



**Corporation for Deposit Insurance:
Latest coverage and reporting rules**

The rules proposed in this document are subject to change and must not be considered final. Banks can submit comments on these proposed rules to CODI@resbank.co.za.

Version control:

0.1	3 September 2021	Initial draft for the 2021 deposit insurance survey
1.0	3 April 2023	Updated document based on updated proposals in the draft secondary legislation
1.1	26 June 2023	Correction of some proposals
2.0	31 January 2024	Updated with amendments to the Deposit Insurance Regulations of 2024 after public consultation, comments received on the Single Customer View calculations document, questions from banks and the inclusion of interpretive matters
2.1	12 June 2024	Updated with questions received from banks during CODI's training sessions

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1. Summary of the Corporation for Deposit Insurance’s reporting requirements

The following table provides an overview of the Corporation for Deposit Insurance’s (CODI) latest reporting requirements. This document should be read in conjunction with the Financial Sector Regulation Act 9 of 2017 (FSR Act), the [Deposit Insurance Regulations of 2024](#) (Regulations) and the [Single Customer View \(SCV\) calculations document](#).

Summary of latest reporting requirements (July 2024)		
Number	Description ¹	CODI reporting requirement ²
1.	SCV reporting	<p>SCV reporting of depositor information to CODI is mandatory for all:</p> <ul style="list-style-type: none"> • simple accounts; • informal beneficiary accounts (IBAs); and • formal beneficiary accounts (FBAs) where a bank can identify the underlying beneficiaries to an FBA.
2.	Inability to comply with any requirement of the Regulations	<p>Where a bank is unable to comply with any requirement of the Regulations, the bank can apply to CODI for condonation from this requirement. Upon assessing the bank’s request, CODI may grant the condonation and give the bank more time to comply with the requirement. Similarly, if a bank cannot comply with any of the reporting provisions in the Regulations, the bank must specify its non-compliance with the requirement(s) in Compliance Declaration A3 to be submitted to CODI in accordance with regulation 20(2) and must provide the details required in regulation 20(2)(b) for</p>

¹ The terms used in this document are defined in either the Financial Sector Regulation Act 9 of 2017 (FSR Act) or the Deposit Insurance Regulations of 2024 (Regulations).

² The Corporation for Deposit Insurance (CODI) will provide banks with detailed reporting requirements through a *Government Gazette*, which will cover the calculation of total qualifying deposits and total covered deposits for submission to CODI as well as the submission mechanisms.

Summary of latest reporting requirements (July 2024)		
Number	Description ¹	CODI reporting requirement ²
		CODI to consider. In terms of regulation 20(5), CODI may assess the plan provided by the bank and require amendments to it.
3.	Monthly aggregated submissions to CODI	Banks must submit their total qualifying deposits and total covered deposits to CODI on a monthly basis, using SCV calculations based on month-end balances.
4.	Quarterly SCV calculations submissions to CODI	<p>Banks must submit the supporting SCV calculations³ with the total qualifying deposits and total covered deposits to CODI on a quarterly basis or at a frequency specified by CODI.</p> <p>CODI has, under regulation 38(3) of the Regulations, exempted all banks⁴ from regulation 28(2) of the Regulations, which requires banks to submit SCV calculations with their total qualifying deposits and total covered deposits to CODI on a quarterly basis or at a frequency specified by CODI.</p> <p>The aforementioned exemption is granted for a period of 18 months: from 1 April 2024 until 30 September 2025.</p> <p>During the exemption period, banks must calculate their total qualifying deposits and total covered deposits using the guidelines for SCV calculations in Chapter VII of the Regulations and submit their total qualifying deposits and total covered deposits to CODI monthly, using month-end balances, as</p>

³ A 'Single Customer View (SCV) calculation' means the calculation of a bank's total qualifying deposits and total covered deposits based on the SCV records of its qualifying depositors and a record of each formal beneficiary account (FBA) for which the bank cannot generate an SCV record for the beneficiaries, where an 'SCV record' means a consolidated view of a qualifying depositor's accounts and associated balances in qualifying products for the purpose of calculating the qualifying depositor's qualifying deposit balance and covered deposits.

⁴ As defined in the FSR Act.

Summary of latest reporting requirements (July 2024)		
Number	Description ¹	CODI reporting requirement ²
		<p>required by regulation 28(1).</p> <p>In terms of regulations 29(1) and 29(2), CODI may still require ad hoc submissions from banks, which can include the submission of their SCV calculations with their total qualifying deposits and total covered deposits as at a date specified by CODI. CODI may request ad hoc submissions for the following reasons:</p> <ul style="list-style-type: none"> • to test/verify the bank’s SCV calculations used to calculate its total covered deposit submissions to CODI, in which case the information must be based on month-end data; and • to test the bank’s ability to generate SCV calculations for resolution purposes, in which case CODI could request data based on a specific date, which could be any day of the month. <p>CODI will <u>not</u> request ad hoc submissions based on historical data.</p> <p>The format and the mechanism of the ad hoc submissions will be agreed upon between CODI and the banks.</p>
5.	Conversion of foreign currency balances	<p>Banks must convert a foreign currency balance to the South African rand (ZAR) using the close-of-business market exchange rates at the reporting date.</p> <p>A bank in resolution must convert a foreign currency balance to the ZAR using the close-of-business market exchange rates at the date when the Minister of Finance made the determination placing the bank in resolution.</p>

Summary of latest reporting requirements (July 2024)		
Number	Description ¹	CODI reporting requirement ²
6.	Reporting of branch information	Banks must report to CODI the residential or business address of a client and the depositor's branch name. This information will be used for the development of payout plans and to determine if a payout agent bank (PAB) can cater for a failed bank's depositors.
7.	Not-ready-for-payout (NRP) indicators	<p>CODI will do further work on the NRP indicators and will provide guidance to banks. The current NRP indicators included in the Regulations are:</p> <ul style="list-style-type: none"> • not identifying the depositor using the minimum criteria specified by the Financial Intelligence Centre Act 38 of 2001 (FICA); • legal disputes; • a pledged account; • a money-laundering conviction; • sanctions or foreign blocking; and • death. <p>Banks must apply indicators to a qualifying depositor, an FBA holder, a signatory or an account.</p>
8.	Last transaction date	Since depositors will have to access their covered deposits at a PAB or by nominating an account for payout purposes when CODI has a payout system in place, CODI no longer requires banks to report the last transaction date for accounts.

Summary of latest reporting requirements (July 2024)		
Number	Description¹	CODI reporting requirement²
9.	Reconciliation	In terms of the Regulations, there are no reconciliation requirements for banks with regard to other regulatory (e.g. the Prudential Authority's (PA) BA returns), economic (e.g. BA 900 returns) or financial (e.g. balance sheet) reports.
10.	Submission of declarations on letterhead	As of now, the Regulations do not mandate banks to submit declarations on their official letterhead. The decision to do so is left to the discretion of each individual bank.
11.	Submission of report on the outcome of its assessment of the reliability of the bank's internal controls	<p>In terms of regulation 22(3) of the Regulations, a bank must submit a report on the outcome of its assessment of the reliability of the bank's internal controls in terms of the preparation of the bank's total qualifying deposits and total covered deposits using an SCV calculation to CODI and the PA within the last quarter of the bank's financial year.</p> <p>CODI has exempted banks from this requirement for the period from 1 April 2024 until 31 December 2024. The requirement for the submission of the internal audit report will therefore become effective from 1 January 2025. Banks must submit the first internal audit report within the last quarter of their financial year after 1 January 2025.</p> <p>In terms of the Regulations, the 'internal audit function' refers to a bank's internal audit function or a person responsible for the internal controls at a bank. If the internal audit function is outsourced, then the outsourced party can perform the audit.</p> <p>Banks can develop their own internal audit procedures to ensure compliance with the requirements</p>

Summary of latest reporting requirements (July 2024)		
Number	Description ¹	CODI reporting requirement ²
		of the Regulations.
12.	Auditing of underlying data	CODI does not currently have a standard requirement that a bank's submissions must form part of the bank's financial year-end audit, but is considering this for future purposes, subject to legislative amendments of the FSR Act. CODI may require SCV calculations to be audited on an ad hoc basis and will communicate such requirements to the bank, where relevant. In such a case, CODI may, through the PA, request that a third party be appointed in terms of section 7 ⁵ of the Banks Act 94 of 1990 (Banks Act) to conduct the on-site examination on its behalf. The focus of the on-site examinations will be on verifying the accuracy and correctness of banks' records in relation to the depositor information they submitted to CODI. Furthermore, the examinations must verify the existence of the depositor, the account and the balance through the bank's records and documentation.

⁵ Section 7 of the Banks Act: furnishing of information by banks.

2. Coverage and reporting proposals for specific types of depositors and products

This section describes the general principles for determining coverage for specific types of depositors and products.

2.1 General principles for determining coverage

In general, CODI will cover deposits where the capital amount is guaranteed and repayable at par to a qualifying depositor⁶.

2.2 Summary of the Corporation for Deposit Insurance's latest coverage and reporting proposals for specific types of depositors and products

The table below sets out CODI's latest coverage and reporting proposals for specific types of depositors and products.

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
1.	Financial institution	N	Financial institutions' deposits are not covered or reported to CODI unless they are the holder of an FBA – refer to item 17. Banks can use the South African Reserve Bank's (SARB) Institutional	

⁶ A 'qualifying depositor' includes:

- (a) an account holder of a simple account;
- (b) a beneficiary of a formal beneficiary account (FBA); and
- (c) an informal beneficiary account (IBA) holder,

... that holds a qualifying product.

