

# PUBLIC NOTICE



## Deposit Protection Cover Limit Increased to USD1,000

1. Pursuant to the provisions of section 41(1) of the Deposit Protection Corporation Act (Chapter 24:29), the public is hereby advised that the deposit protection cover limit has been increased from USD500.00 (Five Hundred United States Dollars) to a maximum of **USD1, 000.00 (One Thousand United States Dollars)** per depositor per member bank with effect from 1 June 2016.
2. In the event of a bank failure, every client with a deposit balance equal to or below USD1, 000 is **guaranteed** to receive full compensation of the amount in the bank account at the time of bank closure provided one submits a duly completed claim form. Any outstanding deposit balance above the cover limit of USD1, 000 is payable through the liquidation process on a pro-rata basis.
3. The new cover limit of USD1, 000 per depositor per member bank will protect 93% of depositors by number of accounts in full - in line with the Corporation's Public-Policy Objective of ensuring at least 90% of depositors are covered in full. Deposit protection is free for all bank depositors and no application is required as coverage is automatic upon opening a bank account with all banking institutions licensed by the Reserve Bank of Zimbabwe. The increase in the cover limit will go a long way in protecting depositors, enhancing financial stability and public confidence in the country's financial system.
4. For the avoidance of doubt, depositors of all banking institutions closed prior to 1 June 2016 will be compensated using the old cover limit of USD500.00 (Five Hundred United States Dollars) per depositor per member bank.
5. The Deposit Protection Fund is established under Section 13 of the Deposit Protection Corporation Act [Chapter 24:29]. The Fund is vested in and administered by the Deposit Protection Corporation (DPC). The primary objective of the Fund is to compensate depositors in full or in part, for losses incurred in the event of insolvency of a contributory institution licensed to operate banking or finance business in Zimbabwe such as commercial banks, merchant banks, building societies, finance houses, discount houses and deposit-taking micro-finance institutions.
6. If you need any clarification regarding this Notice, please contact us on: Telephone: +263 4 250900-1, Email: [claims@dpcorp.co.zw](mailto:claims@dpcorp.co.zw), Website: [www.dpcorp.co.zw](http://www.dpcorp.co.zw), Office Address: Evelyn House, 26 Fife Avenue/Blakiston Street, P. O. Box 7390, Harare.

**Mr John. M. Chikura**

Chief Executive Officer/Managing Director

18 JULY 2016