

This translation is made available by DNB. No rights can be derived from this English version.  
The Dutch version that has been published in the Staatscourant is legally binding.

# Policy Rules of the Deposit Guarantee Scheme for banks

October 2021 (third publication)

DeNederlandscheBank

EUROSYSTEEM



# Content

	Summary	3
1	Introduction	4
2	Amendments to policy rules and Statements Regulation	7
3	Single Customer View Policy Rule	12
4	Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme	36
5	Amendments to the Regulation on Statements of Financial Institutions	50
6	Example	61

## Summary

In July 2017 we published the Single Customer View Policy Rule (SCV), the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme (DGS) and an amendment to the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011 [*Regeling staten financiële ondernemingen Wft 2011*] ('the Statements Regulation'). This fulfilled the obligations under Directive 2014/49/EU on deposit guarantee schemes. An important obligation is the reduction of the DGS payout deadline. The introduction of the single customer view (SCV), which is a comprehensive overview of a customer's deposits (accounts) compiled by the banks, will help to achieve this.

The DGS rules were amended for the first time in 2019 and for the second time in 2021. This document integrates all the amendments. These amendments were made in response to questions raised by banks and our own wish to provide further clarification of a number of specific situations involving the DGS.

# 1 Introduction

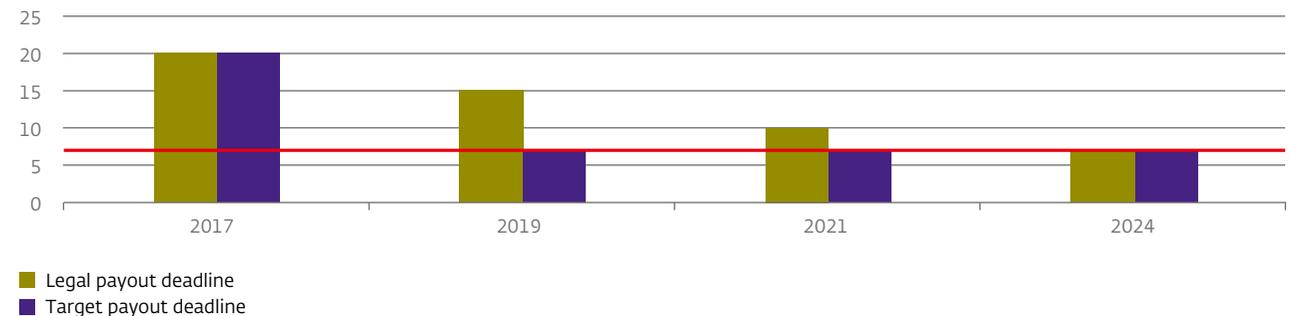
Directive 2014/49/EU on deposit guarantee schemes<sup>1</sup> (a recast of the old Deposit Guarantee Scheme Directive – DGSD) was transposed into Dutch law in late 2015. Its transposition has led to changes in the way in which we are required to administer the DGS. Key changes include the shorter payout deadline, temporary additional coverage of up to EUR 500,000 for deposits relating directly to the purchase or sale of a residential property, and the establishment of a Deposit Guarantee Fund funded from quarterly levies paid by banks.

To support this new DGS structure, we developed policy rules in 2017, thereby fulfilling the obligations relating to the administration of the DGS. This led to the Single Customer View Policy Rule, the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme and the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011 (Statements Regulation), which concerns the quarterly and other reports for the DGS.

## Single Customer View Policy Rule

The Single Customer View Policy Rule ensures timely payouts by the DGS and supports orderly resolution when a bank fails. The Single Customer View (SCV) is

Figure 1 Maximum payout deadline in number of working days



a standardised list of all deposits held by each depositor. The information is presented according to a data model prescribed by DNB and enables deposits covered by the DGS to be paid out in a timely fashion.

The need for an SCV standard format arises from the recast DGS requirements. We are required to reduce the payout deadline over the next few years. By 2024 it must be a maximum of seven working days (see Figure 1). Our ambition is to meet this requirement before 2024. This will result in improved efficiency for both banks and DNB. Depositors will also benefit if we are able to compensate them within seven working days before 2024.

A shorter payout deadline also means that a depositor's right to compensation under the DGS will need to be established faster. To achieve this, banks will be required to produce and submit the SCV themselves. Up until 2019 the SCV was compiled by DNB. The Policy Rule is a more detailed implementation of national legislation requiring banks to have procedures and controls in place to ensure that the information necessary to administer the DGS is continually updated and adequately documented, and to submit this information at DNB's request in a manner and within a time period specified by DNB<sup>2</sup>. The national legislation gives effect to the provisions of the DGSD stipulating that Member States must ensure that (i) a DGS, at any time and upon the DGS's request,

<sup>1</sup> Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (recast).

<sup>2</sup> See Section 26a of the Decree on Prudential Rules for Financial Undertakings (*Besluit prudentiële regels Wft*).

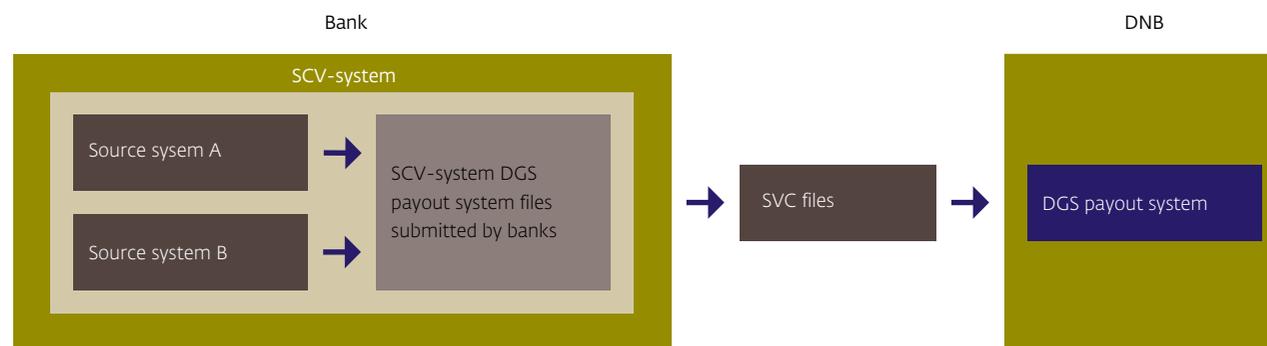
receives from its members all information necessary to prepare for payouts to depositors, (ii) banks “mark eligible deposits in a way that allows immediate identification of such deposits”, and (iii) deposit guarantee schemes may at any time request credit institutions to inform them about the aggregate amount of eligible deposits of every depositor.<sup>3</sup>

As well as enabling faster payouts, this working method, with banks producing the SCV files, will also enhance the accuracy and adequacy of banks’ procedures and controls, and the reporting of covered deposits to calculate the levies payable into the Deposit Guarantee Fund. The SCV also contributes to the fulfilment of our resolution mandate.

In order to achieve this, the Policy Rule requires a bank to have procedures and controls in place allowing it to create an SCV file, calculate eligible and covered amounts and take any action to support its resolution mandate. We will then use the SCV to determine the amount payable to each depositor (see Figure 2). The procedures and controls a bank has in place to ensure compliance with its obligations are referred to as the SCV system.

The Single Customer View Policy Rule sets out the requirements for record-keeping, procedures and controls that banks need to have in place to produce complete, accurate and timely SCV files. It also

Figure 2 Payout system based on SCV files submitted by banks



describes the operation of the SCV system, the SCV file submission deadline and data quality assurance. Finally, it describes how DNB supervises the application of this Policy Rule.

### Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme

The Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme sets rules on aspects for which the national rules give DNB discretionary room or which require further clarification. By means of the adopted amendments we provide clarity for depositors on the handling of various situations that may arise during a DGS payout. The Policy Rule describes the cover for escrow accounts, the treatment of temporarily high deposits, structured deposits and customers holding deposits in different countries. It thus provides the information necessary in order to

compile the SCV, especially with regard to the handling of escrow accounts. We constantly supplement the Policy Rule with other DGS-related provisions.

