

# **REGULATIONS ON REPORTING OF DEPOSITOR DATA AND THE ASSESSMENT OF PREMIUMS**

**Made Under**

## **THE DEPOSIT INSURANCE ACT (Act No. 15 of 2018)**

**IN THE EXERCISE OF THE POWERS CONFERRED UPON THE DEPOSIT INSURANCE CORPORATION BY PART VI, SECTIONS 3, 29 AND 53 OF THE DEPOSIT INSURANCE ACT, THE DEPOSIT INSURANCE CORPORATION HEREBY MAKES THE FOLLOWING REGULATIONS:**

### **ARRANGEMENT OF REGULATIONS**

#### **REGULATION**

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Citation	<b>1.</b> These Regulations may be cited as the Deposit Insurance Reporting of Depositor Data and the Assessment of Premiums Regulations.
Scope	<b>2.</b> The regulation applies to all member financial institutions pursuant to section 3(2) the Act.
Objective	<p><b>3.</b> (1) The objective of the Scheme shall be to foster the stability of the financial sector of Guyana by protecting the depositors of the member financial institutions operating in Guyana, and by contributing resources to the resolution of member financial institutions.</p> <p>(2) To meet this objective member financial institutions are required to develop and maintain systems that will allow for the identification and reporting of insured depositors, excluded depositors and delinquent borrowers that have deposit accounts and to allow for the aggregation of depositor accounts.</p>
Definitions	<p><b>4.</b> In these regulations-</p> <p>a) <b>“assessment period”</b> means the start date being the first day of January and July of each year</p> <p>b) <b>“assessment rate”</b> means the rate at which regular premiums shall be set by the Deposit Insurance Corporation’s Board prior to the commencement of each assessment period;</p> <p>c) <b>“Bank”</b> means the Bank of Guyana established under the Bank of Guyana Act;</p> <p>d) <b>“Board”</b> means the Board of Directors of the Corporation established by section 12 of the Act;</p>

- e) **“Corporation”** means the Deposit Insurance Corporation established under section 5 of the Act;
- f) **“data”** means the information requested from member financial institutions required for the Corporation to fulfill its mandate;
- g) **“deposit”** means a deposit within the meaning of section (2)(1)(q) of the Financial Institutions Act;
- h) **“depositor”** means a natural or legal person who owns a deposit;
- i) **“excluded deposits”** means deposits that are not insured as listed in section 36 of the Act;
- j) **“Fund”** means the Deposit Insurance Fund established under section 26(1) of the Act;
- k) **“initial contribution”** means the initial contribution of up to 1.5% of the average amount of insured deposits held at the start and end of the calendar year preceding the entry into force of the Act;
- l) **“insured deposit”** means a deposit or any part of a deposit which is insured under the Act;
- m) **“insured depositor”** means a depositor who holds an insured deposit;
- n) **“insured event”** means the entry into liquidation of a member financial institution under Part VIII of the Financial Institutions Act;
- o) **“insured limit”** means the maximum amount that is reimbursable in respect of an insured deposit;
- p) **“late reporting”** means the submission of mandated reports after the stated deadline;
- q) **“member financial institution”** means a financial institution which is a member of the Scheme;
- r) **“officer”** means any advisor, director, manager, employee, auditor, or agent including a former advisor, director, manager, employee, auditor or agent;

- s) “**regular premium**” means the biannual amount paid by member financial institutions at the assessment rate of the average amount of insured deposits held over the preceding assessment period;
- t) “**reporting month**” means the month that the report is due. For example, there first bi-annual reporting month is July.
- u) “**Scheme**” means the deposit insurance scheme established under the Act to insure depositors;
- v) “**trustee**” means a person who holds the title to property for the benefit of a third party;
- w) “**target fund**” means the value of the Fund under section 27 of the Act;

Annual Report of  
Depositor Data

5. (1) A member financial institution shall submit to the Corporation the information specified in this regulation annually or as frequently as the Corporation may require such information to execute its mandate.
- (2) The report shall be prepared as at December 31 and shall be submitted to the Corporation no later than January 31 of the following year. If January 31 falls on the weekend or a national holiday the report shall be submitted on the working day immediately before the weekend or holiday. Each member financial institution shall submit a signed copy of the report.
- (3) The report shall follow the instructions for reporting in **Annex I** and shall be completed in the format specified in **Annex II**.
- (4) The data shall be certified by a senior officer of the member financial institution responsible for preparation or oversight of the preparation of the data.

