MINISTRY OF FINANCE
FINANCIAL AND CORPORATE SECTOR POLICY BRANCH

Overview Briefing Note

Legislation

Financial Institutions Act – amendments to implement **unlimited deposit insurance** for depositors of credit unions.

Nature of the Amendments

Measure 1 of the Economic Plan announced by the Premier on October 22, 2008 is a change to provide unlimited deposit insurance protection for credit union deposits.

The current framework in place for the $100,000 deposit insurance is effective and flexible. Under the legislation, the government established the Credit Union Deposit Insurance Corporation (CUDIC) which has accumulated a large contingency fund of about $260 million to cover deposits in the event of a credit union failure. The fund size is determined based on actuarial assessment of risks. No claims have been made against the fund since the 1980s.

s.12

Pages 2 through 5 redacted for the following reasons:
- -
, s.12