### Amendment to the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011

The amendments to the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011 (Statements Regulation) fulfil banks’ obligation to supply quarterly information for the calculation of levies to be paid into the Deposit Guarantee Fund. Banks have reported numbers of accounts and balances on a quarterly basis since 2016 to enable DNB to calculate the levies. The information is still relevant to the administration of the DGS and the revised statement is supplemented with a list of covered deposits based on the SCV.

<sup>3</sup> See Article 4(8), Article 5(4) and Article 7(6) respectively of the DGSD.

### Additional documentation

In addition to the rules, we have published a Manual, a Data Delivery Agreement (DDA) and an Assessment Framework. The DGS Data Delivery Manual provides a practical explanation of the rules. The DDA also sets out all the formal logical and technical aspects of the data and file exchanges. Finally, we have adopted an Assessment Framework to supervise compliance with the requirements of the SCV Policy Rule.

### Compilation of the rules

The policy rules were compiled in consultation with the Dutch Banking Association (NVB, Reduced Payout Deadline Subgroup) and put out to public consultation in the spring of 2017. The amendment rounds were put out to public consultation in the autumn of 2018 and the summer of 2021. A detailed explanation of the main amendments in 2019 and 2021 can be found in Chapter 2 of this document.

Table 1 Previous versions

Version	Date of entry into force	Nature of amendment	Amended element
July 2017	22 July 2017	Publication of DGS Rules	Whole document
February 2019	6 February 2019	First round of amendments to the DGS	Chapter 2 New and amended sections and explanatory notes in the policy rules and Statements Regulation
October 2021	12 October 2021	Second round of amendments to the DGS	Chapter 2 New and amended sections and explanatory notes in the policy rules and Statements Regulation

## 2 Amendments to policy rules and Statements Regulation

Since the publication of the policy rules in 2017 two rounds of amendments have been issued (in 2019 and 2021). Both were made in response to questions raised by banks and our own evolving insights during the transition to the SCV. We also felt the need to clarify a number of specific situations pertaining to the DGS. This chapter describes the main changes in both rounds of amendments for each Policy Rule and the Statements Regulation.<sup>1</sup>

### Single Customer View Policy Rule

#### Second round of amendments – 2021

The main changes concern (i) banks' treatment of withholding tax in the SCV report, (ii) clarification of the conditions under which DNB accepts the SCV as a basis for the covered deposits, (iii) additional reporting obligations in respect of legal entities and (iv) new markers for specific situations.

#### Withholding tax

Some banks operate branches in Member States that levy withholding tax on savings interest. It is not always clear to banks whether this withholding tax forms part of the interest accrued but not yet credited

that they are required to report to DNB. The Policy Rule makes clear that the withholding tax must be deducted from the interest amount so that DNB will not pay out the amount of withholding tax to depositors.

#### Determination of the deposit base

We determine each bank's covered deposits on a quarterly basis to calculate the levy. We do so ideally using the single customer view, which is the most accurate calculation method. The Policy Rule clearly states, however, that we can revert to the traditional calculation method (based on numbers of accounts and associated balances, usually leading to an overestimate) if the bank's SCV file is of insufficient quality or its SCV system is inadequately controlled. This prevents a bank taking improper advantage of the SCV report (through lower levies).

#### Categorisation of legal entities

The amendment introduces an obligation on banks to state why, in their view, some legal entities are not eligible for protection by the DGS. A bank must state that a depositor is excluded because it is, for example, a public authority or a financial undertaking. This helps

us to administer and supervise exclusions by banks, and to deal with any objections from depositors.

#### Marking and treatment of home construction accounts

The amendment introduces a marker for home construction accounts, which is used to identify such accounts. This may be desirable due to the possible tax consequences of an immediate payout of the deposit on a home construction account. The marker allows the introduction of a targeted policy. However, this does not mean we consider that all home construction accounts are eligible for the DGS and hence need to be reported. Whether the home construction account fulfils the definition of a deposit – and is thus eligible for the DGS – depends on the precise legal structure of the home construction account. The addition of the marker only means that if a bank includes a home construction account in the SCV, it must be marked as such. Figure 1 provides a more detailed schematic explanation of the addition of the marker for home construction accounts.

<sup>1</sup> The amendment to the Statements Regulation was separate from the second round of amendments to the two Policy Rules but has been included in this document. On 28 June 2021 we adopted a new amendment to the Statements Regulation. This amendment was published on the DNB website at the end of June 2021 and published in the Government Gazette (*Staatscourant*) in August 2021.

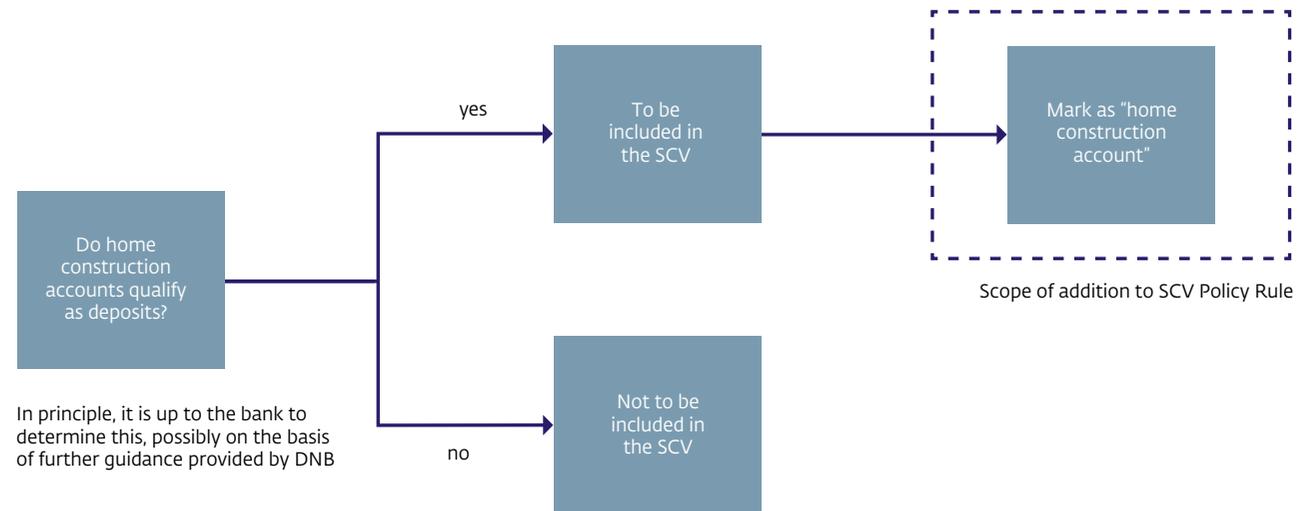
Home construction accounts are similarly not included in the calculation of the covered amount used for the quarterly levies for the Deposit Guarantee Fund (DGF). This reflects the specific and temporary nature of home construction accounts and provisionally ensures a level playing field.

#### New markers

The amendment introduces three new markers for various purposes:

- There was still no marker for *deposits of depositors who had been granted a suspension of payments*. This marker is required because compensation for this group must be paid out in consultation with the administrator.
- The marker for *annuities and standing right savings accounts* helps in the creation of a new payout policy; see the amendment to the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme.
- The marker for a deposit that is subject to a *BEM (minors' investment, inheritance and other monies) clause or similar administration at account level* shows DNB that this deposit can only be paid out in consultation with the subdistrict court (BEM clause) or the administrator. Following the consultation responses a number of more detailed examples were added at the request of the sector.

Figure 3 Scope of home construction account marker in the SCV



#### First round of amendments – 2019

The main changes to the Single Customer View Policy Rule are the marking of deposits collected under a European passport for cross-border services and the possibility of more accurate estimates of covered amounts held on escrow accounts for periodic reporting purposes.

#### Deposits held under European passport for cross-border services

The DGSD provides for different payout methods on the one hand for deposits held at branches abroad and on the other hand for deposits collected abroad

through cross-border services. In the first scenario the DGSD requires the payout to be made by the DGS in the Member State in which the branch is established ("host DGS") on behalf of the DGS under which the bank is protected ("home DGS"). In the second case the home DGS must make this payout itself (see Figure 1). Providing information on deposits held under a European passport for cross-border services is therefore relevant and mandatory to ensure that communications with depositors are accurate.

