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New Guidance from the FDIC on Brokered Deposits Affects Insured Depository Institutions



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On July 15, the Federal Deposit Insurance Corporation (“FDIC”) issued [an updated Q&A](#) regarding how companies involved in managing deposits can determine whether such deposits should be considered brokered, and/or whether they are deposit brokers themselves.

The updated portions of the Q&A emphasize that when a company that has received a primary purpose exemption from the brokered deposit definition uses any third party to place deposits at an Insured Depository Institution (“IDI”), it is necessary to consider whether that third party is facilitating the placement of deposits or engaging in matchmaking activities and, thereby, the deposits being placed should be reported as brokered by the IDI. Practically speaking, this means that all IDIs should update their Call Report processes such that, when the source of the funds has a primary purpose exception, those deposits are identified and examined for whether a third party was involved in the placement. The FDIC provided an updated list of companies (as of 6/24/22) that have a primary purpose exception [here](#).