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			<p>Sector Classification Guide for South Africa, read with the definition of a ‘qualifying deposit’ in the FSR Act, to classify institutions.</p> <p>Financial institutions include all financial corporations⁷ regardless of their form of business, including financial sole proprietors, financial companies, banks, money market unit trusts, non-money market unit trusts, insurers, pension funds, fund managers, private financial corporate sector institutions, monetary authorities and public non-financial corporations.</p>	
2.	Co-operative financial institution (CFI)	Y	Deposits held by CFIs will be covered as IBAs for R100 000 coverage for the	Currently, most CFIs are not accountable institutions. CFIs must be reported as IBA

⁷ As defined in the [Institutional Sector Classification Guide for South Africa](#) published by the South African Reserve Bank (SARB).

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			<p>CFIs' accounts.</p> <p>CFIs will be treated as FBA holders if they are accountable institutions or have an account that meets the criteria of an FBA.</p>	<p>holders to CODI.</p> <p>If a bank collects the details, identifies and maintains records of all the depositors of a CFI on a monthly basis, the bank can report the CFI's account as an FBA to enable CODI to cover every beneficiary up to R100 000. In this instance, the bank acts as the accountable institution, responsible for the record keeping of the account's beneficiaries.</p> <p>CODI requires banks to report the details of the representatives appointed to transact in the accounts held by the CFI. Annexure A contains a list of the CFIs with their registration numbers at the Companies and Intellectual Property Commission (CIPC), registered with the PA as at the date of publication of this document.</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
3.	Government	N	<p>Deposits by the following local and foreign government entities are not covered: national government, provincial government, local government, public non-financial corporations, monetary authorities and organs of state.</p> <p>If the government is the holder of an FBA account, the bank must produce a separate FBA record for the account, for inclusion in the bank's SCV calculations. Refer to item 17.</p> <p>Private universities qualify for deposit insurance protection for qualifying accounts held. Public universities do not. Banks must differentiate between private and public institutions using the SARB's Institutional Sector</p>	<p>Foreign depositors must also fall within the definition of a 'qualifying depositor' as defined in the Regulations and the FSR Act to qualify for deposit insurance cover. In terms of the FSR Act, deposits by government entities are not covered. Foreign state-owned entities should therefore not be included in a bank's SCV calculations or reporting to CODI.</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			<p>Classification Guide for South Africa.</p> <p>The same principle applies to other types of entities where a distinction is made between private and public, such as schools, colleges and hospitals.</p> <p>Other than the SARB's Institutional Sector Classification Guide for South Africa, CODI does not have a standard list that the industry should use to differentiate between private and public institutions. In the absence of other sources, CODI recommends that banks use the lists available on official government websites (where applicable).⁸ Irrespective of the sources used, it remains the banks'</p>	

⁸ A list of public schools can be found at <https://www.education.gov.za/Programmes/EMIS/EMISDownloads.aspx> while a list of public hospitals can be accessed at <http://www.dha.gov.za/index.php/notices/1406-list-of-connected-health-facilities-per-province>.

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			responsibility to ensure that their treatment and reporting of institutions complies with CODI's coverage rules as well as the definitions in the FSR Act and the Regulations.	
4.	Entities listed in schedule 2 of the Public Finance Management Act 1 of 1999 (PFMA)	N		
5.	The Corporation for Public Deposits (CPD) established by section 2 of the Corporation for Public Deposits Act 46 of 1984 (CPD Act)	N		
6.	The Public Investment Corporation (PIC)	N		

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
	established by section 2 of the Public Investment Corporation Act 23 of 2004 (PIC Act)			
7.	Retail depositors	Y	Qualifying depositors holding accounts in qualifying products ⁹ will be covered.	
8.	Non-financial corporations	Y	Qualifying depositors holding accounts in qualifying products will be covered. Banks can use the SARB's Institutional Sector Classification Guide for South Africa , read with the definition of a 'qualifying deposit' in the FSR Act,	CODI requires banks to report the details of the representatives for non-financial corporate account holders if they are not natural persons.

⁹ A 'qualifying product' means a qualifying deposit, regardless of its term or currency, and does not include:

- (a) shares;
- (b) holdings in commodities;
- (c) electronic money products;
- (d) suspense accounts; and
- (e) any product where the principal amount is not repayable at par or is repayable at par only subject to a specific condition or guarantee.

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			<p>to classify institutions.</p> <p>For deposit insurance purposes, non-financial corporations include all privately owned institutional units whose principal activity is the production of goods and non-financial services. These include all forms of non-financial businesses, including sole proprietors, partnerships, companies and so on.</p> <p>There is no carve-out for large versus small non-financial corporate depositors. If the depositor meets the definition of a qualifying depositor holding an account in a qualifying product, they qualify for deposit insurance coverage.</p> <p>CODI only protects retail and private</p>	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
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			<p>non-financial sector depositors and not public non-financial corporations. CODI covers account holders separately if they are qualifying depositors with accounts in qualifying products.</p> <p>Subsidiaries within a group of companies are individual legal entities and are covered separately if they are qualifying depositors holding accounts in qualifying products.</p> <p>Companies are considered individual legal entities and are covered separately as simple account holders if they are qualifying depositors holding accounts in qualifying products up to the coverage limit of R100 000 for all accounts held in the company's name.</p>	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
9.	Foreign depositors	Y	Qualifying foreign depositors (i.e. retail and private non-financial corporates) holding accounts in qualifying products will be covered.	
10.	Minors	Y	Qualifying depositors holding accounts in qualifying products will be covered.	<p>Qualifying accounts in the name of a minor must be reported to CODI in the name of the minor and will be covered by CODI.</p> <p>The Banks Act allows for young adults aged 16 and older to open bank accounts themselves.</p> <p>Legally speaking, a minor is under 18 years old.</p> <p>For reporting to CODI, depositors under the age of 16 will be considered a minor. Banks no longer need to classify minors as such in their submissions to CODI. The identification of a minor's representative(s) to CODI is also no longer required. If a bank fails and CODI</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				identifies a qualifying depositor as a minor as per his/her identity number, the minor's parent or guardian may have to access their covered deposit on their behalf, depending on the payout methods available.
11.	Legally incapacitated depositors	Y	Qualifying depositors holding accounts in qualifying products will be covered.	Banks no longer need to classify legally incapacitated depositors as such in their submissions to CODI. Banks also do not need to identify a legally incapacitated depositor's representatives when reporting to CODI.
12.	Deceased depositors	Y	Qualifying depositors holding accounts in qualifying products will be covered.	<p>If the account holder is deceased before the reporting date and the bank has classified the account holder's accounts as a deceased estate, the deceased depositor's accounts must be reported to CODI as NRP accounts.</p> <p>The following reporting requirements will apply:</p> <ol style="list-style-type: none"> 1. If the bank has formal records of the details

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				<p>of the deceased estate's accounts' beneficiaries and their associated balances in the accounts, it should report the beneficiary details to CODI in an SCV record for the beneficiary. In such a case, the bank can cap the covered balance per beneficiary at R100 000 per beneficiary after considering the simple accounts the beneficiary may have as a qualifying depositor. The account will still be reported as an NRP account in the beneficiary's SCV record. If the bank was placed into resolution, the NRP indicator will require the liquidator to liaise with the executor of the estate before any reimbursement can be made.</p> <p>2. If a bank cannot identify the beneficiaries and their balances to the deceased estate's accounts, the bank must report the</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				accounts to CODI as an FBA in the name of the qualifying depositor, in which case the accounts' full balance will be included in the bank's SCV calculations to determine its total covered deposits and total qualifying deposits. Should the bank fail, and should the SARB place it in resolution, the executor of the estate must submit the details of the beneficiaries and their balances to the liquidator in order to determine to whom CODI can pay the balances in a reimbursement scenario. Reimbursement will be done to the executor for distribution to the beneficiaries of the estate.
13.	Charitable organisations	Y	Qualifying depositors holding accounts in qualifying products will be covered.	
14.	Religious entities	Y	Qualifying depositors holding accounts	If an account is held in the name of a religious

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
	(churches/temples/mosques)		in qualifying products will be covered.	entity (which is also a legal entity), the religious entity (church, temple and mosque) will be covered as a simple account holder for all the accounts it holds in qualifying products where the accounts are in the name of the church/temple/mosque. The account holder (religious entity) will be covered up to R100 000 for all its accounts in qualifying products, based on its SCV record.
15.	Trade unions	Y	Qualifying depositors holding accounts in qualifying products will be covered.	
16.	Consumer associations	Y	Qualifying depositors holding accounts in qualifying products will be covered.	
17.	Formal beneficiary accounts (FBAs) are defined in the Regulations as:	Y	CODI applies coverage using a look-through approach to FBAs. Qualifying beneficiaries are covered up	<u>All</u> FBAs must be reported to CODI, except when, on a monthly basis: <ul style="list-style-type: none"> a bank can identify every beneficiary

