



Treatment of beneficiary accounts

Sven Stevenson – EFDI D2I Workshop (Prague, June 2018)

DeNederlandscheBank

EUROSYSTEM

DGSD

Article 7(3):

- “Where the depositor is not absolutely entitled to the sums held in an account, the person who is absolutely entitled shall be covered by the guarantee, **provided that that person has been identified or is identifiable before** the date on which a relevant administrative authority makes a determination [...].
- “Where several persons are absolutely entitled, **the share of each under the arrangements** subject to which the sums are managed shall be taken into account when the limit provided for in Article 6(1) is calculated.”

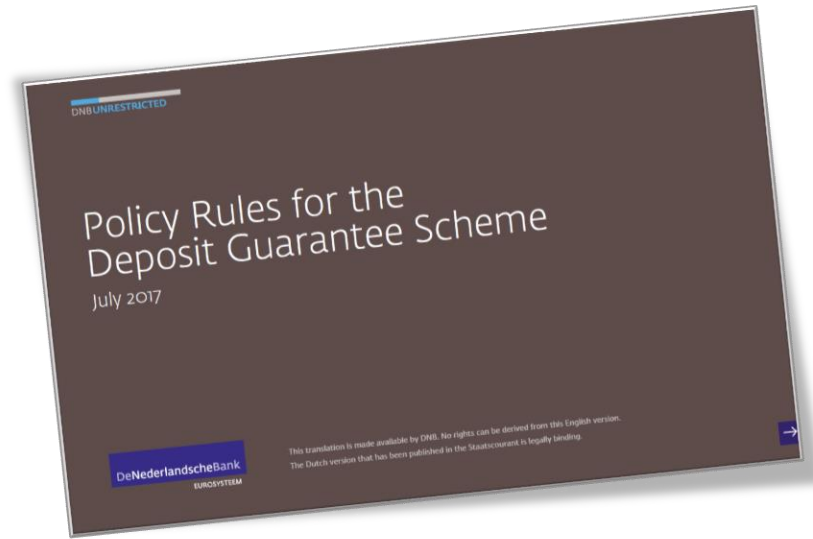
DNB Policy Rule on DGS Scope and Execution

- Provides interpretation of requirement that entitlement to beneficiary account has been sufficiently (and timely) administered



Article 2.1 of Policy Rule

- The identity of a third-party beneficiary will be considered known before the date of the decision or ruling resulting in the deposit guarantee scheme being put into operation [...] is shown in:
 - a. **the relevant bank's record-keeping system** on or before the decision or ruling resulting in the deposit guarantee scheme being put into operation; or
 - b. **the professional record-keeping system** of an account holder, providing this shows that



Who can have a professional record-keeping system?

Policy rule provides a definition of professional record-keeping

The following enterprises are considered to have professional record-keeping systems:

- ✓ “Financial enterprises” licensed by DNB
- ✓ Certain enterprises that are exempted from the need for a license by DNB, but which do hold funds on behalf of customers, including notaries, court bailiffs, liquidators/curators and administrators holding repayable funds on an account.

Limitation to recognize beneficiary accounts

Article 2.2 of Policy Rule

- DNB will award compensation under the DGS to a third-party beneficiary **only if it is or can be demonstrated that the information required by DNB to establish the amount of this beneficiary's claim existed before** the date of the decision or ruling resulting in the deposit guarantee scheme being put into operation.

Who is the depositor?

The preamble of the policy rule clarifies the pass-through principle:

“With regard to the definition of a professional record-keeping system, it should be emphasized that if an **account holder** holds a deposit for a third party, **the third party is the depositor** and entitled to compensation under the DGS.”

More information?

<https://www.dnb.nl/en/resolution/depositogarantiestelsel/scope-and-execution/index.jsp>