bank of Portugal funded bail-ins of "senior bondholders" with deposit accounts in 2016. And nearly everyone who has been watching the economy for long looked on in horror when Cyprus raided all accounts overnight to fund a bail-in in 2012, proving that governments could and would help themselves to the money of the people. Depositors with over €100,000 Euros faced a 9.9% "one-time tax," and smaller accounts were hit with a "tax" of 6.75%.

Then there's the problem of a reduced reserve.

There's something called a DIF (Deposit Insurance Fund) that's used to insure your balance. So remember how we have $9.9 trillion of insured funds? Well, the DIF only has $124.458 billion as per the FDIC report linked above.

I'm not the world's mathiest person but it didn't take any extravagant calculations to discover that is 0.0126 cents for every dollar that is allegedly "insured." Only 1.26% of the money that is "insured" actually has existing liquid money available to pay you back.

So what happens when everything goes sideways at once? Will you be able to rely on that FDIC coverage? I can't see how you could. As long as everything runs along smoothly, you'll be fine. But if a lot of stuff goes bad at once?

We're screwed.

You are not as protected as the banks want you to think you are. Even Investopedia admits that you will not be covered if you have in excess of 250K in the bank.

> In a bail-in scenario, financial institutions would only use the amount of deposits that are in excess of a customer's 250,000 balance.

But in reality, once the FDIC is out of money, how will you be covered at all?

FDIC bankers are *openly talking* about a bail-in.

In [a three-and-a-half-hour "fireside chat,"]() FDIC bankers openly discussed the potential of a bail-in. They talk about the "strategic options" open to the FDIC, making moves over the weekend, and also mention the 40 million accounts they have to dip from "at the time of resolution." (Please see the numbers above regarding how much insurance money is available to cover that amount. Spoiler. Not enough. Not even close.)

Go to 1:46:33 to hear about these "challenges."

They talked about keeping it from everyone who does not have a "professional need to know." And to an extent, I get it. A bank run would certainly hasten the collapse, and everyone's just trying to kick that can. But, I certainly want to be able to protect my money, and if they wanted to keep this hush-hush, I'm not sure why they made their conversation public. Did they just think that the American public was too busy watching TikTok videos to notice?

You can see the part I'm talking about in the video below. It's chilling how calmly these people discuss the imminent danger and how to keep people from wigging out about it.

This is not *me* saying that the bankers are coming for your money.

This is the bankers saying it.

Now, it's possible that this contingency plan will not be enacted. We may get within days of it like they did in Greece. But the fact that strategies are being put into place to do so should be a giant, clanging warning bell right in your ear.

What can you do?

I have said this again and again: it's time to start looking at options other than a savings account or retirement fund. This is not just something that people with more than $250K need to acknowledge. *There's not enough insurance money to cover any of us.* ONLY 1.26% OF THAT MONEY EXISTS IN A FUND.

So, what can you do?

Precious metals. I'm not a wealthy person. I sure don't have anywhere near that quarter mil in the bank. But I've diversified what I do have. I use gold and silver for the bulk of my savings. I can liquidate it quickly if I need to. I hold it in physical form, and it's portable. Best of all, I don't have to sit here and hope that the bank leaves it alone. Hope is not a viable financial strategy.

I'm not suggesting you stuff your money in your mattress. But you really need to consider other options besides putting it in a savings account and hoping for the best. I recommend a company called ITM Trading. What I like about them is that they focus on education, not sales. They're not pushy at all and will work with you to create the best plan for your needs. You can **schedule a free strategy call here or call them directly at 866-517-1257. If you want to learn more about what they offer,** go here**.**

You may not walk away with gold and silver in hand after that call, but you will be armed with knowledge that is specific to your situation. I urge you to make this call. You owe it to yourself to learn everything you can, as soon as you can. We're facing difficult times ahead, so why not do this free thing to make yourself better prepared?

Do you think there's going to be an American bail-in?

Unless something drastic happens to turn things around (and I can't imagine what that would be), I think we're going to see a bail-in. It just seems more and more likely, and a lot of people will lose a lot of money. It won't be the super-rich – they're protected. It'll be average folks like us.

And there won't be a single thing you can do about it once your money has left your account.

Personally, I keep only enough in the bank to cover my bills for the month. Anything additional gets switched to cash and metals. I simply don't trust the banks to protect my money.

And after seeing the videos in this article, do you?

What are your thoughts? Do you think there will be a bail-in? Are you concerned that your money is at risk? What is your plan to circumvent the potential loss? Is there any way you can think of that the economy could turn around before it gets to that?

Let's talk about it in the comments.

About Daisy

Daisy Luther is a coffee-swigging, adventure-seeking, globe-trotting blogger. She is the founder and publisher of three websites. 1) The Organic Prepper, which is about current events, preparedness, self-reliance, and the pursuit of liberty; 2) The Frugalite, a website with thrifty tips and solutions to help people get a handle on their personal finances without feeling deprived; and 3) PreppersDailyNews.com, an aggregate site where you can find links to all the most important news for those who wish to be prepared. Her work is widely republished across alternative media and she has appeared in many interviews.

Daisy is the best-selling author of 5 traditionally published books, 12 self-published books, and *runs a small digital publishing company with PDF guides, printables, and courses at* SelfRelianceand Survival.com You can find her *on Facebook, Pinterest, Gab, MeWe, Parler, Instagram, and Twitter.*