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
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	<p>'an account in a qualifying product where the account holder may not be the owner of the funds in the account but manages the funds on behalf of the beneficiaries to the account, subject to the following conditions:</p> <p>(a) the account holder is an accountable institution managing funds on behalf of one or more beneficiaries by maintaining formal records of these beneficiaries and their associated balances; or</p> <p>(b) a bank as the accountable institution maintains formal records of</p>		<p>to R100 000 for all their qualifying balances held in qualifying products, including their portion of an FBA.</p>	<p>to an account and not one of the beneficiaries identified is a qualifying depositor; or</p> <ul style="list-style-type: none"> the FBA holder confirms to the bank that not one of the beneficiaries is a qualifying depositor. <p>If a bank cannot identify the beneficiaries to an FBA, it must report the FBA to CODI even if the account holder is not a qualifying depositor, since a beneficiary to the FBA may be a qualifying depositor. The FBA would have to be included in the bank's covered deposit calculation to allow CODI sufficient funds to pay out the beneficiary if the bank were to fail.</p> <p>There are <u>only two</u> reporting options for FBAs:</p> <ul style="list-style-type: none"> Where a bank can identify beneficiaries, the bank must create an SCV record for

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
	<p>the beneficiaries and their associated balances in an account where the account holder is not an accountable institution but manages funds on behalf of one or more beneficiaries’.</p> <p>Therefore, if the account holder is not an accountable institution and/or the bank does not keep record of the beneficiaries to the FBA, the account must be reported as a simple account.</p> <p>Examples of FBAs include attorneys, third-party fund administration accounts etc.</p>			<p>each beneficiary who is a qualifying depositor. The bank must include their qualifying balances to this account, together with any other accounts in qualifying products, in their SCV calculations on a monthly basis.</p> <ul style="list-style-type: none"> • Where a bank cannot identify beneficiaries and their balances on a monthly basis, the bank must create a separate record for the FBA and include the full account balance as the account’s qualifying balance and covered balance in its SCV calculations on a monthly basis. <p>A bank must use the reporting option based on the information which the bank has available on the beneficiaries of each FBA, i.e. if the bank has the details of the beneficiaries and their balances to a specific</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				FBA, it <u>must</u> create SCV records for the beneficiaries to the account who are qualifying depositors.
18.	<p>Informal beneficiary accounts (IBAs) are defined in the Regulations as:</p> <p>‘an account offered by a bank to an IBA holder¹⁰ who is not an accountable institution and whose members elect signatories to manage the account on their behalf in accordance with the rules specified in the constitution document’.</p> <p>CODI’s proposed definition</p>	Y	Each account holder will be covered up to R100 000.	<p>An IBA is a type of group savings product offered by banks to IBA holders and can only be reported to CODI as such if the bank offers this type of account.</p> <p>If a bank (as an accountable institution) maintains formal records of the beneficiaries and their associated balances in the account <u>on a monthly basis</u>, an IBA can be reported to CODI as an FBA and the bank must create SCV records for every beneficiary to the IBA. Each IBA member or contributor who is a qualifying depositor will qualify for up to R100 000 for their qualifying accounts as per</p>

¹⁰ An ‘IBA holder’ means an informal group established by individuals as members to collectively save for a purpose specified in a constitution document.

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
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	<p>of an 'IBA holder' is:</p> <p>'an informal group established by individuals as members to collectively save for a purpose specified in a constitution document'.</p> <p>Examples of IBAs include <i>stokvels</i> and informal group savings accounts.</p>			<p>their SCV record, including their portion of the IBA's balance.</p> <p>Where a bank only has the IBA holders' and signatories' details, all the accounts in qualifying products held by the IBA holders will be aggregated in an SCV record for the IBA holder. The IBA holders will qualify for deposit insurance coverage of up to R100 000 for all the accounts held by them.</p> <p>Where an IBA holder has multiple accounts, each with different signatories, CODI will apply the maximum coverage limit of R100 000 to the IBA holder and it will pay out the IBA holder's different accounts to the signatories on a pro-rata basis.</p> <p>Banks must do the pro-rata calculation when they create the SCV records for the IBA holders for inclusion in their total qualifying and</p>

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				<p>total covered deposits to be submitted monthly to CODI.</p> <p>The requirements for the reporting of pro-rata reimbursement calculations will be included in a future <i>Government Gazette</i> that CODI will issue for the submission of SCV calculations from October 2025.</p> <p>If an IBA holder opens a simple account in the name of the <i>stokvel</i>, the special treatment does not apply and the account would be covered up to R100 000 only.</p>
19.	Electronic money products, including electronic payment products through an app (not linked to a bank account), foreign or local currency	N	Electronic money products do not qualify for deposit insurance coverage since these products are not regarded as banking products linked to a bank account in the depositor's name and, generally, the depositors cannot be	When a qualifying depositor has initiated a payment transaction from a qualifying account using an electronic money product (e.g. sending money to a recipient's cellphone number), but the recipient has not taken/received the funds, the sender remains

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	wallets/remittances, prepaid travel or transit cards and digital vouchers		identified as per FICA.	the owner of the funds until settlement has taken place. These balances qualify for deposit insurance coverage and should be included under the qualifying depositor's (sender's) qualifying balances. If the funds lie in a suspense account for processing, item 67 applies.
20.	Authorised signatories	N		
21.	Joint accounts	Y	Qualifying depositors holding accounts in qualifying products will be covered.	The account balance will be split between the account holders of a joint account according to the ratio recorded by the bank when the account was opened. If no split was recorded, the account balance will be split equally between the number of account holders. In terms of regulation 37(2)(b)(ii) of the Regulations, a qualifying depositor's share in a joint account must be reported by banks as the

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
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				qualifying depositor's qualifying balance for the account.
22.	Sharing accounts	Y	<p>Qualifying depositors holding accounts in qualifying products will be covered.</p> <p>If the primary account holder of a sharing account is a qualifying depositor, they will be included in the scope of deposit insurance cover for their qualifying sharing account.</p>	
23.	Dormant and inactive accounts as well as unclaimed balances	Y	<p>Qualifying depositors holding accounts in qualifying products will be covered.</p>	<p>Dormant, inactive and escheatable accounts as well as unclaimed balances in accounts in a qualifying product held by a qualifying depositor must be included in a bank's SCV calculations.</p> <p>Banks need to follow the same principles as for other accounts included in SCV calculations, i.e. these accounts must be included as simple accounts, FBAs or IBAs, depending on their</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				<p>deposit insurance classification. Banks must treat unclaimed balances in the same way as dormant accounts for deposit insurance coverage purposes (i.e. any unclaimed balance to an account in a qualifying product held by a qualifying depositor must be reported to CODI).</p> <p>The dormant or inactive account must be reported to CODI as an NRP account until such time that the qualifying depositors can be reliably identified.</p> <p>Compliance with FICA is not a requirement for including a qualifying depositor or account in a bank's reporting to CODI. A bank must report, to CODI, accounts where the account holder has not been FICA-ed recently or is not fully in line with FICA, as NRP accounts. The requirement relates to the bank's FICA process for client onboarding <u>and</u> its ongoing internal</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				risk-based FICA policies and processes for refreshing/re-identifying its customers <u>as per FICA's requirements</u> . If a bank is required to re-identify a particular customer according to its ongoing internal risk-based FICA policies and processes but has not done so recently, the account must be reported to CODI as an NRP account together with all the accounts that were not FICA-ed at the point of onboarding.
24.	Accounts with details of a power of attorney	Y	Qualifying depositors holding accounts in qualifying products will be covered.	CODI will no longer require banks to report details of representatives for these accounts.
25.	Club accounts	Y	Qualifying depositors holding accounts in qualifying products will be covered.	Club accounts must be reported as simple accounts in the name of the account holder.
26.	Term deposits	Y	Term deposits will be covered if they are held by qualifying depositors.	
27.	Balances due to a depositor	Y	Balances due to a qualifying depositor	Regulation 37(3)(b)(i) of the Regulations

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
	on transactional, transmission and cheque accounts		<p>with an account in a qualifying product will be covered.</p> <p>Balances that a qualifying depositor owes the bank in accounts in qualifying products will not be covered but must be included in the bank's SCV calculations.</p>	<p>prescribes the following:</p> <p>“A bank must include account balances as—</p> <p>(i) a zero qualifying balance when it is a balance owed to the bank[.]”</p> <p>A ‘qualifying balance’ means the balance due to a qualifying depositor or FBA holder for an account.</p> <p>CODI will make provision for separate fields for reporting account balances and the account's qualifying balance. In the field for the account's qualifying balance, the bank can report the adjusted amount. For an account with a negative balance, the bank must report the negative balance as the account balance and zero (0) as the account's qualifying deposit balance.</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
28.	Balances due to the account holder on loan accounts and credit cards	N	Balances due to a qualifying depositor on loan accounts and credit cards are not covered.	Since CODI only protects products that meet the definition of a deposit, banks do not need to include balances due to a qualifying depositor on any loan products or credit cards in their SCV calculations.
29.	Offset mortgages and loans	Y	Mortgage loans do not qualify for CODI's coverage. Transactional/savings accounts will be covered if they are in the name of a qualifying depositor.	How a bank records offset mortgages and transactional/savings accounts determines their treatment. If the transactional/savings accounts and loan balances are combined into one account, the balance against the loan is set off to reduce the principal loan value and the interest due on the amount. In such a case, the depositor has made the choice to allow the two accounts to set off against one another to reduce the principal balance on which interest is calculated. Since this is 'one' account, differentiation between the deposit/transactional balance versus the loan