- (5) Pursuant to section 45 of the Act the Corporation may request the submission of additional data by a member financial institution which it shall provide in compliance with section 45(2).

Biannual Report  
of Deposits

6. (1) A member financial institution shall submit a Biannual Report of Deposits to the Corporation by the 15<sup>th</sup> day of the month following the end of the assessment period.
- (2) For the purpose of these regulations the assessment periods are 1 January to 30 June and 1 July to 31 December of each year.
- (3) Reporting deadlines for each period of assessment stated in paragraph (2) shall be July 15 for the period January to June and January 15 for the period July to December. If either January 15 or July 15 falls on the weekend or a national holiday the report shall be submitted on the working day immediately before the weekend or holiday. Each member financial institution shall submit a signed copy of the report.
- (4) The report shall be completed in the format specified in **Annex III**.
- (5) Pursuant to section 45 of the Act the Corporation may request the submission of additional data by a member financial institution which it shall provide in compliance with section 45(2).

Late Reporting

7. A member financial institution shall immediately inform the Corporation by email if the deadlines stated in regulations 5 (2) or 6 (3) cannot be met. The Corporation may set a new deadline for the member financial institution which shall not be later than 5 business days after the end of the reporting month.

Correction of  
Errors

8. (1) In the case of errors in a report which have been discovered by the member financial institution, the member financial institution shall immediately inform the Corporation of the error by email specifying the error. The member financial institution shall resubmit the corrected report within three business days of identifying the error.
- (2) If the Corporation identifies errors in a report it shall inform the member financial institution in writing and direct the member financial institution to resubmit the corrected report within three business days of notice from the Corporation.

Administrative  
Sanctions

9. (1) Where a member financial institution or an officer of a member financial institution-
  - i. fails to comply with a request by the Corporation for information within the stipulated time period;
  - ii. willfully destroys or conceals from the Corporation any material information relating to the financial affairs of the member financial institution;
  - iii. provides false or misleading information to the Corporation; or
  - iv. falsifies or tampers with accounts, records, papers, or documents of the member financial institution with an intent to mislead;

the Board of the Corporation may, pursuant to section 50 of the Act, impose administrative sanctions.

(2) The administrative sanctions may take the form of –

- a) written warnings;
- b) orders to comply with specific instructions; or
- c) pecuniary penalties.

Assessment of

Regular Premiums

**10.** (1) In accordance with section 29 of the Act a member financial institution shall pay regular premiums into the Fund.

(2) The Board shall approve and announce the assessment rate prior to the commencement of an assessment period.

(3) At the end of the assessment period and by the reporting deadline a member financial institution shall submit to the Corporation the Biannual Report of Deposits following the template in **Annex III**. The Corporation shall confirm the calculation and issue written instructions for a member financial institution to pay the premium into the Fund.

(4) If there are unwarranted delays by a member financial institution or a pattern of inaccurate reporting, the Board of the Corporation may pursuant to section 32 (1) of the Act impose an interest charge on the amount due from a member financial institution.

(5) In the event that the premium calculation is disputed by the member financial institution, the member financial institution shall pay the calculated premium amount into the Fund, following written instructions by the Corporation. The Corporation and the member financial institution shall promptly work together to reconcile the differences. In the event that the reconciliation results in an additional premium amount due, the member financial institution shall, upon written notification by the Corporation, arrange for the payment to be made into the Fund.

