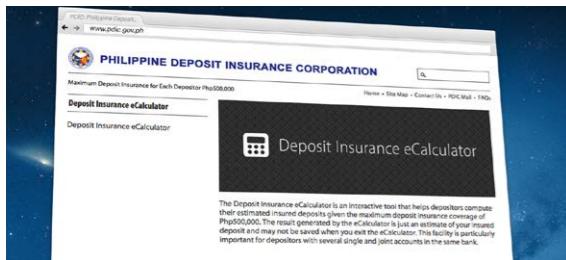


Fe Santos's insured deposit for all her single and joint accounts in the same bank:

Account Name	Deposit (in Php)	Fe's Share in the Insured Deposit (in Php)
All single accounts of Fe Santos in Q1	1,000,000	500,000
All joint accounts of Fe Santos in Q2	2,500,000	500,000
Total	3,500,000	1,000,000

Deposit Insurance eCalculator

To help depositors estimate their insured deposits, visit the Deposit Insurance eCalculator at <http://www.pdic.gov.ph/ecalculator>.



For purposes of computing the insured deposits, all obligations or loans of the depositor with the closed bank, as of bank closure, shall be deducted from the depositor's total deposits with the said bank. (PDIC Regulatory Issuance No. 2011-04)

Disclaimer:

This is not meant to supplant or supersede the actual provisions of the PDIC Charter and other applicable laws. The latter will prevail in case of conflict.

What are NOT covered by PDIC deposit insurance?

The following, whether denominated, documented, recorded or booked as deposit by the bank, are excluded from PDIC deposit insurance (*Section 4 (f) of the PDIC Charter*):

- Investment products such as bonds and securities, trust accounts and other similar instruments
- Deposit accounts or transactions that:
 - Are unfunded, fictitious or fraudulent
 - Constitute and/or emanate from unsafe and unsound banking practice/s as determined by the PDIC, in consultation with the BSP, after due notice and hearing and publication of PDIC's cease & desist order against such deposit accounts/transactions
 - Are determined to be proceeds of an unlawful activity as defined in the Anti-Money Laundering Act (*Republic Act 9160, as amended*)



Under PDIC Regulatory Issuance No. 2011-01, the following are examples of banking practices that may be considered unsafe and/or unsound:

1. Solicitation and acceptance of deposits outside bank premises, including branches, without BSP authority
2. Non-compliance with minimum identification and documentation requirements from depositors in the opening of deposit accounts (Anti-Money Laundering Law)
3. Allowing depositors to deposit, withdraw, and/or transfer funds without proper documentation such as duly accomplished deposit or withdrawal forms
4. Granting high interest rates, when bank has: (i) negative unimpaired capital, and (ii) either a liquid assets-to-deposits ratio of less than 10% or an operating loss



About PDIC

The Philippine Deposit Insurance Corporation (PDIC) was established on June 22, 1963 by Republic Act 3591. Under the amended PDIC Charter, the Corporation is mandated to provide depositor protection and promote financial stability by providing permanent and continuing deposit insurance up to the maximum deposit insurance coverage of Php500,000.00 per depositor per bank

Public Policy Objectives

Depositor Protection

To promote and safeguard the interest of the depositing public by way of providing permanent and continuing insurance coverage on all insured deposits

Financial Stability

To strengthen the mandatory deposit insurance coverage system to generate, preserve, maintain faith and confidence in the country's banking system, and protect it from illegal schemes and machinations

For more information, please contact:

Public Assistance Department
 Philippine Deposit Insurance Corporation
 6/F SSS Bldg., 6782 Ayala Ave. cor. V.A. Rufino St., 1226 Makati City
 Tel. No. (632) 841-4630 and 841-4631 (for depositors within Metro Manila)
 E-mail: pad@pdic.gov.ph
 Toll Free: 1-800-1-888-7342 or 1-800-1-888-PDIC (for depositors outside Metro Manila)
 Website: www.pdic.gov.ph



www.pdic.gov.ph

Understanding Deposit Insurance

Basic information on the scope of deposit insurance and the application of the maximum deposit insurance coverage



Maximum Deposit Insurance Coverage (MDIC)

PDIC pays deposit insurance on all valid deposits up to the Maximum Deposit Insurance Coverage (MDIC) of Php500,000 per depositor of a closed bank. For purposes of computing deposit insurance, accounts maintained in the same right and capacity for a depositor's benefit, whether in his own name or in the name of others, are added together and in no case shall exceed the MDIC.