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				<p>balance cannot be made in the bank's SCV calculations as SCV calculations are account-based.</p> <p>Where the mortgage account and the transactional/savings account are separate accounts, but the bank allows the transactional/savings account's balance to be offset against the mortgage loan, the transactional/savings account will be covered and included in the bank's SCV calculations, but not the loan account.</p>
30.	Fixed-term deposits (mutual banks)	Y	<p>Fixed-term deposits will be covered if they are not loss-absorbing shares and are held by qualifying depositors.</p> <p>This should not include any fixed-term deposits that are treated as capital by a mutual bank.</p>	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
31.	Indefinite-period paid-up shares (mutual banks)	N	These are loss-absorbing shares.	
32.	Subscription shares (mutual banks)	N	These are loss-absorbing shares.	
33.	Fixed-period paid-up shares (mutual banks)	N	These are loss-absorbing shares.	
34.	Deferred shares (mutual banks)	N		
35.	Mandatory shares (co-operative banks)	N	These are loss-absorbing shares.	
36.	Voluntary shares	N		
37.	Islamic Wadi'ah product	Y	This product qualifies if the account is held by a qualifying depositor.	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
38.	Islamic Qard product	Y	This product qualifies if the account is held by a qualifying depositor.	
39.	Islamic Murabahah product	Y	This product qualifies if the account is held by a qualifying depositor.	
40.	Islamic Mudarabah product	N	<p>This product can include investment products but also savings accounts, current accounts and other short-term deposits.</p> <p>This product's capital amount is only guaranteed where there is negligence by a bank. This conditionality does not make the capital/principal amount guaranteed at all times. This, together with its nature as a possible investment product, means that this product will not qualify for deposit insurance coverage.</p>	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
41.	Islamic Wakalah product	N	<p>This investment product involves the account holder empowering the bank to invest funds on their behalf in a list of approved investments. The profit is shared between the account holder and the bank. It can be used for different investment instruments, such as structured products and investment accounts, but also savings accounts and current accounts.</p> <p>As an investment product, this product does not qualify for deposit insurance coverage (the capital amount is not guaranteed by the bank).</p>	
42.	Accounts combining multiple products	Possibly	Accounts held in qualifying products by qualifying depositors will possibly be covered.	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
43.	Structured products consisting of different types of investments	Possibly	<p>Where a structured product consists of a cash deposit and an equity-linked investment, several factors will determine the coverage:</p> <ul style="list-style-type: none"> • If the cash is held in a qualifying product (with its own account number in the records of the bank) by a qualifying depositor, it will qualify for deposit insurance coverage. • The equity-linked deposit will not qualify for deposit insurance coverage even if it is in the name of a qualifying depositor since it is an investment account which does not qualify for deposit insurance coverage. 	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			<ul style="list-style-type: none"> If the cash and equity-linked funds are held in one account in the name of a qualifying depositor, the account will not qualify for deposit insurance coverage because of the non-qualifying component. 	
44.	Pledged deposits	Y	The pledged amount cannot be covered until the pledge has been removed.	Qualifying accounts held by qualifying depositors and pledged for any purpose, either at the reporting bank or at another bank, must be included in the reporting bank's SCV calculations. The unpledged balance of the pledged account must be included as the qualifying balance for the qualifying depositor's account in qualifying products, but the account will be tagged as an NRP account. If the reporting bank fails, the NRP reporting of the account will require CODI to work with the liquidator or resolution practitioner to review the

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal								
				<p>status as well as the terms and conditions of the pledge before the balance is paid out to the qualifying depositor.</p> <p>Example:</p> <p>Unpledged balance: total account balance – total pledged balances</p> <table border="1" data-bbox="1444 783 2063 1002"> <thead> <tr> <th data-bbox="1444 783 1599 919">Savings deposit</th> <th data-bbox="1599 783 1753 919">Pledge A</th> <th data-bbox="1753 783 1908 919">Pledge B</th> <th data-bbox="1908 783 2063 919">Pledge C</th> </tr> </thead> <tbody> <tr> <td data-bbox="1444 919 1599 1002">R160 000</td> <td data-bbox="1599 919 1753 1002">R40 000</td> <td data-bbox="1753 919 1908 1002">R30 000</td> <td data-bbox="1908 919 2063 1002">R50 000</td> </tr> </tbody> </table>	Savings deposit	Pledge A	Pledge B	Pledge C	R160 000	R40 000	R30 000	R50 000
Savings deposit	Pledge A	Pledge B	Pledge C									
R160 000	R40 000	R30 000	R50 000									

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				<p>Total unpledged balance:</p> <p>R160 000</p> <p>– R40 000</p> <p>– R30 000</p> <p>– R50 000</p> <p>= R40 000</p> <p>Reporting to CODI:</p> <ul style="list-style-type: none"> • Account balance: R160 000 • Qualifying balance: R40 000 • Covered balance: R40 000
45.	Alliance banking	Y	Qualifying depositors holding accounts in qualifying products will be covered.	The information of the qualifying depositors holding accounts in qualifying alliance banking products will be combined with other products held by the qualifying depositors of the

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				reporting bank when the bank performs its SCV calculations. If the qualifying depositor has accounts in both qualifying alliance banking and other qualifying products with the reporting bank, all their accounts and balances in qualifying products will be consolidated in the bank's SCV calculations.
46.	Investment accounts	N	Products where the capital/nominal amount invested is not guaranteed (i.e. where there is a risk of loss to the qualifying depositor/beneficiary) are not covered for deposit insurance purposes. This includes derivatives, shares, indices, exchange-traded funds, debt instruments, bearer instruments, annuities, insurance products, unit trusts, private equity investments by individuals and non-	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			financial corporates as well as repurchase agreements.	
47.	Savings accounts	Y	Savings accounts will be covered if the account is held by a qualifying depositor.	
48.	Cheque accounts	Y	Cheque accounts will be covered if the account is held by a qualifying depositor.	
49.	Fixed-term deposits	Y	Fixed-term deposits will be covered if the account is held by a qualifying depositor.	
50.	Notice deposits	Y	Notice deposits will be covered if the account is held by a qualifying depositor.	
51.	Tax-free deposits	Y	Tax-free deposits will be covered if the	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			account is held by a qualifying depositor.	
52.	Tax-free accounts invested in unit trusts	N	Investment products where there is a risk of loss to the qualifying depositor/beneficiary are not covered. This includes derivatives, shares, indices, exchange-traded funds, debt instruments, bearer instruments, annuities, insurance products, unit trusts, private equity investments by individuals and non-financial corporates as well as repurchase agreements.	
53.	Tax-free accounts invested in shares	N	Products where there is a risk of loss to the qualifying depositor/beneficiary are not covered.	
54.	Money market deposits	Y	Money market deposits will be covered if the account is held by a qualifying	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			depositor.	
55.	Money market funds	N	Products where there is a risk of loss to the qualifying depositor/beneficiary are not covered.	
56.	Cash management schemes	Y	<p>If cash management schemes are seen as a functionality instead of a specific type of account where funds are placed prior to transferring them to different accounts, then the funds will always remain in either a qualifying or a non-qualifying account in the name of a depositor. If the depositor is a qualifying depositor, all accounts in qualifying products that are part of a cash management scheme will qualify for deposit insurance coverage.</p> <p>If the cash management scheme</p>	Cash management scheme accounts should be included in the bank's SCV calculations if the account holder is a qualifying depositor and the account is in a qualifying product.

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			<p>requires funds to be placed into a specific account before being transferred to investment accounts, the funds in this account will only be covered if the account holder and product type both qualify for deposit insurance.</p> <p>Only the gross balances held by qualifying depositors in qualifying products will qualify for deposit insurance coverage. Net balances cannot be used when reporting deposit balances to CODI, unless the cash management scheme's underlying agreement explicitly specifies that a set-off applies – in such a case, a bank can report the net balance to CODI. Accrued interest must be allocated and</p>	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			reported to CODI in accordance with the underlying agreement.	
57.	Reward programmes	N		
58.	Gold	N		
59.	Items in safety deposit boxes	N		
60.	Cashier's cheques	N		
61.	Crypto-related products	N		
62.	Digital vouchers	N		
63.	Accrued interest	Y	Accrued interest will be covered for accounts held in qualifying products by qualifying depositors.	Banks should be capable of calculating the accrued interest balance on any reporting date, irrespective of whether the interest payment term of the deposit has been reached or not. Accrued interest should be included in the

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				bank's SCV calculations, as accrued interest on accounts in qualifying products held by qualifying depositors is covered by CODI.
64.	Account fees	Y	Account fees will not be deducted from qualifying depositors'/account holders' account balances in qualifying products.	
65.	Gross coverage	Y	<p>Negative balances in qualifying products held by a qualifying depositor will not be deducted from the positive balances held by the qualifying depositor.</p> <p>The exception to this would be the set-off accounts where a transactional/savings account is automatically set off against a loan account in the records of the bank.</p>	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
66.	Temporary high balances (THBs)	N	CODI will not provide deposit insurance coverage for THBs.	
67.	Temporary suspense accounts	N	These accounts include accounts where funds are held temporarily until processed and allocated to a specific depositor and/or account.	These accounts need not be included in the bank's SCV calculations. Where a customer is identified before a bank's submission to CODI, the amounts in suspense accounts due to them should be added to their qualifying balances and covered deposits for the month.
68.	Accounts used for agency services	Possibly	'Agency services' refer to accounts used to settle funds for agency services such as cash-in-transit (CIT) or cheque-clearing services. The account holder and product determine whether the account is covered or not. If the account holder is	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
			another bank or financial corporate, the account will not be covered. If the account holder is a non-financial corporate, such as a transport company, the account will qualify for coverage up to the maximum of R100 000, together with other accounts held by the same account holder provided that the account is a qualifying product.	
69.	Sole proprietors	Y	Sole proprietors that are non-financial corporates will be covered separately for personal and business accounts in qualifying products, provided that the bank can identify the business accounts of the sole proprietor.	Banks must differentiate between a qualifying depositor's personal accounts and business accounts as a sole proprietor and must include them as separate qualifying depositors in their SCV calculations.
70.	Funds temporarily held in an	Y	When qualifying depositors place funds	