## Annex I

### Instructions for Reporting Depositor Data by Member Financial Institutions

In order to comply with the reporting formats specified in Annex II and III, the member financial institution shall have in place systems to generate a single customer view which would allow the member to view all deposit, loans and overdrafts and other obligations on the books of the member financial institution held in the name of an individual customer. The single customer view should identify such cases where a lien has been placed on a deposit account, where the loan obligation(s) are past due or non-performing as defined by the Bank's *Supervision Guideline Number 5: Loan Portfolio Review, Classification, Provisioning and Other Related Requirements*, and where unauthorised overdrafts or obligations exist.

Every legal or natural person who holds a deposit, with the meaning of section (2)(1)(q) of the Financial Institutions Act 1995, shall be insured under the Act. The insurable deposit for each depositor is determined after combining the value of funds in the deposit accounts of the depositor at the member financial institution. When combining deposits of a depositor, regard should be had to the following:

- i) Section 35 (1) of the DIA defines insured deposits as “every depositor, including principal and interest, held at a member financial institution to an amount not exceeding two million dollars”;
- ii) **Nominee accounts** – under section 39 (2) of the Act, funds held by a nominee for the benefit of a principal, ward, minor or patient and deposited in one or more deposit accounts shall be added to any individual accounts of the principal, ward, minor or patient and reimbursed up to the insured limit;



- iii) **Trust account** – under section 39 (3) of the Act, funds held in a trust account shall not be combined with the individual accounts of a trustee, settlor or beneficiary under the trust. The member shall consider the beneficiary of a trust as a depositor. The member must possess adequate documentation to validate that the trust account was legally established;
- iv) **Joint accounts** – in the case of a joint account, the funds shall be divided equally among the account holders, unless otherwise justified as documented by the member financial institution, and each portion shall be added to the individual accounts of the joint account holders ;
- v) Foreign currency deposits shall be converted to Guyana dollars using the member financial institution’s applicable exchange rates as at the start (and end) of the assessment period.

Section 36 of the DIA 2018 excludes the following deposits:

- (a) deposits above the insured limit;
- (b) deposits of financial institutions, including insurance companies and pension funds;
- (c) deposits of central and local government authorities;
- (d) deposits of branches of financial institutions which operate outside Guyana;
- (e) deposits of members of the Supervisory Board or the Executive Board of a Financial Institution under resolution or liquidation, or their relatives, or third parties acting on their behalf;
- (f) deposits of shareholders, their relatives, or third parties acting on their behalf, owning at least 5 percent of the capital of a financial institution under liquidation or resolution; and
- (g) deposits of persons under criminal investigation or who are suspected of being involved in money laundering or terrorist financing.

In order to exclude deposits under (g) above, the member institution will require either formal notice from the appropriate authorities or it may be cases that the member financial institution has referred to the Financial Intelligence Unit (FIU).

## Data Required

In order to determine insured deposits, the member must be able to generate a single customer view of the following data:

1. Depositor's unique bank customer number
2. Full name of depositor
3. Address
4. National ID and Passport Number (where applicable)
5. Tax ID
6. Date of birth
7. Insurance Status
  - a. I – insured
  - b. U – uninsured due to exceeding the coverage limit
  - c. E – excluded
    - i. Financial institution, including insurance and pension funds
    - ii. Central or local government authorities
    - iii. Financial institutions which operate outside of Guyana
    - iv. Member of Supervisory Board or Executive Board of the Institution
    - v. Shareholders, their relatives or third parties acting on their behalf, owning at least 5% of the financial institution
    - vi. Depositors under criminal investigation or who are suspected of being involved in money laundering or terrorist financing
  - d.
    - i. Accounts where borrowers have past due or non-performing loans
    - ii. Accounts where the owner cannot be identified or where the account is lacking proper documentation to verify ownership

## **Annex II**

### **Template for Annual Report of Depositor Data**

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**Annex III**

**Templates for Biannual Report of Deposits**

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