

## Did you know that...

- Depositors need not apply for insurance coverage; it is automatic, up to the prescribed amount of \$50,000, once a deposit account is opened at a member institution.
- Deposits held at different member institutions are separately insured.
- The DIC calculates the insured amount on both principal and interest balances.
- Opening several accounts in different branches of the same bank or at the same branch will not increase your insurance deposit payout.
- The DIC does not insure accounts or products in foreign currency; nor does it insure accounts held in banks or other institutions that are not DIC members.
- If a DIC member institution fails, the DIC will notify depositors by making official announcements in the newspapers, as well as through notices at the premises of the failed DIC member. The DIC will indicate the dates, times and places at which compensation will be made.



To learn more about the DIC's insurance regulations and procedures, kindly refer to the address listed below.

Calculate Insurance Coverage  
Use the DIC's online Electronic Deposit  
Insurance Calculator at:  
[www.DIC.bs](http://www.DIC.bs)

Read more about the DIC online at: [www.DIC.bs](http://www.DIC.bs)  
Send questions by e-mail to: [info@DIC.bs](mailto:info@DIC.bs)

Website:  
<http://www.DIC.bs>



**Deposit Insurance Corporation**  
P.O. Box N-4868  
Nassau, Bahamas  
Head Office Location

**Central Bank of The Bahamas**  
Frederick Street  
Nassau, Bahamas  
Tel: (242) 322-2193 or (242) 302-2600  
Fax: (242) 356-3909



DEPOSIT  
INSURANCE  
CORPORATION

B A H A M A S



## Safeguarding Your Funds

The DIC provides deposit insurance protection and support for Bahamian Dollar depositors, contributing to the stability of the Bahamian financial sector through minimizing risk to depositors.

## Deposit Insurance Coverage

The Bahamas' Deposit Insurance Corporation (DIC) is a public corporation, established under the Protection of Depositors Act, 1999 (the Act). The DIC insures eligible deposits made with member institutions in case of their failure. The listing of the member institutions can be found at: <http://www.DIC.bs>

Pursuant to Section 4 of the Act, which came into effect from 10th November 1999, membership in the Deposit Insurance Fund (the Fund) is compulsory for every licensed bank with Bahamian dollar deposits.

The DIC insures only Bahamian dollar denominated deposits placed with a member institution in any of its branches in The Bahamas. Each eligible deposit in a member institution is insured up to a maximum of B\$50,000 per depositor.

Accounts covered by the DIC include checking, savings, demand and time accounts, and other accounts payable, for which a certificate, receipt, cheque, money order, draft or other payment instrument has been issued by the member institutions and for which the member is primarily liable.

Accounts not covered are letters of credit, standby letters of credit or instruments of a similar nature, subordinated debts, preference shares, inter-bank deposits, foreign currency deposits, deposits of Government and statutory corporations, deposits of foreign governments, deposits in any financial institution wholly owned by the Government, deposits from affiliates of member institutions, and deposits of any depositor who is shown to have been a party to or profited from the circumstances given rise to a member institution's failure.



### DIC Insurance Coverage Limits by account ownership category

#### *Single Accounts*

The DIC covers amounts held in eligible accounts in the name of a single, individual depositor, up to the B\$50,000 maximum insurable amount.

#### *Joint Accounts*

It is not uncommon for persons to have deposit accounts of more than one type and joint accounts in the same institution. Examples of joint account holders are married couples or a parent on behalf of a child. The DIC insures separately and collectively eligible deposits held in more than one name, i.e., joint accounts. For joint accounts, each account holder is assumed to have an equal share in the account, unless the records show otherwise. Joint accounts are insured up to a maximum of \$50,000.

#### *Trust Accounts*

There are cases where deposits/accounts may be held in trust. For example, a parent (the trustee) may establish a bank account at a member institution for his/her child (the beneficiary). Deposits held on the trust accounts are insured separately, with each beneficiary's interest being insured up to a maximum of \$50,000.

#### *Deposit Insurance Fund*

A Deposit Insurance Fund (the Fund) has been established from premium contributions of DIC member institutions to cover potential claims, in the event that a member fails.

Beyond this accumulated pool, there is provision in the Act for the Minister of Finance (the Minister) to levy special contributions on members, should funding require-

ments exceed these amounts. The Fund is invested in safe and liquid assets, such as securities issued by the Bahamas Government.

#### *Deposit Insurance Board of Management*

The DIC is governed by a Board of Management, which is accountable to the Minister for its actions and decisions. The Board is comprised of the Chairman (the Governor, Central Bank), the Manager of Bank Supervision, another Manager of the Central Bank, the Financial Secretary, and two (2) persons having knowledge and experience in banking, commerce, finance, accounting, insurance or law.