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
	account to be invested on behalf of a qualifying depositor		in the account of a financial institution or financial broker who would then transfer the funds to investments on their behalf, the account is in the name of a non-qualifying depositor and will not be covered by CODI. If, however, the account meets the conditions for an FBA, the underlying beneficiaries could be covered since CODI will apply the look-through approach to such accounts. If the account is in the name of the financial institution or financial broker but does not meet the conditions to be defined as an FBA, the account will not be covered.	
71.	Money orders	N		
72.	Bank executives, directors,	Y	If these parties are qualifying	Banks no longer need to classify bank

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
	external auditors and related parties		depositors holding accounts in qualifying products, they will be covered.	executives, directors, external auditors or related parties as such in their submissions to CODI.
73.	Treasury and cash management products	Y	Treasury and cash management products will be covered if the accounts are in qualifying products held by a qualifying depositor. The terms and conditions of the product must specify that the principal amount is guaranteed and repayable at par.	
74.	Partnerships	Y	Partnerships that are non-financial corporates will be covered separately from individuals' (who are the partners in the business) accounts and business accounts in qualifying products, provided that the bank can identify the business accounts of the partnership.	If a partnership is a business and the account is in the name of the business or the two individuals and it is reflected as a business account in the bank's records, the nature of the business determines if the business as the account holder qualifies for deposit insurance protection (i.e. only non-financial businesses

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				qualify for deposit insurance coverage). If the partnership is a non-financial business, it would be covered separately from the individuals' (who are the partners in the business) accounts. The bank would generate an SCV record for each individual (if both have accounts at the bank in their personal capacity) and a separate SCV record for the business. Each of the individuals and the business would, separately, qualify for up to R100 000 coverage for their accounts in qualifying products.
75.	Trusts (family trusts/inter vivos trusts/discretionary trusts)	Y	Qualifying depositors holding accounts in qualifying products will be covered.	A trust (family trust/inter vivos trust/discretionary trust) is a legal arrangement where a person (the trustee) holds and manages assets on behalf of another person or group of people (the beneficiaries). The trust is a registered entity, meaning that the accounts in qualifying products are held in the name of

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				the trust. The account holders of trusts must therefore be reported to CODI as simple account holders since the trust is the legal owner of the funds in the accounts. CODI covers a trust up to the R100 000 coverage limit for all the accounts held in the trust's name, provided that the accounts are in qualifying products. A bank must report the details of the trustees who transact and/or are authorised to represent the trust in its relationship with the bank in respect of the accounts held by the trust.
76.	Joint ventures (JVs)	Y	Qualifying depositors holding accounts in qualifying products will be covered.	<p>In South Africa, JVs are categorised as either an incorporated JV or an unincorporated JV (contractual JV). The treatment by CODI would depend on how the JV is registered.</p> <ul style="list-style-type: none"> An incorporated JV involves the creation of a company. If the JV is registered as

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				<p>an incorporated JV and is operating as a private non-financial business, the incorporated JV's accounts in qualifying products will be protected by CODI up to the maximum coverage limit of R100 000. In this case, the bank would generate an SCV record for the incorporated JV (as a separate account holder from the participants or shareholders).</p> <ul style="list-style-type: none"> • An unincorporated JV is typically regarded as a partnership. The deposit insurance treatment would depend on how the partnership's account is recorded in the records of the bank. If the partnership's account is recorded as a joint account in the name of the individuals as partners but the account is not identified in the bank's records as a business account, the account

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)

Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				<p>would be treated as a joint account with two qualifying depositors as the account holders. The bank's SCV records of the account holders would include their balances to the joint account. If the partnership is a business and the account is in the name of the business or the two individuals and it is reflected as a business account in the bank's records, the nature of the business determines if the business as the account holder qualifies for deposit insurance protection (i.e. only non-financial businesses qualify for deposit insurance coverage). If the partnership is a non-financial corporate, it would be covered separately from individuals' (who are the partners in the business) accounts. In this case, the bank would generate an SCV record for each individual's accounts held</p>

Summary of coverage and reporting proposals for specific types of depositors and products (July 2024)				
Number	Type of depositor or product	Covered (Y/N)	Coverage proposal	Reporting proposal
				in their personal capacity and a separate SCV record for their holdings in the business' joint account. Each of the individuals and the business would, separately, qualify for up to R100 000 coverage for their accounts in qualifying products.

3. Interpretive matters

This section provides clarity on various interpretive matters relating to CODI’s coverage and reporting rules.

Interpretive matters relating to coverage and reporting proposals (July 2024)		
Number	Interpretive matter	CODI guidance
1.	Impact of an NRP indicator for an FBA holder on a beneficiary’s SCV record	<p>Where an FBA holder cannot be reliably identified in terms of the requirements of FICA as required by regulation 37(1) of the Regulations, the bank must use an NRP indicator to mark the FBA holder.</p> <p>If the beneficiaries of the FBA are known to the bank and are reported to CODI per regulation 34(1), the SCV records of the beneficiaries who are qualifying depositors must be marked with an NRP indicator until such time that the FBA holder can be reliably identified even if the beneficiaries have been reliably identified.</p> <p>Restrictive measures imposed by local authorities or international organisations are linked to the FBA holder and will apply to all accounts held by the FBA holder. If restrictive measures are imposed on an FBA holder by local authorities or international organisations, banks must report all the accounts of the FBA holder to CODI as NRP accounts. The balances due to the qualifying beneficiaries of the FBA in question will also be marked as NRP accounts until such time that the restrictive measures have been lifted.</p> <p>Similarly, where the FBA holder has been charged with an offence arising out of, or in relation to, money laundering as defined in FICA or any other financial crime(s), the FBA holder and all their accounts must be marked as NRP accounts. The balances due to the qualifying depositors who are beneficiaries of the FBA in question must also be marked as NRP accounts until such time that the investigations concerning the money laundering or any other financial crime(s) have been concluded.</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
2.	Reporting of non-qualifying beneficiaries of an FBA	<p>Refer to item 17 of the ‘Summary of coverage and reporting proposals for specific types of depositors and products’ above for guidance on the inclusion of FBAs in a bank’s SCV records and reporting to CODI.</p> <p>Where a bank can identify the beneficiaries of an FBA, the bank must create SCV records for <u>each beneficiary who is a qualifying depositor</u>. The bank must include their qualifying balances to the FBA, together with any other accounts in qualifying products (simple accounts and beneficiaries to an FBA), in their SCV calculations on a monthly basis. In such cases, CODI requires information on qualifying depositors only. Banks must not create SCV records for non-qualifying depositors (beneficiaries) for their SCV calculations.</p>
3.	Minimum information to be provided for an SCV record for a beneficiary of an FBA when submitting SCV calculations to CODI	<p>According to the definition of a ‘qualifying depositor’ in the Regulations, a beneficiary of an FBA that holds a qualifying product is a qualifying depositor. The following requirements of regulation 37(2) of the Regulations apply to any qualifying depositor:</p> <p>“When preparing SCV records, a bank must provide—</p> <ul style="list-style-type: none"> (a) the identifying details specified by the Corporation [for Deposit Insurance] of a qualifying depositor or FBA holder; and (b) at least the following contact details for a qualifying depositor or FBA holder— <ul style="list-style-type: none"> (i) either a formal or informal address; and (ii) one telephone number or an email address.” <p>If a bank can identify a beneficiary of an FBA and their balance but it does not have the beneficiary’s address,</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>the bank can still report it to CODI as an NRP account since the beneficiary has not been FICA-ed. But the identification of the beneficiary and their balance is the absolute minimum information for the creation of an SCV record for a beneficiary.</p> <p>Regulation 27(3) furthermore provides that, to prepare its total qualifying deposits and total covered deposits using SCV calculations, a bank must ensure that its key systems, at a minimum, are able to provide a balance due to a beneficiary of an FBA and generate an SCV record with the required information fields for each qualifying depositor and their accounts in a qualifying product.</p> <p>Regulation 34(3) prescribes that a bank must include the details specified by CODI for each account in a qualifying product when generating its SCV records and must submit them to CODI in the manner and form prescribed by CODI.</p> <p>Refer to item 4 of the ‘Summary of latest reporting requirements’ for guidance on the reporting requirements which will become applicable with effect from CODI’s operationalisation on 1 April 2024.</p> <p>CODI will liaise with banks and issue the details of the SCV calculations that banks must submit to CODI from October 2025 in the <i>Government Gazette</i> before the exemption referred to in item 4 of the ‘Summary of latest reporting requirements’ above expires.</p>
4.	Application and reporting of the R100 000 coverage limit	<p><i>Question: Can a bank apply and report the R100 000 coverage limit to an FBA when the bank knows an FBA has only one beneficiary but cannot identify the beneficiary?</i></p> <p>In terms of regulation 34(5) of the Regulations, a bank must include each FBA in its SCV calculations except</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
	when a bank know an FBA has only one beneficiary but cannot identify the beneficiary	<p>when, on a monthly basis:</p> <p>(a) a bank can identify every beneficiary to an FBA and not one of the beneficiaries is a qualifying depositor; or</p> <p>(b) a bank, based on information received from the holder of an FBA, confirms that not one of the beneficiaries of an FBA is a qualifying depositor.</p> <p>If the bank cannot identify all the beneficiaries as required in regulation 34(5), it has to include the FBA in its SCV records in accordance with regulation 35(3), in terms of which a bank must report the full account balance in the qualifying balance and covered deposits for the FBA since it cannot generate an SCV record for the beneficiary(-ies).</p>
5.	Percentage holding of a beneficiary of an FBA unknown	<p>The identification of a beneficiary to an FBA is not sufficient for the creation of an SCV record for the beneficiary. If a bank cannot identify all the beneficiaries of an FBA <u>and their associated balances in the account on a monthly basis</u> as required in terms of regulation 34(5), the bank must create a separate record for the FBA and include the full account balance as the account’s qualifying balance and covered balance in its SCV calculations.</p>
6.	Treatment of a deceased joint account holder	<p>Once a bank has received notification of the death of a depositor, the bank must apply an NRP indicator to all the deceased qualifying depositor’s accounts in qualifying products in its SCV record. If the qualifying depositor had a joint account with another account holder, the account will have an NRP indicator. If the bank fails, CODI cannot provide access to the funds in the account to the estate of the deceased depositor or the other account holder (if they are a qualifying depositor) until there has been finalisation with the executor of the estate of the</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		deceased depositor to determine the total covered balance due to them. Please refer to item 8 for details about the coverage of deceased estates.
7.	Treatment of a joint account where one account holder is not a qualifying depositor	<p>If there are two (joint) account holders and only one is a qualifying depositor, the bank must split the account balance between the account holders according to the sharing ratio in the records of the bank, but the bank must only include the details of the qualifying depositor with their balances in the qualifying depositor's SCV record.</p> <p>Example:</p> <ul style="list-style-type: none"> • Account Holder 1 and Account Holder 2 have a joint account with a balance of R20 000 that is to be split equally. • Account Holder 2 is not a qualifying depositor. • Account Holder 1 and Account Holder 2's share of the account balance is R10 000 each. • The bank must include Account Holder 1's details in its SCV record as follows: <p style="margin-left: 40px;">Account balance = R20 000</p> <p style="margin-left: 40px;">Qualifying balance = R10 000</p>
8.	Reporting of negative account balances for accounts in qualifying	A qualifying depositor may have an account in a qualifying product with a negative balance, such as an overdraft on a cheque account. In the qualifying depositor's SCV record or the FBA's record, these accounts must be included by showing the negative balance as the account balance and a zero (0) qualifying balance

