



Protecting Your Deposits

Deposit Protection Scheme

Highlights

Liquidation Process Simplified

INTRODUCTION

Following the closure of a contributory institution by the Reserve Bank of Zimbabwe, DPC advises the depositors in writing via electronic and print media to collect claim forms from its offices or from its website www.dpcorp.co.zw in order for them to be compensated. Once a duly completed claim form has been submitted, DPC verifies the claim application. Once the verification process is completed, payment is done either through mobile phone or bank transfers within 14 working days. Clients of the closed bank with balances below or equal to \$500 will be reimbursed in full the amount that was in their account at the time of bank closure provided they submit a duly completed claim form.

LIQUIDATION PROCESS

The liquidation of failed financial institutions is one of the measures undertaken by DPC to resolve distress in the financial sector and protect depositors when other resolution options have failed. It is the orderly winding up of the affairs of a financial institution, realization of its assets and settlement of claims to depositors on a pro-rata basis. Liquidation has historically been an instrument of last resort when no other resolution option is possible.

PAYMENT OF LIQUIDATION DIVIDENDS

In addition to the payment of protected deposits, depositors with balances in excess of the guaranteed sum of US\$500.00 are entitled to receive liquidation dividends based on the value of recoveries and proceeds from the sale of the institution's assets. However, liquidation dividends are only declared after payment of preferential liabilities as specified in the Companies Act and the Insolvency Act. Other creditors are also entitled to payment of the liquidation dividends after proving their claims. Shareholders of the institution are entitled to payment of the residue after full payment to all depositors and creditors. In light of this, depositors can be reimbursed more than the insurable coverage limit depending on what is recovered from sale of assets.

Currently, the following banks are at different stages of liquidation and clients of these banks are encouraged to submit their liquidation claim forms: Royal, Genesis, AfrAsia, Allied and Interfin Bank. For more updates, please subscribe to our Newsletter through our website www.dpcorp.co.zw or like our Facebook page.

For more information on the Deposit Protection Scheme contact:

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