### Estimating escrow accounts for calculation of the deposit base

Another change is the introduction of a means by which banks can provide more accurate estimates of the eligible covered amounts held through escrow accounts. One of the purposes for which these estimates are used is to calculate banks' quarterly contributions to the deposit guarantee fund. Banks can choose from four different methods and will make their own assessment. Using a more accurate calculation method could reduce a bank's guaranteed deposit base and thus result in lower quarterly levies.

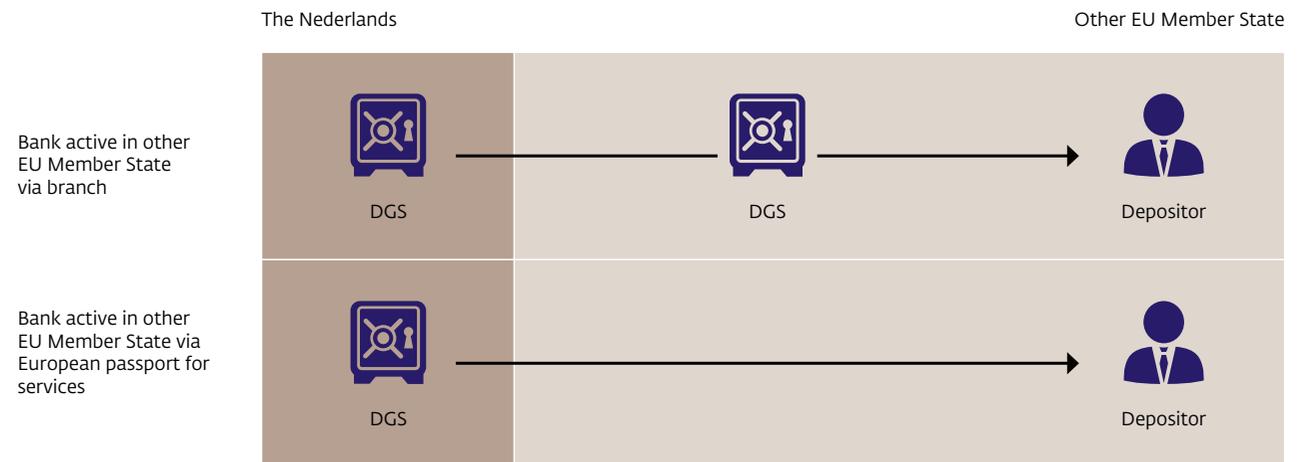
The amendments to the Single Customer View Policy Rule also include a number of minor changes concerning (i) the use of depositors' first names, (ii) the exchange rates to be used for foreign currency deposits, (iii) the meaning of the marker for pledged deposits, and (iv) incorrect references.

## Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme

### Second round of amendments – 2021

The main changes concern (i) support of an alternative payout method for annuities and standing right savings accounts, (ii) a more precise definition of "public authority" and (iii) clarification of when deposits of legal entities without legal personality are excluded from the DGS.

Figure 4 Payout process for branches and European services passport



### Alternative payout approach for tax-advantaged savings accounts

Under tax law depositors only pay tax on annuity accounts and standing right savings accounts when they are paid out. The intention is therefore that a depositor cannot access the accrued capital before the start of the payout phase. A bank failure may interfere with this tax arrangement. If a depositor were to receive a payment from the DGS for a tax-advantaged savings account, it could trigger an immediate tax liability of more than 70% (regular income tax plus 20% penalty interest). The legislation with regard to this type of tax-advantaged savings product does not take account of possible bank failures.

The additional provision proposes deviating from the DGS directive for tax-advantaged savings accounts in the interest of depositors and not paying out automatically through the web portal. At the same time the depositor is entitled to the payout, so if it is requested, we will first inform the depositor orally of the possible consequences of a payout. In addition, the Policy Rule creates a basis for a tax-neutral payout using the existing transfer regime drawn up by the Dutch Banking Association and the Dutch Association of Insurers (Protocol on the Streamlining of Capital Transfers). This nevertheless requires cooperation from banks seeking to attract savings on new tax-advantaged accounts. The addition to the Policy Rule

provides a basis on which to develop this further with the sector.<sup>2</sup>

Banks endorse the proposed policy in their consultation responses, although they highlight the operational complexity of using the Protocol on the Streamlining of Capital Transfers for this purpose.

#### Definition of public authority

Public authorities' deposits are not protected by the DGS. In practice banks (and DNB) often have to determine whether an entity qualifies as a "public authority". The addition to the Policy Rule provides clarity and is consistent with the explanatory memorandum on the 2015 amendment to the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft – Bbpm*), which explicitly states that only "pure" public authorities are excluded from the DGS. In the Netherlands these are (i) the State, (ii) provinces, (iii) municipalities, (iv) water boards and (v) the public bodies of the BES islands. This also provides a basis for analogous interpretation with regard to foreign and supranational authorities. The Policy Rule also makes clear that DGS protection does apply to government organisations under public law that are not a direct,

Figure 5 Functioning of additional protection temporary high balances

Maximum protection per depositor per bank



integral part of these public authorities. The same applies to private law organisations that are publicly owned.<sup>3</sup>

In the consultation responses banks request further examples that can help determine the scope of the definition of public authority. Such an example has been added to the final version.

#### Exclusions of certain legal entities without legal personality

A complexity of the DGS rules concerns situations in which legal entities without legal personality form an undertaking in a category excluded from DGS protection. Two aspects are involved: on the one hand the compensation for such persons is attributed to the underlying associates, partners or members (and these may be entitled to DGS protection on an individual basis). On the other hand the deposits of certain undertakings are excluded. The addition to the Policy Rule makes clear that when a legal entity without legal personality is a financial undertaking, for example,

<sup>2</sup> In the longer term, increasing the possibility of deposit transfers using DGS funds when a bank fails is a more comprehensive solution to this payout issue that affects all banks in the market for tax-advantaged savings products.

<sup>3</sup> Example: TNO was established by law in 1932. It is a public law organisation that is not a direct, integral part of the State or other Dutch public authorities. A TNO deposit is therefore protected by the DGS.

DNB will pay no compensation to the underlying associates, partners or members.<sup>4</sup>

Following the consultation responses a further clarification has been added stating that this treatment also applies if the legal entity is a third-party beneficiary.

### First round of amendments – 2019

A number of new sections were added to the Policy Rule on the Scope and Execution of the DGS. The main additions to the Policy Rule concern the treatment of temporarily high deposits, structured deposits and payouts to customers holding deposits in different countries.

#### Temporarily high deposits

The DGS offers additional three-month protection up to EUR 500,000 for the purchase or sale of a private residential property. This temporarily takes the total protection under the DGS to EUR 600,000, depending on the amount of the deposit associated with the transaction (see Figure 2). As temporarily high deposits cannot be identified from a bank's records, the depositor must notify us when the DGS is triggered. The proposed addition to the Policy Rule introduces provisions for this notification procedure and for the

way in which we calculate the amount of a temporarily high deposit.

#### Structured deposits

A further addition to the Policy Rule concerns structured deposits. The revised Markets in Financial Instruments Directive (MIFID II) defines structured deposits as a special type of deposit that is also eligible for payout under the DGS. A structured deposit differs from regular deposits in that the credit interest is not based on an agreed interest rate but on external market factors, such as indices. The Policy Rule makes clear that the interest payment is subject to an investment risk, so the accrued interest is not deemed to be part of the covered amount, unlike in the case of regular deposits.

#### Accounts at multiple branches of the same bank

A further complexity concerns depositors holding deposits at different branches. As a rule, guaranteed deposits held at branches abroad are paid out by the host DGS on behalf of the home DGS. In the adopted amendment to the Policy Rule we introduce an exception to this principle: if a depositor holds deposits in various countries, having different DGSs making payouts is too complex (and hence too risky). We will therefore pay out the covered amount as the home DGS.