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
	products	for the account.
9.	Impact of an NRP indicator caused by a lack of reliable identification of a signatory to an IBA	<p>Where a signatory to an IBA cannot be reliably identified in terms of the requirements of FICA, the bank must mark the signatory with an NRP indicator. A bank must mark all accounts against which the signatory’s information has been reported as NRP. If a bank is placed in resolution and deposits must be reimbursed through a PAB, all the signatories to an account held by an IBA holder must be reliably identified before reimbursement can take place. All the signatories, as recorded by the bank, must physically go to the PAB at the same time for them to access the IBA’s covered deposits.</p> <p>If a signatory cannot be physically present, then an affidavit, together with certified copies of the identification documents of <u>all</u> the signatories, must be signed and submitted by <u>all</u> the IBA’s signatories to pay out the IBA holder’s covered deposits. The affidavit must confirm the signatories’ information and provide approval for funds to be paid out. In such a scenario, reimbursement will only occur if the information in the affidavit aligns with what was reported by the bank.</p>
10.	Impact of an NRP indicator for a signatory to an IBA on the members of the IBA	<p>Restrictive measures imposed by local authorities or international organisations are linked to signatories of the IBA and will apply to all accounts managed by the signatories. If restrictive measures are imposed on a signatory by local authorities or international organisations, banks must report all the accounts against which the signatory’s information has been reported as NRP in the SCV records for the IBA holder.</p> <p>Similarly, where a signatory to an IBA has been charged with an offence arising out of, or in relation to, money laundering as defined in FICA or any other financial crime, then the signatory and all accounts against which the</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		signatory's information has been reported must be marked as NRP in the SCV records for the IBA holder.
11.	Qualifying depositors with balances in multiple account categories	<p><i>Question: How must banks treat situations where an account holder has multiple IBAs consisting of accounts that have signatories and accounts with no signatories? Similarly, how must banks treat instances where an account holder has a simple account, is a beneficiary of an FBA and has multiple IBAs?</i></p> <p>In terms of the Regulations, an IBA is defined as an account in a qualifying product offered by a bank to an IBA holder who is not an accountable institution and whose members elect signatories to manage the account on their behalf in accordance with the rules specified in the constitution document.</p> <p>An IBA holder is an informal group established by individuals as members to collectively save for a purpose specified in a constitution document. A qualifying depositor includes:</p> <ul style="list-style-type: none"> (a) an account holder of a simple account; (b) a beneficiary of an FBA; and (c) an IBA holder <p>... that holds a qualifying product.</p> <p>In terms of the definition of an IBA, when the members of an IBA holder open an IBA, they must elect signatories to manage the IBA. If the account is in the name of the IBA holder but the members of the IBA holder have not elected (or provided the details of) the signatories to the bank, the bank must mark the account with an NRP indicator in the SCV records for the IBA holder as a bank must report signatories for every IBA. To remove the</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>NRP indicator, the bank must request the members of the IBA holder to provide the details of the elected signatories to manage the account.</p> <p>Where the members of an IBA holder do not elect signatories and place their funds in a member’s account (i.e. the holder of a simple account) in a qualifying product, the account will not meet the definition of an IBA but will rather be considered a simple account in the name of the member. This account holder (or member of the IBA holder) will be covered for R100 000, together with their other accounts in qualifying products, based on their SCV record.</p> <p>In terms of the Regulations, CODI will cover the IBA holder and not the members of the IBA holder. This means that the IBA holder, irrespective of the number of IBAs they hold, will be covered up to the coverage limit of R100 000.</p> <p>An individual or account holder who holds accounts in qualifying products will be covered for R100 000 for all their simple accounts as well as the amounts due to them as beneficiaries of FBAs. Banks must aggregate the account holder’s simple accounts and the balances due to them from FBAs in their SCV records and must apply the coverage limit of R100 000 to determine their covered deposits.</p> <p>If a simple account holder is also a signatory to an IBA, banks must <u>not</u> aggregate their qualifying balances in simple accounts and FBAs with those of the IBA holder for which they are a signatory. The simple account holder and the IBA holder are covered separately.</p> <p>CODI covers the IBA holder and not the members of the IBA holder, meaning that a bank must not create an</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		SCV record for the members of the IBA, just for the IBA holder.
12.	Resubmission of total qualifying deposits and total covered deposits and declarations	<p>Data resubmissions occur when a bank resubmits information that had previously been submitted to CODI.</p> <p>There are two scenarios where data resubmissions can occur:</p> <ul style="list-style-type: none"> • Data resubmissions requested by a bank <p>Banks may request to resubmit data when they experienced challenges in the submission process. The bank must obtain CODI’s approval to resubmit the data by making a formal request to CODI. CODI will respond to resubmission requests and provide the bank with the timeline for the data resubmission.</p> <ul style="list-style-type: none"> • Data resubmissions requested by CODI <p>CODI may request a bank to resubmit its total qualifying deposits and total covered deposits in case of discrepancies and/or errors identified in the data submission. Banks will be required to rectify the identified discrepancies and/or errors and will have to make a resubmission within the timeline specified by CODI.</p> <p>All data resubmissions must be accompanied by the applicable declarations as per regulation 20 of the Regulations.</p>
13.	Declaration when the bank has no qualifying depositors	A bank’s Chief Executive Officer (CEO) and Chief Financial Officer (CFO), or an equivalent, needs to declare that the bank has no covered deposit balances <u>only</u> if the bank did not submit total qualifying deposits and total covered deposits to CODI for a particular month.

