



# Ontario

Deposit Insurance  
Corporation of Ontario

Société ontarienne  
d'assurance-dépôts

Protection. Security. Stability.



# Info

December, 2008

Your deposits are **protected**

## Deposit Insurance Coverage Levels

Deposit insurance coverage levels are expected to remain at the current \$100,000 per member. Recently DICO sent out revised brochures and decals to all insured institutions. Credit unions and caisses populaires are reminded that the decals must be displayed in a prominent place.

## DICO Financial Results

The Deposit Insurance Reserve Fund is estimated to be \$122.0 million or 63 basis points of insured deposits at the end of 2008. This is slightly ahead of target, due to lower than anticipated claims and improved recoveries on previous losses. Net operating expenses are 7% under budget.

## 2009 Premiums

DICO appreciates the feedback we received from all stakeholders on the Consultation Paper on the Differential Premium System.

Given that the current economic climate is expected to put stress on credit unions and caisses populaires and that the amendments to the Act have yet to be proclaimed, DICO has decided to defer its decision to implement the proposed differential premium system including the proposal to decrease overall premium levels.

DICO's Board believes at this stage of the economic cycle that it is prudent to continue with our current premium structure and rates for

2009. As such, DICO's Board has recommended to the Minister of Finance that premium rates and premium classes should remain unchanged for 2009.

We anticipate recommending going forward with the proposed system to the Minister of Finance once the amendments to the Act have been implemented and the economic situation stabilizes.

## Legal Actions Against Directors & Managers

DICO, in its capacity as liquidator of a failed credit union, has commenced legal actions against certain directors and a manager of a failed credit union for negligence in carrying out their duties. The allegations of negligence (which have still to be proven in court) relate to the activities of both certain directors and the manager which we believe caused losses to the Fund.

## Monthly Financial Reporting

In most jurisdictions financial institutions report their financial results monthly to their regulators. DICO anticipates moving to monthly reporting for all institutions in the second quarter of 2009 so as to be better able to respond to quickly developing issues. More information on this issue will be available in the New Year.

## DICO'S Annual Meeting

DICO will be holding its annual meeting for all stakeholders on March 5, 2009. It is being held in

conjunction with Central 1's Professional Development Day Conference and Trade Show at the Sheraton Hotel, Queen Street Toronto. The meeting will be in the Grand Ballroom, lower concourse from 4:00 to 5:00 pm. Please plan to attend.

## Ombudsman

DICO's Office of the Ombudsman has been operational since June 2008. (see [www.dico.com](http://www.dico.com)) A report from Beryl Roberto will be included in this year's DICO annual report.

## Thank you!

On behalf of the Board and staff of DICO we would like to take the opportunity of thanking all of our insured institutions for their support over the past year and reiterate our commitment to ensure the stability and success of the Ontario credit union and caisse populaire sector during 2009.



*Season's Greetings and  
Happy New Year!*  
from the Board and Staff of DICO  
*Our very best wishes for a  
wonderful holiday season  
and a prosperous New Year!*

## Your Feedback Is Important

We welcome your feedback on any issues related to DICO. If you have any comments or questions please do not hesitate to contact us at **1-800-268-6653** or at **info@dico.com**.