The adopted amendment to the Policy Rule also contains several additions relating to (i) the position of complex accounts in the order of priority of eligible deposits, (ii) the exchange rates we can use for deposits in more exotic currencies, and (iii) the treatment of negative balances.

## Amendments to the Statements Regulation

### Second round of amendments – 2021

A set of amendments to the Statements Regulation was published in mid-2021.<sup>5</sup> This aimed to shorten the submission deadlines from six to four weeks. We also explained the difference between deposits held by corporates and those of other organisations. In addition, we added an obligation to report on cross-border services to the Statements Regulation.

### First round of amendments – 2019

The difference between the definitions of deposits used by FINREP and the DGSD led to a minor adjustment to the Statements Regulation. The explanatory notes to the tables were also amended in accordance with Section 4 of the Single Customer View Policy Rule.

<sup>4</sup> In parallel DNB seeks to use a Member State option in the DGS directive whereby partnerships and other forms of collaborative ventures without legal personality can be considered as a single person for the purposes of the DGS. This would provide a structural solution to the issue.

<sup>5</sup> On 28 June 2021 we issued a new set of amendments to the Statements Regulation. This was published on the DNB website at the end of June 2021 and in the Government Gazette in August 2021. It was implemented separately from the second round of amendments to the two Policy Rules but has been included in this document.

## 3 Single Customer View Policy Rule

De Nederlandsche Bank N.V.'s Policy Rule dated 10 July 2017 containing rules on the preparation of SCV files by banks for the deposit guarantee scheme and resolution (Single Customer View Policy Rule)

De Nederlandsche Bank N.V.;

Having regard to Section 3:17(2), opening words and (d), of the Financial Supervision Act (*Wet op het financieel toezicht*) and Section 26a of the Decree on Prudential Rules for Financial Undertakings (*Besluit prudentiële regels Wft*);

Having regard to Section 3:261 of the Financial Supervision Act and Section 29.05(3) to (5), Section 29.06(1), Section 29.07(4) and Section 29.16(1) of the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft*);

Having regard to Section 212ra of the Bankruptcy Act (*Faillissementswet*);

Having consulted the representative organisations involved and the general public;

Decreases as follows:

### Chapter 1 General provisions

#### Section 1 [explanation](#) →

Unless expressly defined otherwise, the terms used in this Policy Rule have the same meaning as in the Financial Supervision Act and secondary legislation based on that Act.

The following definitions apply in this Policy Rule:

- a. DNB: De Nederlandsche Bank N.V.;
- b. Wft: Financial Supervision Act (*Wet op het financieel toezicht*);
- c. *Bpr*: Decree on Prudential Rules for Financial Undertakings (*Besluit prudentiële regels Wft*);
- d. Bbpm: Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft*);
- e. Deposit guarantee scheme: has the meaning given in Section 3:259(2) of the Wft.
- f. Bank: a deposit-taker whose deposits are covered by the deposit guarantee scheme, as referred to in Section 29.01 of the Bbpm;
- g. Eligible deposit: a deposit that falls within the scope of the deposit guarantee scheme;

- h. Eligible depositor: a depositor that is not excluded under Section 29.01(2)(a) of the Bbpm;
- i. Covered deposit: has the meaning given in Section 7k(1) of the Bbpm;
- j. Depositor: the holder or, in the case of a joint account as referred to in Section 29.02(2) of the Bbpm, each of the holders of a deposit, including a third party as referred to in Section 29.02(3) of the Bbpm;
- k. Representative: a person authorised to perform acts on the depositor's behalf as referred to in Section 29.07(1) of the Bbpm.
- l. Single customer view: an overview of a depositor's aggregate deposits at a bank, presented in accordance with the data model referred to in Section 2;
- m. SCV: single customer view;
- n. SCV file: a data set in the format described in Section 2 that provides a list of all of a bank's single customer views;
- o. SCV system: the set of procedures and controls a bank may use to produce an SCV file, to calculate the eligible and covered amounts and to take any resolution action, in a manner and within a time period specified by DNB;
- p. Micro, small and medium-sized enterprises: has the meaning given in Section 212g(1)(n) of the Bankruptcy Act;

- q. ISAE 3402: international standard on assurance engagements 3402, assurance reports on controls at a service organisation.

## Chapter 2 Format of the single customer view

### Part 2.1 Scv file content and submission

#### Section 2 [explanation](#) →

1. A bank must create an SCV file that contains all the information necessary to administer the deposit guarantee scheme, according to a data model prescribed by DNB, and designed in such a manner as to link the deposit information to the details of the depositors and, if applicable, their representatives.
2. For each depositor, the SCV file must contain the following information as a minimum:
  - a. A unique identifier for each depositor;
  - b. Markers as referred to in Section 6(1)(a);
  - c. Markers as referred to in Section 6(2) and (3);
  - d. Customer category as referred to in Section 7(2)(a)
- e. In the case of a natural person:
  1. The initials or first names as stated in the identity document, birth name and date of birth;
  2. Address including country;
  3. The national identification number or the fiscal identification number and issuing country, if natural persons have these;
  4. Vital status;

- f. In the case of a legal entity:
  1. Registered name;
  2. Registered place of business including country;
  3. Address including country;
  4. If registered in the Netherlands, the Chamber of Commerce number or RSIN;
  5. If registered abroad, the fiscal identification number or the Chamber of Commerce number and the issuing country;
  6. Indication of whether it is a legal entity with legal personality or without legal personality;
3. For each representative, the SCV file must contain the following information as a minimum:
  - a. A unique identifier for each representative;
  - b. Initials, birth name;
  - c. Date of birth, if known;
  - d. Address including country;
  - e. National identification number or fiscal identification number and issuing country, if representatives have these;
  - f. The type of authority conferred on the representative for each representation.
4. For each deposit, the SCV file must contain the following information as a minimum:
  - a. A unique identifier for each deposit;
  - b. Markers as referred to in Section 6(1)(a);
  - c. The account number known to the depositor;
  - d. The name documented for the deposit;
  - e. A product name or description of the deposit as known to the depositor;

- f. A categorisation of the type of deposit as referred to in Section 5(2);
- g. Markers as referred to in Section 5(3);
- h. Markers as referred to in Section 6(1)(b) to (g);
- i. Markers as referred to in Section 6(4);
- j. The currency in which the deposit is held;
- k. The balance of the deposit;
- l. The amount of interest accrued but not yet credited to the deposit;
- m. The country where the deposit is held;
- n. The number of depositors for the account and, if there is more than one depositor, the percentage entitlement if it is not proportional;
- o. If this is the case, the fact that the deposit is held in another Member State while no branches are established in that Member State and, if this is the case, the Member State and the language chosen by the depositor at the time of account opening.

#### Section 3 [explanation](#) →

When creating the SCV file, as set out in Section 2, a bank must observe the following guiding principles:

1. A bank must ensure that none of the account balances reported include any outgoing payments which, at the time of generating the single customer view, have already been debited from an account, regardless of whether the bank has sent value itself.
2. A bank guarantees that within the period referred to in Section 9(1) the reported balances of all deposits will as far as possible contain the incoming payments

that result from Section 212b of the Bankruptcy Act and are associated with a bank's participation in a system as referred to in Section 212a(b) of the Bankruptcy Act.

3. When creating the single customer view a bank must not apply a marker for the additional guarantee up to EUR 500,000 per depositor for three months after the monies have been deposited, if such deposit relates directly to the fulfilment of a contract for the purchase of a private residential property within the meaning of Section 29.02 of the Bbpm.
4. When creating the single customer view a bank must exclude from view any deposits held by natural persons or micro, small or medium-sized enterprises that would qualify as eligible deposits if they were not held at a branch located in a non-Member State as referred to in Section 29.01(1)(a) of the Bbpm.
5. In the case of deposits held at branches in Member States that levy withholding tax, a bank, when determining the reportable amount of interest accrued but not yet credited, must take account of the withholding tax to be deducted and not report it.

## Part 2.2 Calculation of eligible and covered amounts

### Section 4 [explanation](#) →

1. In addition to the SCV file, a bank can also calculate the eligible amount and the covered amount in euros for each depositor.

