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Monetary Authority of Singapore

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MAS Issues Responses to Feedback On Proposed Enhancements to Deposit Insurance Scheme

Singapore, 3 September 2010...The Monetary Authority of Singapore (MAS) has issued our responses to feedback received from the public consultation on the proposed enhancements to the Deposit Insurance (DI) Scheme in Singapore, which was published on 25 February 2010.

2 MAS had proposed enhancements to the Scheme to enhance protection for depositors. We received useful feedback from consumers and the industry. After careful consideration, we have decided to proceed with the proposals to expand the scope of coverage to insure deposits of other non-bank depositors such as sole proprietorships and partnerships, and to raise the DI coverage limit from S\$20,000 to S\$50,000 per depositor per Scheme member. With these changes, 91% of depositors under the Scheme will be fully insured. This meets our objective of providing adequate coverage for small depositors, while preserving the incentives for large depositors to exercise market discipline, and keeping costs to Scheme members manageable.

3 MAS intends to consult on proposed legislative amendments in the later part of this year, with a view to implementing the revised Scheme in early 2011.

4 The current study formed part of MAS' regular review with the Singapore Deposit Insurance Corporation, to ensure that the Scheme which was first implemented in 2006, continues to be relevant. The Scheme is independent of the Government guarantee on deposits which expires on 31 December 2010.

5 To view MAS' response to the feedback received, please click on the following [link](#)  (150.6 KB).