Deposits are considered valid if, upon determination by PDIC, these deposits are recorded in the bank's records, and are evidenced by inflow of cash.

What are covered by PDIC deposit insurance?

PDIC insures valid deposits in domestic offices of its member banks, as follows:

By Deposit Type:

- Savings
- Special Savings
- Demand/Checking
- Negotiable Order of Withdrawal (NOW)
- Time Deposits

By Deposit Account:

- Single Account
- Joint Account
- Account "By", "In Trust For" (ITF) or "For the Account of" (FAO) another person

By Currency:

- Philippine peso
- Foreign currencies considered as part of BSP's international reserves

PDIC Member-Banks

Consist of institutions authorized by the Bangko Sentral ng Pilipinas (BSP) to perform banking functions in the Philippines:

- Banks incorporated under Philippine laws, such as commercial banks, savings banks, mortgage banks, development banks, rural banks and cooperative banks and stock savings and loan associations
- Domestic branches of foreign banks

Single Accounts

Single Accounts are individually-owned accounts or accounts held under one name, either as **natural person** or **juridical entity**.

- *Natural person* refers to any individual person. Single proprietors are considered natural persons.
- *Juridical entity* refers to a corporation, partnership or cooperative, including registered association.

Joint Accounts

Joint Accounts are accounts held under more than one name.

- A joint account regardless of whether the conjunction "**and**", "**or**" or "**and/or**" is used shall be insured separately from single accounts.
- Unless a different sharing is stipulated in the deposit documents, the insured amount up to the Maximum Deposit Insurance Coverage of Php500,000 shall be divided equally between or among co-owners of a joint account.

- The total share of a co-owner in several joint accounts may exceed Php500,000 but will only be insured up to the Maximum Deposit Insurance Coverage of Php500,000.
- Joint accounts held in the names of a juridical entity and a natural person shall be presumed to belong solely to the juridical entity.

"BY", "ITF" or "FAO" Accounts

- In a "By" account, **Ana by Ben**, Ana is the depositor.
- In an "In Trust For" (ITF) account, **Ana In Trust For Ben**, Ben is the depositor.
- In a "For the Account of" (FAO) account, **Ana For the Account of Ben**, Ben is the depositor.
- In an account with combined Joint and FAO/ITF, **Ana and/or David In Trust For Ben**, Ben is the depositor.



If a depositor is the sole beneficial owner of a single, "For the Account of", "By", and "In Trust For" accounts, the consolidated balances of these accounts shall be insured up to Php500,000.

The depositor's total shares in all his/her joint accounts shall be separately insured up to Php500,000.

A depositor with single accounts and joint accounts may have insured deposits of up to Php1,000,000.

Illustrative examples:

Fe Santos's insured deposit if she has the following four deposit accounts in the same bank:

Account Name	Deposit (in Php)	Insured Deposit of Fe Santos (in Php)
Fe Santos	100,000	100,000
Ben Santos For the Account of Fe Santos	100,000	100,000
Charlie Santos In Trust For Fe Santos	100,000	100,000
Fe's Store (Sole Proprietor)	700,000	200,000
Total	1,000,000	500,000¹

1/ Mrs. Fe Santos is entitled to a maximum deposit insurance coverage of Php500,000 – after determination that she is the sole beneficial owner of the four accounts.

Fe Santos's insured deposit if she has the following three joint accounts in the same bank:

Account Name	Deposit (in Php)	Fe's Share in the Insured Deposit (in Php)
Fe Santos or Ben Santos	500,000	250,000
Fe Santos and Charlie Santos	1,000,000	250,000
Fe Santos and/or Divina Santos	1,000,000	0 ²
Total	2,500,000	500,000

2/ Mrs. Fe Santos does not have any insured deposit share since she has reached the maximum insurance coverage totaling Php500,000 in the two joint accounts she has with Ben and Charlie Santos.