2. In calculating the data required in Section 4(1), a bank must observe the following guiding principles:
  - a. The aggregate amount in deposits marked in accordance with Sections 5(3), 6(1)(b) to (h) and 6(4) must be treated as uncovered balances;
  - b. Deceased depositors according to Section 2(2)(e) (4) and depositors as defined in Section 6(2) and (3) are not considered to be eligible depositors.
3. Notwithstanding Section 2(2), when calculating the data necessary to determine the deposit base as referred to in Section 29.16(1) of the Bbpm a bank must observe the following guiding principles:
  - a. An estimate of the amount of deposits marked in accordance with Section 5(3), prepared in the manner selected by the bank as referred to in Section 4(3)(e), and deposits as defined in Section 6(4) is considered to be a covered amount;
  - b. Deposits as referred to in Section 6(1)(b) to (g) are treated as eligible deposits, with due observance of the maximum covered amount per individual depositor.
  - c. Deceased depositors according to Section 2(2)(e) (4) and depositors as defined in Section 6(2) and (3) are considered to be eligible depositors;
  - d. The aggregate amount in deposits administered in accordance with Section 6(1)(h) must be treated as an uncovered amount;
  - e. To estimate the amount of the deposits marked in accordance with paragraph 3(a), a bank must

choose one of the following four calculation methods:

- i The aggregate amount of deposits marked in accordance with Section 5(3);
  - ii The number of third parties as referred to in Section 5(3), multiplied by the maximum covered amount as referred to in Section 29.02(1) of the Bbpm;
  - iii The sum of the covered amounts for each individual third-party beneficiary of the deposit as referred to in Section 5(3), taking into account the maximum covered amount as referred to in Section 29.02(1) of the Bbpm, without necessarily including any other accounts that the third party holds at the bank.
  - iv Including the eligible amounts of each individual beneficiary of the deposit as referred to in Section 5(3) in the guaranteed deposits, taking into consideration the maximum covered amount as referred to in Section 29.02(1) of the Bbpm.
- f. A bank must be able to demonstrate for each escrow account which of the methods listed under (e) it used to calculate the amount referred to in Section 4(1).
  - g. Deposits as referred to in Section 6(1)(l) are considered to be ineligible deposits.
4. When determining the deposit base as referred to in Section 29.16(1) of the Bbpm DNB uses one of the following calculation methods:

- a. In principle DNB uses the deposit base resulting from the aggregation of the covered amounts per depositor, as shown in the single customer view in accordance with the calculation method set out in Section 4(3) and as reported by the bank in accordance with Section 130(1), opening words and (b), of the Bpr.
- b. If appropriate having regard to the assessment of the quality of the submitted SCV files and/or the control of the SCV system, as included in Section 15, DNB will, notwithstanding (a), use the deposit base resulting from the estimate of the total size of the covered deposits based on the number of deposits and balances as reported by the bank in accordance with Section 130(1), opening words and (b), of the Bpr, without taking into account depositors holding more than one account.
5. A bank can use exchange rates published by exchange rate information providers in order to calculate the eligible and covered amounts referred to in Section 4(1).

## Part 2.3 Identification of deposits and depositors

### Section 5 [explanation](#) →

1. A bank must identify and record the characteristics by which a depositor can be identified in such a manner as to allow the depositor's identity to be established with a high degree of certainty.

2. A bank records the product category associated with each deposit in accordance with the options in a data model prescribed by DNB and on the basis of definitions adopted by DNB specifying how the product categories relate to the order of priority of eligible deposits referred to in Section 3.1 of the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme.
3. For each deposit a bank records whether it is held on behalf of third parties under a contract or statutory requirement.
4. For each legal entity a bank records the associated business category in accordance with the options in a data model prescribed by DNB and on the basis of definitions set by DNB.

### Section 6 [explanation](#) →

1. A bank must mark the types of deposits and depositors listed below in such a manner as to allow their immediate identification:
  - a. Eligible deposits and depositors;
  - b. Deposits arising from transactions associated with a criminal conviction for money laundering as referred to in Section 29.01(2) of the Bbpm;
  - c. Deposits that are the subject of a legal dispute, as referred to in Article 8(5)(a) of the Deposit Guarantee Schemes Directive;
  - d. Deposits that are subject to restrictive measures imposed by national governments or

- international bodies as referred to in Article 8(5) (b) of the Deposit Guarantee Schemes Directive;
- e. Deposits over which a pledge to a third party has been created and where only the pledgee is authorised to collect payments.
- f. Deposits that have been attached;
- g. Deposits that are blocked under the laws of the country where the deposit is held, other than the Netherlands, to the extent that the blocking is relevant to a payout from the deposit guarantee scheme.
- h. Bank savings deposits for a private residential property as referred to in Section 29.01(2)(e) of the Bbpm.
- i. Deposits of depositors that have been granted a suspension of payments;
- j. Annuity accounts as referred to in the Income Tax Act 2001 and standing right savings accounts as referred to in the Wages and Salaries Tax Act 1964;
- k. Deposits subject to a BEM (minors' investment, inheritance and other monies) clause or similar administration at account level;
- l. Home construction accounts
2. A bank must mark depositors whose identity cannot be established with a high degree of certainty, as referred to in Section 5(1).
3. A bank must mark depositors for whom the markers, as referred to in Section 5(1)(a), cannot be applied with a high degree of certainty.

4. A bank must mark deposits for which the markers, as referred to in Section 5(1)(a), cannot be applied with a high degree of certainty.

## Chapter 3 Resolution of banks

### Section 7 [explanation](#) →

1. For the purpose of preparing and updating a resolution plan, a bank must submit, among other things, a detailed description of the components of the deposits held with the bank.
2. For the purposes of providing a detailed description as referred to in Section 7(1):
  - a. In addition to Section 6(1), a bank must mark eligible deposits held by natural persons and by micro, small and medium-sized businesses in such a manner as to allow their immediate identification;
  - b. A bank must be able to compile a list of deposits as referred to in Section 3(4).

### Section 8 [explanation](#) →

1. If the resolution plan for the bank so requires, a bank must have procedures and controls in place to be able to:
  - a. Transfer part of an eligible deposit into a separate account;
  - b. Freeze deposits:
    1. which are held by ineligible depositors or where the depositor has died according to

Section 2(2)(e)4 or has a marker as referred to in Section 6(2) or (3);

2. which are marked as referred to in Section 5(3) or Section 6(1)(b) to (h) or (4).
2. A bank must complete the acts referred to in Section 8(1) before midnight at the end of the working day following the announcement that resolution action is being taken.

## Chapter 4 Data delivery

### Section 9 [explanation](#) →

1. A bank must provide DNB with the SCV file within three working days of:
  - a. DNB having decided to trigger the deposit guarantee scheme as provided for in Section 3:26o(1) of the Wft;
  - b. DNB having made a specific request to that effect.
2. At DNB's request, a bank must provide DNB with the information referred to in Section 4(1) and Section 7 within three working days.
3. A bank may submit the list referred to in Section 7(2) (b) separately from the SCV file.
4. Notwithstanding Section 9(1) and (2), DNB may extend the submission deadline beyond three working days if a request to that effect is made in accordance with Section 26a of the Bpr.

5. A bank must notify DNB immediately if it wishes to supplement or adjust the information in the SCV file submitted in accordance with Section 9(1).
6. The SCV file referred to in Section 9(1) must be submitted in the manner and in a file format prescribed by DNB.

## Chapter 5 Data quality assurance

### Part 5.1 Controls of a bank

### Section 10 [explanation](#) →

1. A bank's SCV system must ensure the accuracy and completeness of the following information in such a manner as to allow DNB to pay compensation to depositors with a high degree of certainty:
  - a. The information referred to in Section 2, having regard to the guiding principles referred to in Section 3 and the deadlines stated in Section 9;
  - b. The record-keeping referred to in Section 5;
  - c. The markers referred to in Section 6.
2. A bank's SCV system must guarantee reliable calculation and submission of the amounts as referred to in Section 4.
3. A bank must ensure that the information in the SCV file referred to in Section 2, the amounts referred to in Section 4(1) and the deposit base calculation referred to in Section 4(3) are consistent with the reports filed with the supervisory authority under Implementing Regulation (EU) No 680/2014.

