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Opinion:

# Addressing Uninsured Deposits in U.S. Banks

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**The recent wave of market volatility has intensified concerns about financial stability, yet an alarming issue remains: \$7 trillion in U.S. bank deposits are uninsured, posing substantial credit and liquidity risks. With the FDIC insurance cap set at \$250,000, many businesses and individuals unknowingly face significant exposure—especially during times of economic uncertainty.**

The recent collapse of First National Bank of Lindsay underscores these risks, with uninsured depositors facing potential losses. Treasury Secretary Janet Yellen recently highlighted this challenge, emphasizing the importance of robust capital requirements and tailored regulations to help banks withstand liquidity stress and avoid similar depositor losses.

Secretary Yellen's recent comments at the American Bankers Association meeting emphasized the value of strong capital requirements while advocating for a regulatory approach that reduces undue burdens on smaller institutions. She noted that, while such measures may seem rigorous, they are essential for ensuring that the U.S. banking system remains resilient, particularly in light of vulnerabilities exposed by last year's banking turmoil. Among these vulnerabilities are increased concentrations of uninsured deposits, unrealized losses, and insufficient contingency funding. Secretary Yellen's insights reinforce the importance of our work at R&T Deposit Solutions, where we aim to protect depositors and support systemic stability by offering modern, tailored deposit insurance solutions.

## Turning Risk into Opportunity

The vast amount of uninsured deposits underscores an urgent need for strategic, forward-looking solutions. At R&T Deposit Solutions, we are addressing these challenges by providing innovative programs that help depositors manage liquidity and

access expanded FDIC insurance coverage on their funds. In line with Secretary Yellen's remarks, we believe financial security and liquidity should not be mutually exclusive. Our solutions provide businesses and individuals with tools to protect and optimize their balance sheets confidently, knowing they are fully insured even in turbulent times.

## The Power of Innovation: Demand Deposit Marketplace®

One of our flagship solutions, the Demand Deposit Marketplace® (DDM®) Program, is designed for depositors who prioritize liquidity and flexibility while requiring substantial protection. Through the DDM program, depositors can distribute their funds across multiple banks within the network, providing access to expanded FDIC insurance while maintaining easy access to cash. This enables depositors to retain control over their cash flow without sacrificing safety—a necessity as the financial landscape grows more complex and interconnected.

## A Balanced Approach: Certificate of Deposit Marketplace Exchange<sup>SM</sup>

Later this year, we're introducing a complementary product, the Certificate of Deposit Marketplace Exchange<sup>SM</sup> (CDMX<sup>SM</sup>) program. This program provides access to expanded FDIC protection across multiple banks, allowing depositors to invest in fixed-rate certificates of deposit (CDs) tailored to individual liquidity and growth needs. Unlike traditional CDs, the CDMX program offers flexible maturity terms, empowering depositors to choose between short-term access and long-term growth strategies while providing access to extended FDIC insurance.

## Simplified, User-Friendly, and Strategic

Both the DDM and CDMX programs are part of a unified, user-friendly platform that simplifies the process of managing insured deposits. Whether a depositor needs daily liquidity through the DDM program or prefers to lock in rates for future growth via the CDMX program, they can manage their assets with ease and confidence. This approach aligns with responsible innovation and ensures that depositors have user-friendly, accessible solutions.



For more information on how the DDM and CDMX programs can benefit you, [visit our website](#) or [contact our team](#) today.

### Contact us to learn more:

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Terms & conditions apply. [Click here](#) for R&T's list of insured receiving institutions in the DDM<sup>®</sup> and CDMX<sup>SM</sup> programs. R&T is not an FDIC or NCUA-insured institution. FDIC and NCUA insurance only covers the failure of an FDIC or NCUA-insured institution, respectively. Certain conditions must be satisfied for FDIC and NCUA pass-through deposit insurance coverage to apply. The DDM<sup>®</sup> and CDMX<sup>SM</sup> programs, themselves, as well as R&T's other services are not insured by the FDIC or NCUA, are not deposits and may lose value in certain circumstances as described in the program terms. [Click here](#) for additional legal disclosures.