



Protecting Your Deposits




Summary of Deposit Protection Scheme

Quick Reference Guide

| No | Item | Description |
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| 1 | Administrators | <ul style="list-style-type: none"> Deposit Protection Corporation (DPC) |
| 2 | Date of inception | <ul style="list-style-type: none"> 1 July 2003 |
| 3 | Governing legislation | <ul style="list-style-type: none"> Deposit Protection Corporation Act [Chapter 24:29] Statutory Instrument 156 of 2013 & 46 of 2014 |
| 4 | What is Deposit Protection? | <ul style="list-style-type: none"> Deposit protection is a system that protects depositors against the loss of their insured deposits placed with banks in the unlikely event of a bank failure. A deposit protection system contributes to financial stability and helps to prevent bank runs if depositors have confidence that they will have access to their funds quickly when a bank fails. |
| 5 | Our Public Policy Objectives | <ul style="list-style-type: none"> Protection of depositors by providing compensation in the event of a bank failure. Contributing to the stability of the financial system Enhancing public confidence in the financial system by establishing a framework for the resolution of failing or failed banks. Enhancing competition in the financial sector by creating a level playing field through guaranteeing depositor reimbursements for both big and small banks. Promoting sound business practices in contributory institutions. |
| 6 | Funding | <ul style="list-style-type: none"> DPC gets its funding from premium levies collected from member banks - commercial banks, merchant banks, building societies, finance and discount houses. Currently the rate is 0.2% of deposits eligible for cover. Depositors do not pay premiums for deposit insurance cover. It's a free service to all bank depositors. |

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| 7 | Mandate | <ul style="list-style-type: none"> ▪ DPC’s mandate is that of a risk minimizer. ▪ Besides compensating depositors in the event of a bank failure, DPC actively participates in the resolution of failing or failed member institutions, curatorship and liquidation of closed banks. |
| 8 | Membership | <ul style="list-style-type: none"> ▪ Membership is mandatory by law for all deposit taking institutions registered under the Banking Amendment Act (2015), Building Societies Act (Chapter 24:21) & Micro-finance Act (Chapter 24:29) ▪ Currently membership includes all commercial banks, merchant banks, building societies, finance & discount houses & deposit-taking microfinance institutions. ▪ Deposits with Asset Managers and POSB are currently not covered by the DPC. POSB depositors are covered under the POSB Act (Chapter 24:22) |
| 9 | Classes of deposits covered | <ul style="list-style-type: none"> ▪ All types of deposits received by a contributory institution in its usual course of business are protected and include without being limited to the following— <ul style="list-style-type: none"> (a) time/fixed deposits; and (b) demand deposits; and (c) savings deposits; and (d) interest accrued and/or payable on all deposits; and (e) shares in a building society (class B&C shares), other than capital shares, deferred shares or preference shares; and (f) any other liability or financial instrument as may be specified by the Corporation from time to time by notice in the Government Gazette. ▪ Qualifying deposits in individual, corporate and trust accounts in insured institutions are covered by the Deposit Protection Scheme. |
| 10 | Classes of deposits currently <u>excluded</u> from cover | <ul style="list-style-type: none"> ▪ securities purchased by contributory institution on behalf of the depositor; and ▪ interbank deposits; and ▪ government deposits, local or foreign; and ▪ a deposit that is not payable in Zimbabwe; and ▪ contents of safety deposit boxes; and ▪ unit trust/managed funds; and ▪ debentures issued by a contributory institution; and |

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| | | <ul style="list-style-type: none"> ▪ deposits of executive management, board members or shareholders of a contributory institution; and ▪ negotiable certificates of deposit; and ▪ bankers acceptances; and ▪ repurchase agreements; and ▪ capital shares; and ▪ deposits deposited by other domestic or foreign banks on their own account; and ▪ drafts or managers cheques issued to trade creditors; and ▪ any other liability or financial instrument as may be specified by the Corporation from time to time by notice in the Government Gazette. |
| 11 | Coverage limit | <ul style="list-style-type: none"> • DPC will strive to compensate at least 90% of depositors in the event of a bank failure. • Currently the maximum insurable limit is pegged at \$500.00 (Five Hundred United States Dollars) per depositor per bank which is paid immediately when a bank has been closed. • Deposit balances above the insurable amount of \$500 will be paid during the liquidation process on a pro-rata basis. • Amount payable to depositors is reviewed from time to time in line with the growth of the Fund and prevailing market conditions. |
| 12 | Mode of payment for reimbursements | <ul style="list-style-type: none"> ▪ Mobile phone and bank transfers. |
| 13 | Benefits of Deposit Protection to Depositors | <ul style="list-style-type: none"> • Deposit protection ensures that depositors do not lose all of their hard earned savings in the event of a bank failure. • Depositors will know how and when reimbursement of their deposits will be made in the event of a bank failure. • Deposit protection reduces the likelihood of panic withdrawals and bank runs thereby enhancing stability and confidence in the financial sector. • Deposit protection is automatic once a depositor opens an account with an insured institution. Therefore, depositors do not need to complete any application form. • There is no charge to depositors for deposit protection, banks bear the cost of deposit protection. |
| 14 | Benefits of Deposit Protection to the Financial System | <ul style="list-style-type: none"> • DPC promotes public confidence in the Zimbabwean financial system by protecting depositors against the loss of their deposits. |

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| | | <ul style="list-style-type: none"> • Deposit protection complements the supervisory and regulatory framework by providing incentives for sound risk management in the financial system. • Deposit protection contributes to the stability of the financial system by dealing with bank failures expeditiously and reimbursing depositors promptly. |
| 15 | Reimbursement & Claim Procedure | <ul style="list-style-type: none"> ▪ When a member institution is placed under curatorship, closed or liquidated, the Corporation compensates depositors who have lost their deposits. ▪ DPC advises the insured depositors via electronic or print media to collect claim forms from its offices or download from the website (www.dpcorp.co.zw) in order for them to be compensated. ▪ Once a duly completed and certified claim form has been submitted together with supporting documents (copy national ID/ valid passport /valid driver's licence), a depositor is reimbursed within 14 working days from date of submission of a duly completed claim form (under normal circumstances). ▪ Payment is made through mobile phone and bank transfers. |
| 16 | DPC Contact Details | <ul style="list-style-type: none"> ▪ Physical Address: Evelyn House, 26 Fife Avenue, Cnr Blakiston Street, Harare. ▪ Postal Address: P.O. Box 7390, Harare. ▪ Telephone: (04) 250900-1; 252 460 ▪ Fax: +263 4 252 337 ▪ WhatsApp: +263 716 801 310 ▪ Email: info@dpcorp.co.zw / amusadziruma@dpcorp.co.zw ▪ Website: www.dpcorp.co.zw <div style="text-align: center;">  /DpcZW  @DpcZW  </div> |

Our Vision

To be the centre of excellence in deposit protection.

Mission

To protect deposits, enhance public confidence and stability in the financial system by promoting sound business practices.

Values

Accountability | Fairness | Teaming | Integrity | Excellence | Transparency