

Renewal of Policy of Deposit Insurance and Return of Insurable Deposits

Glossary of Terms

1. An “Insurable Deposit”: A deposit received or held by a Policyholder from or on behalf of a depositor. Deposits exempted from deposit insurance entitlement are a deposit of the following persons who can be classified as exempted depositors below:
 - (a) another Policyholder (commercial banks, licensees under the Banking Services Act and building societies);
 - (b) a statutory body or authority or government company;
 - (c) a ministry, department or agency of the Government; and
 - (d) a parish council, the Kingston and St. Andrew Corporation or a municipal Council

It is to be noted that arising out of the 2011 amendments to the Deposit Insurance Act, deposits held by exempted depositors, in trust or further to a nominee arrangement either under an agreement or pursuant to an Act of Parliament, for a person or persons (beneficiaries) who would be entitled to deposit insurance entitlement under the DIA if the account had been held in their names are now regarded as depositors for the purpose of deposit insurance payments. The balances of the respective beneficiaries are now deemed to be insurable deposits.

2. Shares in a Building Society (i.e. other than capital shares, deferred shares or preference shares): Shares issued by a building society on terms that they are withdrawable, and that they may be interest-bearing.
3. Manager’s Cheques and Drafts: Cheques and Drafts issued by a Policyholder (i.e. Policyholder is the drawer) and paid from the Policyholder’s funds upon presentation. Insurable Manager’s Cheques and Drafts are those purchased with funds received from a customer and do not include Manager’s Cheques and Drafts issued by the Policyholder to pay its operation’s creditors.
4. Credit Balances of Deposit Instruments in Transit: Any item in transit, in a suspense or clearing account that is to be applied to an Insurable Deposit, either existing or to be created should be treated (or included) as “credit balances of deposit instruments in transit” provided it is not captured elsewhere on the forms.

5. **Any Other Deposit Liabilities:** These refer to any “deposit” as defined in the Banking Act; The Financial Institutions Act; or the Bank of Jamaica (Building Societies) Regulations that are being held by the Policyholder and not otherwise itemized on the forms and which qualify for Deposit Insurance. Following the amendments to the Deposit Insurance Act in 2011, this category will now include deposits held in trust or as a nominee for beneficiaries by:
- Another Policyholder;
 - Statutory body or authority or government company;
 - A ministry, department or agency of the Government; and
 - A parish council, the Kingston and St. Andrew Corporation or a municipal council.

For the avoidance of doubt, deposits held by the above categories of institutions in trust for beneficiaries are distinguishable from the deposits held by these entities for their own use.

6. **Trust Account:** An account where funds are held for the benefit of others by another party, known as the trustee.
7. **Nominee Account:** Means moneys held on account by a nominee for the benefit of a principal or ward of the nominee, or of a minor or patient, as the case may be. Nominee includes: (a) an agent; (b) a guardian; (c) a custodian; and (d) the Supreme Court or a Resident Magistrate’s Court in the case of property the value of which is within the monetary jurisdiction of that Court, pursuant to section 29 (1) of the Mental Health Act.