

**Decree No. 12/2016 Coll.**

of 8 January 2016

**on the depositor information template concerning the deposit guarantee scheme for the client**

Pursuant to Article 11(6) of Act No. 21/1992 Coll., on Banks, as amended by Act No. 375/2015 Coll., the Czech National Bank stipulates the following:

Article 1

**Subject matter**

This Decree implements the relevant legal act of the European Union<sup>1</sup> and governs the depositor information template concerning the depositor guarantee scheme for the client (hereinafter the “depositor information template”) for the purposes of informing clients in accordance with Articles 11(2), 11(3), 11(4) and 11(6) of the Act on Banks.

Article 2

**Depositor information template**

The depositor information template is provided in the Annex to this Decree.

Article 3

**Effect**

This Decree shall take effect on 20 January 2016.

Governor

Miroslav Singer

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<sup>1</sup> Directive 2014/49/EC of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (recast).

## DEPOSITOR INFORMATION TEMPLATE CONCERNING THE DEPOSIT GUARANTEE SCHEME FOR THE CLIENT

Basic information about the protection of deposit	
Deposits in <i>[insert name of credit institution]</i> are protected by:	<i>[Insert “Financial Market Guarantee System (Deposit Insurance Fund)” or name of other relevant deposit guarantee scheme]</i> <sup>1</sup>  <i>[Only where applicable:]</i> The Financial Market Guarantee System acts on behalf and at the cost of <i>[insert name of other relevant deposit guarantee scheme]</i> and accepts claims of eligible persons.
Limit of protection:	Reimbursement is provided in Czech koruna up to an amount equal to EUR 100,000 per client, deposited at <i>[insert name of credit institution]</i> . <sup>2</sup>  <i>[Only where applicable:]</i> <i>[Insert name of credit institution]</i> carries on business under these business names or trademarks: <i>[insert all business names or trademarks]</i> .
If you have more deposits at <i>[insert name of credit institution]</i> :	The limit in Czech koruna equal to EUR 100,000 will apply to the total of all your deposits at <i>[insert name of credit institution]</i> .
If you have a joint account with other person(s):	The limit in Czech koruna equal to EUR 100,000 applies to each depositor separately. <sup>3</sup>
Reimbursement period in case of credit institution's failure:	20 working days (until 31 May 2016) <sup>4</sup> 7 working days (from 1 June 2016) <sup>4</sup>
Currency of reimbursement:	Czech koruna (CZK)
Contact for the Financial Market Guarantee System:	Financial Market Guarantee System (Deposit Insurance Fund) <i>[Insert address, telephone, e-mail]</i>

<i>[only where applicable:]</i> Contact:	<i>[Only where applicable:] [Insert the address, telephone and e-mail of the relevant deposit guarantee scheme other than the Financial Market Guarantee System]</i>
More information is available at:	<i>[Insert the website of the Financial Market Guarantee System (Deposit Insurance Fund)]</i>  <i>[Only where applicable:] [Insert the website of the relevant deposit guarantee scheme other than the Financial Market Guarantee System (Deposit Insurance Fund)]</i>
Client's acknowledgement of receipt of the information template: <sup>5</sup>	

#### Other important information:

The Financial Market Guarantee System covers all retail depositors and businesses up to a specified limit through the Deposit Insurance Fund. Exceptions for certain deposits are stated on the website of the Financial Market Guarantee System. *[Insert name of credit institution]* will also inform you on request whether certain products are covered or not. If deposits are covered, *[insert name of credit institution]* shall also confirm this on the statement of account or similar document.

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<sup>1</sup> *Scheme responsible for the protection of your deposit*

*[Only where applicable:]* Your deposit is covered by a contractual scheme officially recognised as a deposit guarantee scheme. If insolvency of *[insert name of credit institution]* should occur, your deposits would be repaid up to the equivalent of EUR 100,000.

*[Only where applicable:] [Insert name of credit institution]* is part of an institutional protection scheme officially recognised as a deposit guarantee scheme. This means that all institutions that are members of this scheme mutually support each other in order to avoid insolvency. If insolvency of *[insert name of credit institution]* should occur, your deposits would be repaid up to the equivalent of EUR 100,000.

*[Only where applicable:]* Your deposit is covered by a statutory deposit guarantee scheme and a contractual deposit guarantee scheme. If insolvency of *[insert name of credit institution]* should occur, your deposits would be repaid up to the equivalent of EUR 100,000.

*[Only where applicable:]* Your deposit is covered by a statutory deposit guarantee scheme. In addition, *[insert name of credit institution]* is part of an institutional protection scheme in which all members mutually support each other in order to avoid insolvency. If insolvency should occur, your deposits would be repaid up to the equivalent of EUR 100,000 by the deposit guarantee scheme.

The equivalent of the limit in Czech koruna will be converted using the exchange rate declared by the Czech National Bank for the date on which the Czech National Bank issues notification of the inability of *[insert name of credit institution]* to meet its commitments to eligible persons under the legal and contractual conditions or on which a Czech or foreign court issued a decision resulting in the suspension of depositors' right of disposal of deposits at *[insert name of credit institution]* eligible for insurance (the record date).

<sup>2</sup> *General limit of protection*

If a deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by the Financial Market Guarantee System (Deposit Insurance Fund) up to a specified limit. This repayment in Czech koruna will amount, at most, to the equivalent of EUR 100,000 per entire bank or credit union. This means that all deposits of the same depositor at the same credit institution, including interest calculated as of the record date, are added up in order to determine the coverage level. If, for instance, a client holds a savings account with the equivalent of EUR 90,000 in Czech koruna and a current account with the equivalent of EUR 20,000 in Czech koruna, he or she will only be paid the equivalent of EUR 100,000 in Czech

koruna. This method will also be applied if a credit institution operates under different business names or trademarks.

In some cases stipulated by the Act on Banks, deposits are also protected above the equivalent of EUR 100,000, but only to a maximum of the equivalent of EUR 200,000. For example, this pertains to deposits of funds obtained from a sale of residential property, where the record date occurs within three months of the amount being credited to the account, and to other cases laid down in the Act on Banks.

<sup>3</sup> *Limit of protection for joint accounts*

In the case of joint accounts (i.e. accounts with more than one account holder pursuant to Article 41e(1) of the Act on Banks), the share of each client is included separately in his or her limit of EUR 100,000. Persons with mere right of disposal are not joint account holders and are not covered.

<sup>4</sup> *Reimbursement*

The responsible deposit guarantee scheme is the Financial Market Guarantee System through the Deposit Insurance Fund *[insert address, telephone, e-mail and website]*. Until 31 May 2016, repayment of your deposits up to the equivalent of EUR 100,000 in Czech koruna will start within 20 working days of the record date at the latest. From 1 June 2016, the deadline for the start of repayment is within seven working days of the record date. In some cases (e.g. funds on the account of a payment institution), the deadline for the start of reimbursement may be longer (15 working days). If you have not been repaid within these deadlines, you should contact the Financial Market Guarantee System (Deposit Insurance Fund) since the claim reimbursement may be barred after a certain time limit. Pursuant to Article 41h(3) of the Act on Banks, the objective limitation period for reimbursement in the case of credit institutions having a registered office in the Czech Republic is three years. Further information can be obtained at *[insert website of the Financial Market Guarantee System (Deposit Insurance Fund)]*.

<sup>5</sup> Only where information is provided to the client before the conclusion of a contract or the acceptance of a deposit, unless the receipt of the depositor information is confirmed via electronic banking.