**Section 11** [explanation →](#)

1. A bank must have the following controls in place as a minimum:
  - a. Procedures enabling compliance with the requirements set out in this Policy Rule to be embedded in the normal conduct of business for all business units involved, including the internal audit department;
  - b. Documentation describing the entire set of procedures and controls relating to the requirements set out in this Policy Rule;
  - c. Documentation allowing an ex-post evaluation to be carried out of the process of generating the information referred to in Sections 2, 4 and 7, and of the effectiveness of the controls;
  - d. An annual opinion of compliance with the provisions of this Policy Rule by a bank's internal audit department.
2. The report of the internal audit department including the annual opinion must be shared with DNB.
3. A bank must include with the report referred to in Section 11(2) a document describing any foreseeable material future changes to its SCV system.

**Part 5.2 Supervision****Section 12** [explanation →](#)

1. A bank must instruct the external auditor once a year to form an opinion on compliance with the

- provisions of this Policy Rule during the reporting year, based on ISAE 3402, including not only the design and existence of controls, but also their operating effectiveness (type 2).
2. If at other times DNB requires an *ad hoc* opinion by an external auditor, a bank must issue appropriate instructions within the shortest possible time on the basis of ISAE 3402.
3. The report prepared by the external auditor pursuant to the instructions referred to in Section 12(1) must be shared with DNB no later than five months after the end of the reporting year.

**Section 13** [explanation →](#)

1. A bank must inform DNB of any intention to make material changes to the SCV system and notify DNB no later than three months after making any material changes to its SCV system.
2. The notification referred to in Section 13(1) must be accompanied by a statement issued by the bank to the effect that its SCV system is in line with this Policy Rule.

**Section 14** [explanation →](#)

1. If a bank joins the DGS after this Policy Rule has come into force, it must provide DNB with:
  - a. The SCV file referred to in Section 2, no later than six months after joining;

- b. A report by the internal audit department as referred to in Section 11(1)(d) as soon as possible after the end of the first reporting year;
- c. A report as referred to in Section 12(1) no later than five months after the end of the first reporting year;
- d. The audit instructions for the first reporting year, based on ISAE 3402 type 1.
2. The provisions set out in Section 14(1) apply *mutatis mutandis* in the event of a merger or acquisition.

**Section 15** [explanation →](#)

1. DNB assesses the quality of the banks' SCV files and their control of the SCV system.
2. If the assessment so requires, DNB may instruct a bank to take measures to improve the quality or control of the system.
3. For the purpose of assessing the SCV file, DNB may at any time make a request as referred to in Section 9, in which case the SCV file must contain all single customer views based on up-to-date information available to the bank.
4. In assessing the control of the SCV system, DNB uses the periodic opinions by the bank's internal audit department referred to in Section 11(1)(d) and the external auditor's report referred to in Section 12(1).

## Chapter 6 Transitional and final provisions

### Section 16

This Policy Rule will come into force on the day after its publication in the Government Gazette.

### Section 17

This Policy Rule must be cited as: Single Customer View Policy Rule.

The Policy Rule and the explanatory notes will be published in the Government Gazette.

Amsterdam, 10 July 2017

De Nederlandsche Bank N.V.

F. Elderson, Director

## Explanatory notes

### General matters

The deposit guarantee scheme (DGS) protects depositors and thereby contributes to the stability of the banking sector. If a bank fails to meet its financial obligations, the DGS guarantees deposits up to a maximum of EUR 100,000 per depositor per bank. Following the financial crisis the DGS was strengthened in various ways so as to enhance financial stability further. The recast European directive on deposit guarantee schemes (2014/49/EU, also known as the Deposit Guarantee Schemes Directive or DGSD) plays an important role in this regard as it seeks maximum harmonisation of many aspects of the various deposit guarantee schemes. In the Netherlands, the Directive has been transposed in the Financial Supervision Act (*Wet op het financieel toezicht – Wft*), the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft – Bbpm*) and the Decree on Prudential Rules for Financial Undertakings (*Besluit prudentiële regels Wft – Bpr*).

An important part of the DGS reforms is the shortening of the deadline for awarding and paying out compensation. The shorter payout deadline will contribute to the stability of the banking sector because it gives depositors assurance that they can

regain access to their funds rapidly after a bank failure. It has therefore been agreed to reduce the above deadline to seven working days.

The DGSD recognises that many Member States lack the procedures necessary for a shorter payout deadline. Member States have therefore been given an opportunity to shorten the payout deadline to seven working days gradually over a transition period. The Netherlands has used this option in transposing the DGSD into national law. The Bbpm requires the deadline to be shortened to 15 working days by 1 January 2019, ten working days by 1 January 2021 and seven working days by 1 January 2024.

The shorter payout deadline also means that the amount of compensation payable to a depositor from the DGS will need to be determined faster. To guarantee this, banks themselves will be required to compile and submit an overview of all funds held by each depositor. This is known as the single customer view (SCV). The SCV is an aggregate overview of all deposits per depositor, including an indication of whether the depositor is eligible for the DGS and, if so, the amount of compensation to which the depositor is entitled. Until these new rules have come into force, DNB will compile the SCV in its capacity as the administrator of the Dutch DGS. Banks will only be able to meet the shorter payout deadline from 2019 if they themselves compile the SCV and submit it to DNB. This

Policy Rule is therefore based on a seven-business-day payout deadline. This ambitious goal is also in the interests of banks, in that it prevents them from having to adjust the SCV system several times in a space of a few years.

As well as enabling a shorter payout deadline, if a bank produces its own SCV, this will enhance the accuracy and adequacy of its procedures and controls, and its reporting of covered deposits. This information will also help DNB fulfil its resolution mandate and improve a bank's resolvability, subject to the statutory confidentiality requirements.

In order to administer the DGS, DNB ultimately needs an overview of all single customer views in the form of the SCV file. Under Section 26a of the Bpr, a bank must be able to provide DNB with the information it requires to administer the DGS, i.e. the SCV file, at DNB's request in a manner and within a time period specified by DNB. To do so, a bank must have procedures and controls in place to ensure that this information is continuously updated and adequately documented (referred to in this Policy Rule as the "SCV system"). DNB explains these requirements in greater detail in this Policy Rule. This Policy Rule sets out the information that the SCV file must contain as a minimum and how a bank must design its record-keeping system and related procedures and controls to be able to produce the SCV accurately, in the right

manner and in a timely fashion, in accordance with a data model prescribed by DNB. This will enable DNB to pay out covered deposits in a timely fashion. It also addresses the requirements in terms of how the SCV should contribute to the resolution mandate, how banks must submit the information and how data quality assurance is monitored.

## Notes on individual sections

### Chapter 1 General provisions

#### Section 1 [back to article](#) ←

This section provides a number of definitions relevant to this Policy Rule. With regard to the objective of the SCV, it reiterates a number of concepts that determine the scope of the DGS.

In this regard it should be noted first of all that “deposits” are defined in Section 1:1 of the Wft. Section 29.01(2)(b) to (e) of the Bbpm then states specifically that the DGS does not apply to instruments that fall within the definition of “own funds” within the meaning of the Capital Requirements Regulation, nor to debt instruments issued by banks or debts arising from banks’ own accepted bills and promissory notes. Nor does the DGS apply to deposits arising from transactions associated with a criminal conviction for money laundering or to bank savings deposits relating to a private residential property to the extent that they

are offset against a property loan, in accordance with Section 3:265d of the Wft.

In order to determine whether a deposit is eligible for protection under the DGS it is also necessary to consider Section 29.01(2)(a) of the Bbpm, as the DGS does not apply to deposits of certain depositors. A depositor qualifies as an “eligible depositor” unless excluded. If a deposit and its depositor are not excluded under Section 29.01(2) of the Bbpm, the deposit falls within the scope of the DGS and is referred to as an “eligible deposit”.