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
	(regulation 19)	
14.	Signing of declarations submitted in accordance with regulations 19 and 20	<p>In terms of the Regulations, a bank's CEO and CFO, or an equivalent, must sign all declarations submitted in terms of regulations 19 and 20. This function can only be delegated where another person is acting in the capacity of CEO or CFO, and not as a rule.</p> <p>Digital signatures are permitted if they are embedded in the bank's processes and if trusted software is used for generating them.</p>
15.	Account holds	<p>An account hold restricts an account holder from accessing the full balance of an account. The funds may appear in an account as part of the account balance, but the full balance may not be available to the account holder. A hold may last a few days, although its duration depends on the reason for the hold.</p> <p>When there is a hold on a qualifying depositor's account in a qualifying product, the full account balance must be included in the depositor's SCV record as the account balance and the qualifying balance, but the account must be marked with an NRP indicator. If the reporting bank fails, the NRP indicator means that the liquidator or resolution practitioner will assess the status of the hold before determining the balance to be made available to the qualifying depositor.</p>
16.	Treatment of individuals with two or more sole proprietorships	<p><i>Question: How should banks treat an individual with two or more sole proprietorships?</i></p> <p>In terms of regulation 4(1) of the Regulations, CODI must cover a sole proprietor as a separate qualifying depositor. Regulation 34(4) further provides that a bank must differentiate between a qualifying depositor that</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>is a natural person and one that is a sole proprietor and must include them as separate qualifying depositors in its SCV records.</p> <p>CODI will cover sole proprietors that are non-financial corporates separately for their personal and business accounts in qualifying products, provided that the bank can identify the business account(s) of the sole proprietor.</p> <p>If a qualifying depositor has more than one sole proprietorship and the bank can identify each sole proprietorship as a separate business of the qualifying depositor, each sole proprietorship’s business account(s) in qualifying products will be covered separately up to the coverage limit of R100 000. A bank must include a separate SCV record for each sole proprietorship in its SCV calculations.</p> <p>Example:</p> <p>Mary Moon has a personal savings account with a balance of R20 000.</p> <p>Mary also operates two sole proprietorships:</p> <ul style="list-style-type: none"> • Mary’s Hairdressers, with a business savings account (balance of R120 000) and a business cheque account (balance of R10 000); and • Mary’s Tuck-Shop, with a business cheque account (balance of R30 000). <p>CODI will cover Mary’s Hairdressers and Mary’s Tuck-Shop for their business accounts in qualifying products separately from Mary’s personal accounts in qualifying products, i.e. Mary will be covered for her personal savings account (R20 000), Mary’s Hairdressers will be covered up to R100 000 for both the savings and the</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>cheque accounts, and Mary’s Tuck-Shop will be covered for the cheque account (R30 000).</p> <p>The bank must include separate records for Mary Moon, Mary’s Hairdressers and Mary’s Tuck-Shop in its SCV calculations.</p> <p>If the bank cannot separately identify the different sole proprietor businesses, then the bank must create an SCV record for the business accounts in qualifying products in its SCV calculations and the sole proprietor will be covered up to R100 000.</p>
17.	Reporting of accounts with signatories	<p><i>Question: Must an account be included in a bank’s SCV calculations as a simple account if, for example, an account belongs to a husband and the wife of the account holder is a signatory to the account but no transaction can take place without her signature? Does the bank consider this as a joint account? Must the bank report the details of the signatory to this account?</i></p> <p>If the account does not align with the definition of a ‘joint account’ in the Regulations, i.e. if it is not a simple account opened in the name of two or more account holders, then the account must be included in the bank’s SCV calculations as a simple account in the name of the account holder in terms of the requirements of the Regulations. The identification and reporting of signatories to the account in the bank’s SCV calculations is not required. CODI only requires banks to include the details of signatories for IBAs in their SCV calculations.</p>
18.	Coverage of business offering both financial and non-financial	<p><i>Question: What should happen in the case of a business offering both financial and non-financial services? For example, XYZ Consulting offers both financial advice and legal advice.</i></p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
	services	Coverage depends on the classification of the account holder. Banks can use the SARB's Institutional Sector Classification Guide for South Africa, read with the definition of a 'qualifying deposit' in the FSR Act, for guidance on the classification of institutions.
19.	CODI coverage at inception	<p><i>Question: Will the premiums and levies be payable only on deposits made after the implementation of CODI, i.e. are all deposits made before CODI's establishment excluded from the calculation of premiums and levies?</i></p> <p>For the normal monthly submissions, banks will submit their total covered deposits, determined using SCV calculations based on month-end balances, to CODI. CODI will use each bank's total covered deposits for the calculation of the premiums, levies and fund liquidity tier contributions that the bank pays to CODI.</p> <p>When a bank calculates its total covered deposits for the month-end, it must include <u>all</u> the qualifying depositors' accounts in qualifying products that are on the bank's balance sheet as at that date, regardless of when the depositor opened the account. CODI protects qualifying depositors for accounts in qualifying products that had been opened before CODI's operationalisation if these accounts are still on the bank's balance sheet as at the reporting date.</p> <p>Example:</p> <p>If banks must submit their total covered deposits to CODI for May 2024, they must include <u>all</u> the qualifying depositors' accounts in qualifying products that are on their balance sheets as at 31 May 2024. If a qualifying depositor opened an account in a qualifying product (such as a savings deposit) before CODI's operationalisation and it is still on the bank's balance sheet on 31 May 2024, then the bank must include</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>the account in its total covered deposits calculation. If a qualifying depositor opened an account in a qualifying product before CODI's operationalisation but closed it on 30 May 2024, then the bank no longer has the deposit on its balance sheet on 31 May 2024. In such a case, the bank would not include the account in its total covered deposits calculation.</p> <p>A bank must include all accounts in qualifying products that are still on the bank's balance sheet as at the reporting date in its SCV calculations for the reporting period even if the pricing of the qualifying products did not make provision for CODI's premiums and/or levies.</p>
20.	Treatment of an individual with a savings account and who is also in a partnership	<p>Treatment would depend on how the partnership's account is recorded in the records of the bank. If the partnership's account is recorded as a joint account in the name of the individuals as partners but the account is not identified in the bank's records as a business account, the account would be treated as a joint account with two qualifying depositors as the account holders.</p> <p>If the account was recorded as a joint account in the name of the individual partners, the SCV record of the one individual would contain the savings account balance with 50% of the balance of the joint account as their qualifying deposit balance, covered up to R100 000 in total.</p> <p>Example:</p> <p>Partner 1 has a savings account in his name with a balance of R10 000.</p> <p>Partner 1 is a party to a joint current account (used for the partnership) in the name of the individuals as joint account holders with a balance of R50 000. The balance of the account should be divided equally between</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance																			
		<p>the two individuals as account holders.</p> <p>Partner 1's SCV record is illustrated below.</p> <p>Partner 1 would be covered for the savings account balance with 50% of the balance of the joint account up to R100 000 in total (i.e. R35 000). Partner 1's SCV record would be as follows:</p> <table border="1" data-bbox="696 616 2152 919"> <thead> <tr> <th data-bbox="696 616 987 751">Account holder</th> <th data-bbox="987 616 1279 751">Type of depositor</th> <th data-bbox="1279 616 1570 751">Product name</th> <th data-bbox="1570 616 1861 751">Product type</th> <th data-bbox="1861 616 2152 751">Account balance (ZAR)</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 751 987 836">Partner 1</td> <td data-bbox="987 751 1279 836">Individual</td> <td data-bbox="1279 751 1570 836">Savings account</td> <td data-bbox="1570 751 1861 836">Savings</td> <td data-bbox="1861 751 2152 836">10 000.00</td> </tr> <tr> <td data-bbox="696 836 987 919">Partner 1</td> <td data-bbox="987 836 1279 919">Individual</td> <td data-bbox="1279 836 1570 919">Joint account</td> <td data-bbox="1570 836 1861 919">Current</td> <td data-bbox="1861 836 2152 919">25 000.00</td> </tr> </tbody> </table> <p>If the partnership is a business and the account is in the name of the business or of the two individuals <u>and</u> it is reflected as a business account in the bank's records, the nature of the business determines if the business as the account holder qualifies for deposit insurance protection (i.e. only non-financial businesses qualify for deposit insurance coverage). If the partnership is a non-financial corporate, it would be covered separately from the individuals' (who are the partners in the business) accounts. In this case, the bank would generate an SCV record for each individual (if both have accounts at the bank in their personal capacity) and a separate SCV record for the business. Each of the individuals and the business would, separately, qualify for up to R100 000</p>					Account holder	Type of depositor	Product name	Product type	Account balance (ZAR)	Partner 1	Individual	Savings account	Savings	10 000.00	Partner 1	Individual	Joint account	Current	25 000.00
Account holder	Type of depositor	Product name	Product type	Account balance (ZAR)																	
Partner 1	Individual	Savings account	Savings	10 000.00																	
Partner 1	Individual	Joint account	Current	25 000.00																	

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance																								
		<p>coverage for their accounts in qualifying products.</p> <p>Example:</p> <p>Partner 1 has a savings account in his name with a balance of R10 000.</p> <p>The partnership has an account in the name of the business with a balance of R50 000.</p> <p>The bank would generate the SCV records below.</p> <p>Partner 1 and the partnership (the business) would, separately, qualify for up to R100 000 coverage for their accounts in qualifying products (i.e. Partner 1 for R10 000 and the partnership for R50 000).</p> <table border="1" data-bbox="696 815 2152 1034"> <thead> <tr> <th data-bbox="696 815 987 951">Account holder</th> <th data-bbox="987 815 1279 951">Type of depositor</th> <th data-bbox="1279 815 1570 951">Product name</th> <th data-bbox="1570 815 1861 951">Product type</th> <th data-bbox="1861 815 2152 951">Account balance (ZAR)</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 951 987 1034">Partner 1</td> <td data-bbox="987 951 1279 1034">Individual</td> <td data-bbox="1279 951 1570 1034">Savings account</td> <td data-bbox="1570 951 1861 1034">Savings</td> <td data-bbox="1861 951 2152 1034">10 000.00</td> </tr> </tbody> </table> <table border="1" data-bbox="696 1118 2152 1380"> <thead> <tr> <th data-bbox="696 1118 987 1254">Account holder</th> <th data-bbox="987 1118 1279 1254">Type of depositor</th> <th data-bbox="1279 1118 1570 1254">Product name</th> <th data-bbox="1570 1118 1861 1254">Product type</th> <th data-bbox="1861 1118 2152 1254">Account balance (ZAR)</th> </tr> </thead> <tbody> <tr> <td data-bbox="696 1254 987 1380">The partnership or Partner 1 and</td> <td data-bbox="987 1254 1279 1380">Non-financial corporate</td> <td data-bbox="1279 1254 1570 1380">Current account</td> <td data-bbox="1570 1254 1861 1380">Current</td> <td data-bbox="1861 1254 2152 1380">50 000.00</td> </tr> </tbody> </table>					Account holder	Type of depositor	Product name	Product type	Account balance (ZAR)	Partner 1	Individual	Savings account	Savings	10 000.00	Account holder	Type of depositor	Product name	Product type	Account balance (ZAR)	The partnership or Partner 1 and	Non-financial corporate	Current account	Current	50 000.00
Account holder	Type of depositor	Product name	Product type	Account balance (ZAR)																						
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Account holder	Type of depositor	Product name	Product type	Account balance (ZAR)																						
The partnership or Partner 1 and	Non-financial corporate	Current account	Current	50 000.00																						

