



### Task-based Activity Cover Sheet

**Task Title: Ontario Protected Deposits – Deposit Insurance Coverage**

<b>Learner Name:</b>	
<b>Date Started:</b>	<b>Date Completed:</b>
<b>Successful Completion:</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Goal Path:</b> Employment <input type="checkbox"/> Apprenticeship <input type="checkbox"/> Secondary School <input type="checkbox"/> Post-Secondary <input type="checkbox"/> Independence <input checked="" type="checkbox"/>	
<b>Task Description:</b> Learners will understand about deposit insurance in Ontario	
<b>Competency:</b> A: Find and Use Information	<b>Task Group(s):</b> A2: Interpret documents
<b>Level Indicators:</b> A2.1: Interpret very simple documents to locate specific details	
<b>Performance Descriptors:</b> see chart on last page	
<b>Materials Required:</b> <ul style="list-style-type: none"><li>• Pencil or pen</li></ul>	



**Task Title: Ontario Protected Deposits – Deposit Insurance Coverage**

The Deposit Insurance Corporation of Ontario (DICO) is an Ontario Provincial Agency established under the Credit Unions Act. DICO's role is to protect depositors of Ontario credit unions from loss of their deposits. Look at "Deposit Insurance Coverage for Ontario Credit Unions".

**Learner Information and Tasks:**

**Task 1:** Why does DICO keep a deposit insurance reserve fund?

**Task 2:** How often does the board of directors of DICO review the fund?

**Task 3:** What are all credit unions in Ontario required to display?

**Task 4:** How does a customer of a credit union find out about their payment if their Credit Union goes out of business?

## Deposit Insurance Coverage for Ontario Credit Unions

The role of the Deposit Insurance Corporation of Ontario (DICO) is to protect depositors of Ontario credit unions. Deposit insurance is part of a comprehensive protection program in all Ontario credit unions which is backed by provincial legislation. DICO is an agency of the Province of Ontario established in 1977 and has responsibilities for ensuring its insured institutions operate in accordance with sound business and financial practices. All credit unions in Ontario are required to display the official sign of DICO which confirms that deposits are insured.



### What You Need to Know

#### What Happens if a Credit Union Amalgamates with Another Credit Union?

If an amalgamation of credit unions results in your total insurable deposits with the new credit union exceeding the \$100,000 maximum, special rules apply:

- Term deposits remain insured until maturity;
- Demand deposits remain insured until withdrawn;
- All deposits in registered savings plans remain fully insured until withdrawn.

#### What Happens if a Credit Union Goes Out of Business?

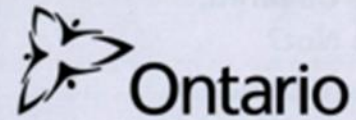
- DICO writes to the insured depositors advising them of how and when they will receive payment;
- Payments for deposits are made as soon as possible or upon maturity;
- The payment includes principal and interest up to \$100,000 for each separate deposit account except for deposits in registered savings plans which are fully insured;
- Loans outstanding will continue until paid.

#### Who Pays for Deposit Insurance?

Credit unions pay for deposit insurance protection through premiums paid to DICO.

#### What Is the Deposit Insurance Reserve Fund?

DICO maintains a deposit insurance reserve fund to cover potential claims. A review of this fund is undertaken annually by DICO's board of directors to ensure that it remains within an appropriate range. In addition to this fund, DICO has access to a line of credit backed by the Government of Ontario.



Deposit Insurance  
Corporation of Ontario  
Société ontarienne  
d'assurance-dépôts

Protection. Security. Stability.

Your deposits are  
protected



- Unlimited coverage for registered savings plans
- Other eligible deposits up to \$100,000



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**Answer Key**

**Task 1:** Why does DICO keep a deposit insurance reserve fund?

**A:** to cover potential claims

**Task 2:** How often does the board of directors of DICO review the fund?

**A:** annually

**Task 3:** What are all credit unions in Ontario required to display?

**A:** the official sign of DICO, which confirms that deposits are insured

**Task 4:** How does a customer of a credit union find out about their payment if their Credit Union goes out of business?

**A:** DICO writes to the insured depositors advising them of how and when they will receive payment



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<b>Performance Descriptors</b>		<b>Needs Work</b>	<b>Completes task with support from practitioner</b>	<b>Completes task independently</b>
A2.1	<ul style="list-style-type: none"><li>scans to locate specific details</li></ul>			

**This task:** was successfully completed  needs to be tried again

<b>Learner Comments</b>

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**Instructor (print)**

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**Learner Signature**