A guaranteed deposit is the part of an eligible deposit that is effectively covered by the DGS. The DGSD uses a similar definition of “covered deposit”, defining it as “the part of eligible deposits that does not exceed the coverage level laid down in Article 6”. This is equivalent to the definition of “covered deposit” given in Section 7k(1) of the Bbpm.

Let us assume that an individual depositor holds two deposits, in their own name and for their own benefit only, at a bank whose deposits are covered by the Dutch DGS. The funds are held on a payment account with a balance of EUR 40,000 and a fixed-term deposit with a balance of EUR 90,000. The individual depositor has identified himself in accordance with Section 4(1) of the Anti-Money Laundering and Anti-Terrorist Financing Act (*Wet ter voorkoming van*

*witwassen en financieren van terrorisme*). Both deposits will then meet the definition of a deposit given in Section 1:1 of the Wft and the depositor will not be excluded under the DGS. This example therefore involves an eligible depositor with a total of EUR 130,000 in eligible deposits and a total of EUR 100,000 in covered deposits.

The Policy Rule defines the term “depositor” in such a way as to distinguish it from an “account holder”, which is also a term commonly used by banks in their communication with customers. In this Policy Rule, the term “depositor” means the person who is entitled to all or any part of the balance of the deposit with a bank. In most cases, the depositor and the account holder will be one and the same, but a difference arises when the account holder holds a deposit in their own name but for the benefit of a third party by virtue of a contract or statutory requirement. In such cases, it is the third party that enjoys protection and is treated as the depositor, provided that its identity can be established before the date of the judgement or ruling that led to the triggering of the DGS.

The distinction between “depositor” and “account holder” in this Policy Rule is to a certain extent a further clarification of the Explanatory Memorandum to the Deposit Guarantee Scheme Implementing Decree (*Implementatiebesluit depositogarantiestelsel*) of 16 November 2015.

The details of any representatives play an important role in the SCV. A representative must, of course, be able to arrange for compensation awarded to be paid to the depositor by submitting a written request or by logging on to a dedicated website on the depositor's behalf. The term "representative" is interpreted in a broad sense. This is to ensure that it covers two types of representative, those representing natural persons and those representing legal entities. They must have full power to perform all acts on the depositor's behalf. Examples include the parent of a minor or a company representative registered with the Chamber of Commerce.

The definition of a "bank" in this Policy Rule only covers banks within the meaning of Section 29.01(1) of the Bbpm. The term "bank" is defined more broadly in the Wft, so the definitions are not interchangeable. In the latter case the term refers to the entity holding the relevant licence. Where the Single Customer View Policy Rule refers to a "bank", it is therefore by reference to its banking licence. This means that each licensed bank must submit an SCV. Creating an SCV at group level is not permitted.

Finally, this section distinguishes between the "single customer view", the "SCV file" and the "SCV system". The single customer view (SCV) is the overall view of a single depositor's aggregate funds, supplemented with specific details and markers that DNB requires to be

able to pay out compensation. Taking the earlier example, the SCV may show that a depositor is entitled to a total of EUR 130,000 of eligible deposits and a total of EUR 100,000 of covered deposits. The "SCV file" contains the individual customer views of all of a bank's depositors. The SCV file is the data set that a bank must ultimately submit to enable DNB to pay compensation. In order to compile the SCV file and related overviews, a bank must use the "SCV system", which is the set of procedures and controls available to a bank to compile the SCV file and other documents in a manner and within a time period specified by DNB.

Finally, this section makes clear that the definition of micro, small and medium-sized enterprises is based on the European directive establishing a framework for the recovery and resolution of credit institutions and investment firms (2014/59/EU, also known as the Bank Recovery and Resolution Directive, BRRD), transposed into Dutch law by means of Section 212g(1)(n) of the Bankruptcy Act. It follows from that section that the distinction between micro, small and medium-sized enterprises on the one hand and large companies on the other should be based solely on the criterion of annual turnover.

## Chapter 2 Format of the single customer view

### Part 2.1 Scv file content and submission

This part describes the information to be included in the SCV file as a minimum and sets out the guiding principles for creating the file. It thus provides the framework for the formal logical data model prescribed by DNB for the submission of all data. The formal logical data model will be published by DNB separately so as to allow sufficient flexibility to respond to new developments and DNB's and banks' shared experiences in terms of data content. The prescribed format strikes a balance between certainty (about the contours of the data model) and flexibility (to accommodate technical requirements in particular).

#### Section 2 [back to article](#) ←

This section states that a bank must be capable of creating an SCV file in accordance with DNB's prescribed data model. It is important that the bank links the details of depositors, deposits and any representatives so that DNB can calculate the covered amount per depositor.

Section 2(2), (3) and (4) specifies the information that must be included in the SCV file as a minimum. The information in the data model is specified in detail in the formal logical data model and explained in the DGS Data Delivery Manual which DNB publishes separately.

The technical specifications of data exchanges are described in the Data Delivery Agreement (DDA).

Some of the provisions in this section should perhaps be clarified. The unique identifier referred to in Section 2(2)(a) ensures that the single customer views included in the SCV file can be identified individually. Section 2(3)(a) and 2(4)(a) prescribes a similar unique identifier for representatives and deposits.

The markers to be reported for individual depositors (Section 2(2)(b) and (c)) and deposits (Section 2(4)(f), (g), (h) and (i)) will enable DNB (and the banks themselves) to process the information in the SCV file in a certain way. For example, the marker indicating whether a depositor is eligible under the DGS enables DNB to draw a distinction between these two types of depositors. The prescribed markers are specified in Section 6. In most cases, a value from a predefined list of options must be entered, for example to mark depositors to indicate their eligibility (Section 2(2)(b)). This is specified in greater detail in the data model.

Section 2(2)(e)(1) was supplemented in February 2019. The amendment gives banks the possibility of also submitting the first names as recorded in the identity document instead of or in addition to the initials of natural persons. This means banks can choose whether to submit the initials of natural persons or the first names, or both. Banks have requested this because the

recast Markets in Financial Instruments Directive (MiFID II) enables them to record customers' first names. Examples of identity documents are a passport, identity card, residence permit or driving licence.

The "fiscal identification number" of natural persons described in Section 2(2)(e)(3) refers to the Dutch Citizen Service Number (BSN) or a fiscal identification number of another country (such as the tax identification number, TIN). The issuing country must be stated to specify the identification number in greater detail. For depositors resident in the Netherlands, the BSN is submitted in principle. This enables a plausibility check to be made of the home address. There are exceptions, however, where depositors resident in the Netherlands do not have a BSN. The data model provides sufficient flexibility to include these depositors' data in the submission.

The "vital status" marker referred to in Section 2(2)(e)(4) deals with the situation in which the depositor has died. In such cases, the heirs may be able to claim compensation under the DGS, but their identity is not known in advance. The grant of compensation may then be deferred, in accordance with Section 8(5) of the deposit guarantee schemes directive, which provides scope to do so if it is uncertain whether a person is entitled to payout.

In Section 2(2)(f)(4) the Chamber of Commerce number or the RSIN (identification number for legal entities and partnerships) is requested in the case of legal entities registered in the Netherlands. The Chamber of Commerce number will be replaced by the RSIN in the next few years. Submitting at least one of the two numbers is therefore mandatory. In the case of legal entities registered abroad, a bank must submit the fiscal identification number, i.e. the TIN, or the Chamber of Commerce number of the respective country combined with the issuing country.

Section 2(3) requires a bank to state the type of authority conferred on the representative in the SCV file. In the case of legal entities this concerns officials' capacity to act as recorded in the Chamber of Commerce register. The bank must supply details of the authority concerned. For example, officers of a BV, NV, foundation, association or cooperative can have sole authority or joint authority. In the case of a general partnership or limited partnership the Chamber of Commerce refers to "unlimited, limited or not authorised". A legal entity can also have an "authorised representative" with "full" or "limited" powers.

The information required in Section 2(4)(n), i.e. the number of depositors and, if applicable, the percentage entitlement per depositor if an account is held by more than one depositor, has to do with the provisions on joint accounts set out in the Bbpm. Section 29.02(2) of

the Bbpm states that in the case of a joint account the guarantee applies to each depositor individually for a proportionate part of the deposit, unless contractually agreed otherwise.