Interpretive matters relating to coverage and reporting proposals (July 2024)						
Number	Interpretive matter	CODI guidance				
		Partner 2				
21.	Remittance of deposits of foreign nationals and non-residents	<p><i>Question: How will foreign nationals who have left South Africa and non-residents' deposits to be remitted back to them in their country of residence? Who covers the costs of international transfers, if necessary?</i></p> <p>Where CODI uses a PAB to reimburse a qualifying foreign depositor, the qualifying depositor can choose to open an account at the PAB, withdraw the funds or transfer the funds from the PAB to another bank. Where a qualifying foreign depositor of a bank in resolution elects to transfer funds from a PAB to a bank outside of South Africa, the depositor will be responsible for the costs related to the international transfer of the covered deposits.</p>				
22.	Exchange control considerations for deposits by persons who reside outside of South Africa	<p><i>Question: What exchange control considerations are involved in returning deposits to individuals who reside or have permanently departed from South Africa?</i></p> <p>A qualifying foreign depositor who elects to transfer or withdraw their covered deposits from a PAB bank and moves the funds outside of South Africa must comply with the country's exchange controls provided for in the Exchange Control Regulations issued under the Currency and Exchanges Act 9 of 1933 (Exchange Control Regulations).</p>				
23.	Netting-off of negative balances	<p><i>Question: On deposit products that do not have overdraft facilities and are negative, can these negative balances be netted off with other deposit products that do not have overdraft facilities? These accounts can go negative due to a system error, unpaid fees etc.</i></p>				

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>In terms of regulation 37(3)(a)(ii) of the Regulations, a bank must report balances to CODI on a gross basis (i.e. negative balances should not be netted off with positive balances). For accounts in qualifying products, any balance owed to the bank (a negative balance) must be included as a zero-qualifying balance in the bank’s SCV calculations.</p>
23.	Treatment of blocked accounts	<p><i>Question: Should ‘blocked’ accounts be included in the calculation of qualifying products? Accounts may be blocked because they are the subject of investigations by regulators such as the Financial Surveillance Department at the SARB or fraud investigations performed by the bank’s financial crime unit and the funds are part of confirmed fraud cases.</i></p> <p>For as long as an account is held in the name of the account holder in the records of the bank, it should be included in the bank’s SCV calculations and/or records.</p> <p>The exception is suspense accounts and dormant accounts that become so old that the bank no longer allocates them to a depositor but pools the accounts into a separate account held in the name of the bank. These accounts need not be included in the bank’s SCV calculations.</p> <p>If the bank does not pool blocked accounts in a separate account in the name of the bank and the funds remain in the customer’s account but are ‘blocked’, the bank must still include the account in the bank’s SCV calculations and report it to CODI as an NRP account. It is important to note that an NRP indicator does not mean the bank can exclude a qualifying depositor, signatory, FBA holder or account from the bank’s SCV calculations. An NRP indicator provides CODI with additional information on the status of a qualifying depositor,</p>

Interpretive matters relating to coverage and reporting proposals (July 2024)

Number	Interpretive matter	CODI guidance
		<p>signatory, FBA holder or account that it must consider during a resolution. In terms of regulation 10(1) of the Regulations, CODI may defer the reimbursement of a qualifying depositor or signatory with an NRP indicator until the reason for the indicator has been resolved.</p>
24.	Treatment of share block companies	<p>Companies are considered individual legal entities and are covered separately as simple account holders if they are qualifying depositors holding accounts in qualifying products up to the coverage limit of R100 000 for all accounts held in the company's name.</p>
25.	Application of regulation 37(3)(d) of the Regulations – reporting of uncleared effects	<p>CODI wants uncleared effects to be considered when a bank reports to CODI. In this regard, the following applies:</p> <ul style="list-style-type: none"> • Payments that had been made but have not been settled yet must be included in the account balances reported to CODI. Any unsettled payments made to the qualifying depositor should be included in the relevant account balance. • Any unsettled payments made by the qualifying depositor should be deducted from the depositor's relevant account.

4. Published discussion papers

Further detail regarding CODI's initial key design aspects can be accessed in detailed discussion papers published by CODI, namely:

- [Designing a deposit insurance scheme for South Africa – a discussion paper](#) (May 2017)
- [Coverage and reporting rules discussion paper](#) (April 2020)
- [The deposit insurance funding model and the implications for banks](#) (August 2020)
- [Data definition and reporting requirements discussion paper](#) (February 2021)
- [Discussion document on the use of the deposit insurance fund to reimburse covered depositors](#) (May 2021)
- [Corporation for Deposit Insurance: Approach to deposit insurance communication and public awareness](#) (May 2022)

Annexure A: List of co-operative financial institutions as at the date of publication

Name	Name registered with the Companies and Intellectual Property Commission (CIPC)	CIPC registration number
Asikhule SACCO	Asikhulesonga Savings and Credit Cooperative	2023/60000730661 (reservation number)
Boikago SACCO	Boikago Savings and Credit Primary Cooperative Limited	2005/000213/24
Imvelo Agricultural CFI	Imvelo Agricultural Cooperative Financial Institution Limited	2016/002364/24
Isikhungo Sabantu FSC	Isikhungo Sabantu Financial Services Cooperative Limited	2020/004815/24
Kingdom CFI	Kingdom Financial Institution Primary Co-operative Limited	2020/001698/24
Kings Grange FSC	Kings Grange Financial Services Primary Cooperative Limited	2011006279124
Medi Co-op FC	SA Primary Medical Financial Cooperative Limited	2015/014609/2
Midrand CFI	Midrand Savings and Credit Cooperative Limited	2024/001319/24
Motswedi FSC	Motswedi Financial Services Cooperative Limited	2013/020268/24
Mutapa FSC	Mutapa Financial Services Cooperative Limited	2011/001221/24
Nagrik SA FSC	Nagrik SA Financial Services Cooperative Limited	2013/015732/24
Nasasa CFI	National Stokvel Association of South Africa Financial Primary Cooperative Limited	2018/007399/24
Ndlovukazi FSC	Ndlovukazi YakwaZulu Women	2020/002702/24

Name	Name registered with the Companies and Intellectual Property Commission (CIPC)	CIPC registration number
	Financial Cooperative Limited	
Ndzhakheni	Ndzhakeni South Avenue Cooperative Financial Services	2020/002/808/24
NEHAWU SACCO	NEHAWU Savings and Credit Cooperative Limited	2007/001376/24
Oranjekas SKK	Oranjekas Spaar en Krediet Kooperatief Primer Beperk	2009/003378/24
People Empowerment CFI Primary Co-operative Limited FSC	People Empowerment CFI Primary Co-operative Limited FSC	2009/001744/24
SADTU SACCO	SADTU Savings and Credit Cooperative Limited	2019/004281/24
The People's Stokvel	The People's Stokvel FC Primary Cooperative Limited	2022/603464/24
Tshwane Community FSC	Tshwane Community Financial Services Cooperative Limited	2017/011476/24
Umnotho FI	Umnotho Financial Institute Primary Cooperative Limited	2019/003937/24
Women Building Our Africa	Women Building Our Africa Financial Services Primary Cooperative Limited	2020/002769/24
Worcester SACCO	Worcester Community Savings and Credit Cooperative Limited	2014/017709/24
Young Women in Business Network CFI	Young Women in Business Network Cooperative Financial Institution Limited	2015/000550/24

Abbreviations

Banks Act	Banks Act 94 of 1990
CEO	Chief Executive Officer
CFI	co-operative financial institution
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CIT	cash-in-transit
CODI	Corporation for Deposit Insurance
Corporation	Corporation for Deposit Insurance
CPD	Corporation for Public Deposits
CPD Act	Corporation for Public Deposits Act 46 of 1984
Exchange Control Regulations	Exchange Control Regulations issued under the Currency and Exchanges Act 9 of 1933
FBA	formal beneficiary account
FICA	Financial Intelligence Centre Act 38 of 2001
FSR Act	Financial Sector Regulation Act 9 of 2017
IBA	informal beneficiary account
JV	joint venture
NRP	not-ready-for-payout
PA	Prudential Authority
PAB	payout agent bank
PFMA	Public Finance Management Act 1 of 1999
PIC	Public Investment Corporation
PIC Act	Public Investment Corporation Act 23 of 2004
Regulations	Deposit Insurance Regulations of 2024
SARB	South African Reserve Bank

SCV	Single Customer View
THB	temporary high balance
ZAR	South African rand