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2-25-2010

### MAS Releases Consultation Paper on Review of the Deposit Insurance Scheme in Singapore

Monetary Authority of Singapore

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Media Releases | Published Date: 25 February 2010

# MAS Releases Consultation Paper on Review of the Deposit Insurance Scheme in Singapore

Singapore, 25 February 2010...The Monetary Authority of Singapore (MAS) is consulting the public on recommendations to amend and enhance various features of the Deposit Insurance (DI) Scheme in Singapore.


2 As part of our regular review, MAS and the Singapore Deposit Insurance Corporation (SDIC) which administers the DI Scheme, have reviewed it to ensure that it continues to fulfill its primary objective of providing adequate protection to small depositors.

3 The consultation paper proposes to expand the scope of coverage under the DI Scheme, beyond the deposits of individuals and charities, to other non-bank depositors such as sole proprietorships, partnerships, companies and unincorporated entities. The paper also proposes to raise the coverage limit under the DI Scheme by 2.5 times from S\$20,000 to S\$50,000 per depositor per Scheme member. The increased coverage limit of S\$50,000 would fully insure 91% of the expanded insured depositor base of individuals, charities and other non-bank depositors. This compares to 83% of insured depositors who are fully insured currently under a S\$20,000 coverage limit. CPF monies placed with a Scheme member will be insured under a separate S\$50,000 limit.

4 MAS invites interested parties to give their views and comments on the proposals contained in the Consultation Paper. ([Click here to view the consultation paper](#)).  (142.9 KB) We will assess and consider all comments received before finalising the proposals and commencing the legislative process, with a view to implement the amendments to the DI Scheme by early 2011. Please submit your written comments by 26 March 2010.

## Note to Editor

The DI Scheme was implemented in 2006. Its design was guided by several considerations which included the need to provide adequate protection for the majority of small depositors while limiting the cost of DI to Scheme members and depositors and preserving the incentives for large depositors to exercise market discipline.

The DI Scheme is administered by the Singapore Deposit Insurance Corporation (SDIC). For more information on the SDIC please refer to <http://www.sdic.org.sg/> 

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