



## The Financial Claims Scheme

The Financial Claims Scheme (FCS) is an Australian Government scheme that provides protection to deposits in banks, building societies and credit unions, and to policies with general insurers in the unlikely event that one of these financial institutions fails.

The FCS can only come into effect if it is activated by the Australian Government when an institution fails. Once activated, the FCS will be administered by the Australian Prudential Regulation Authority (APRA). The FCS was established by the Australian Parliament in 2008.

The objectives of the Financial Claims Scheme are to:

- protect depositors of banks, building societies and credit unions incorporated in Australia, and policyholders of general insurers from potential loss due to the failure of these institutions
- provide depositors with prompt access to their deposits that are protected under the FCS
- support the stability of the Australian financial system.

APRA is a member of the International Association of Deposit Insurers, a global forum for deposit insurers to share knowledge and expertise.

### Banks, building societies and credit unions

Under the Financial Claims Scheme, deposits are protected up to a limit of \$250,000 for each account holder at each bank, building society and credit union that is incorporated in Australia and authorised by APRA. See the list of banks, building societies and credit unions that are covered under the FCS.

Banks, building societies and credit unions are also collectively referred to as authorised deposit-taking institutions, or ADIs, and are licensed to operate (or authorised) by the Australian Prudential Regulation Authority (APRA).

To find out more, including the types of accounts that are protected under the FCS, how joint accounts are treated, and what happens when a bank, building society or credit union operates other banking businesses, go to the Banks, building societies and credit unions page and the Banking FAQs page at [www.fcs.gov.au](http://www.fcs.gov.au)

If the FCS is activated by the Australian Government following the failure of a banking institution, APRA will endeavour to pay most account holders, or enable them to access, their FCS payments within seven calendar days.