A new item was added to Section 2 in February 2019. Item (o) meets the requirement in Article 8(7) of the DGSD, which states that where a bank operates in another EEA Member State under a European passport for cross-border services, deposit guarantee schemes must provide information in the language selected by the depositor when opening the account. The addition of item (o) means that a bank is asked to indicate in the SCV file whether a deposit is held in another Member State without established branches, meaning that it is held under a European passport for cross-border services. In this case, the bank must state the country and the language which the depositor chose when opening the account. Since banks often do not explicitly ask customers to choose a language, they may also state the language in which they communicate with the depositor in practice.

### [Section 3](#) [back to article](#) ←

This section sets out a number of guiding principles for banks to observe when compiling the SCV file.

The first two paragraphs describe how, when compiling the SCV file, a bank must deal with payments relating to “in-flight transactions”, where not all the

underlying cash movements making up a transaction have yet been settled in full. Section 3(1) states that a bank must exclude from the reported deposit balance all outgoing payments that have already been debited from the deposit account. This ensures that the deposit balance in the SCV file tallies with the balance visible to the depositor at the time of the bank failure and/or on the date on which the DGS was triggered.

Section 3(2)(a) deals with incoming payments and is consistent with Section 212b of the Bankruptcy Act, in which the European Settlement Finality Directive (No 98/26/EC) has been transposed. The Settlement Finality Directive states that once transfer orders have been entered in the payments system they cannot be revoked or otherwise cancelled. Transfer orders entered in a recognised system are therefore final and irrevocable, even if a participant in the system has filed for bankruptcy, for example. It also follows from the Settlement Finality Directive that incoming transactions should still be allowed to be included in the recipient’s account balance after the DGS has been triggered. On this point, Section 3(2) states that when compiling the SCV the bank must incorporate the orders, rights and obligations relating to participation in such recognised systems as far as possible into the reported balances within the time period for submitting the SCV file, so as to take the fullest possible account of the Settlement Finality Directive and the payout deadline under the DGS.

Deposits held to fulfil a purchase contract for a private residential property are an exception to the EUR 100,000 coverage level per depositor specified in Section 29.02(1) of the Bbpm. The balance of such a deposit is covered by an additional three-month guarantee up to a maximum of EUR 500,000 per depositor, as referred to in Section 29.02(4) of the Bbpm. Since a temporary higher amount is not held in a separate account, it will be for the depositor to prove when the DGS is triggered that they held a temporarily high balance resulting from a recent purchase contract for a private residential property. Banks are not expected to hold information on temporarily high balances. They are not, therefore, required to include them in the SCV, as referred to in Section 3(3).

A bank must not include deposits held at a branch located in a non-Member State when creating the SCV, as referred to in Section 3(4). As can be seen from Section 29.01(1)(a) of the Bbpm, these deposits are not covered by the DGS.

A fifth paragraph was added to Section 3 in October 2021. This makes clear that when compiling the SCV file banks must take account of the withholding tax deduction in their determination of the balances to be reported. This is relevant to banks operating in Member States that levy withholding tax on savings interest. Taking the deductible withholding tax into account will ensure that DNB’s compensation excludes the portion

of any interest accrued but not yet credited that the bank would deduct to pay the withholding tax. This would be undesirable and unnecessary because of differences between tax treatments in different Member States.

Take, for example, a deposit held in a Member State that levies a 20% withholding tax on savings interest. The principal of the deposit since 1 January has been EUR 50,000 and the bank's applicable fixed interest rate is 1%. The accrued interest is credited every year on 31 December. On 30 December the interest accrued but not yet credited would be just under EUR 500. When the interest is credited, the depositor receives EUR 400 of interest and EUR 100 (20%) is deducted to pay the withholding tax. In accordance with the new fifth paragraph of Section 3, the bank would therefore report EUR 50,000 of principal and EUR 400 of interest accrued but not yet credited on 30 December.

### Part 2.2 Calculation of eligible and covered amounts

This part states that a bank must be able to calculate the covered amount in euros for each depositor and how a bank must deal with the markers referred to in Section 6.

#### Section 4 [back to article](#) ←

In administering the deposit guarantee scheme DNB will determine each depositor's covered amount on the basis of the SCV file submitted by a bank. However,

there are also situations in which a bank must be able to calculate the aggregate covered amount per depositor and report it to DNB, for example in order to draft and update a resolution plan, prepare a DGS payout or determine levies that a bank must pay under the DGS. Section 4(1) ensures that a bank will be able to do this and Section 4(2) and (3) describes how a bank is expected to deal with certain markers for various purposes.

Section 4(2) describes first of all a situation in which a bank is asked to calculate the eligible amount in order to prepare and update a resolution plan or prepare a DGS payout, for example. In such cases it will be appropriate to exclude deposits and depositors whose eligibility under the DGS cannot be determined with certainty, because these deposits cannot be paid out or transferred automatically if the DGS is triggered. This must be assessed on a case-by-case basis. For this reason a bank may exclude the following deposits from view when calculating the covered amount:

- i Deposits held on behalf of third parties;
- ii Deposits associated with money laundering;
- iii Deposits that are the subject of a legal dispute;
- iv Deposits that are the subject of restrictive measures imposed by national governments or international bodies (e.g. on the basis of a terrorism or sanctions list);
- v Deposits pledged to a third party;
- vi Deposits that have been attached;

- vii Deposits that are blocked for automatic payout by the DGS under the laws of the country where the deposit is held;
- viii Bank savings deposits for a private residential property;
- ix Deposits of deceased depositors;
- x Deposits held by depositors whose identity cannot be established with a high degree of certainty;
- xi Deposits whose eligibility for the DGS cannot be established with a high degree of certainty;
- xii Deposits held by depositors whose eligibility for the DGS cannot be established with a high degree of certainty.

Section 4(3) sets out the guiding principles which a bank must observe when calculating the deposit base for the contributions payable to the Deposit Guarantee Fund, i.e. the report referred to in the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011. In contrast to the calculations requested under Section 4(2), a bank must include deposits whose DGS eligibility cannot be determined with certainty, in order to ensure that contributions are not set too low relative to the actual deposits covered. In this case, therefore, the balances of the following deposits must be included in the deposit base for the quarterly report:

- i Deposits held on behalf of third parties;
- ii Deposits associated with money laundering;
- iii Deposits that are the subject of a legal dispute;

- iv Deposits that are the subject of restrictive measures imposed by national governments or international bodies (e.g. on the basis of a terrorism or sanctions list);
- v Deposits pledged to a third party;
- vi Deposits that have been attached;
- vii Deposits that are blocked for automatic payout by the DGS under the laws of the country where the deposit is held;
- viii Deposits of deceased depositors;
- ix Deposits held by depositors whose identity cannot be established with a high degree of certainty;
- x Deposits whose eligibility for the DGS cannot be established with a high degree of certainty;
- xi Deposits held by depositors whose eligibility for the DGS cannot be established with a high degree of certainty.

Conversely, the balances of bank savings deposits held in connection with a private residential property do not have to be included even in the calculation of the deposit base, because in principle they do not qualify as covered deposits, the reason being that the receiver offsets them automatically against the depositor's mortgage loan.

The amendment to Section 4(3) of February 2019 gave banks the possibility of calculating the amount of deposits held for third parties ("escrow accounts") in different ways. When calculating the data to determine

the deposit base in the quarterly reports banks can thus provide a more accurate estimate of the covered amount on escrow accounts. The addition of item (e) allows the banks to choose between four calculation methods:

- i The original calculation method described in the first version of the Single Customer View Policy Rule, with the inclusion of the full amount in deposits held on behalf of third parties by virtue of a contract or statutory requirement.
- ii An estimate of the covered amount held in escrow accounts, based on the number of beneficiaries multiplied by the maximum covered amount.
- iii An estimate of the covered amount held in escrow accounts, for which the bank determines the covered amounts for each individual escrow account beneficiary. The bank must take into consideration the maximum covered amount per depositor per banking licence, but it is not required to include any other deposits that beneficiaries may hold.
- iv The most accurate estimate of the beneficiaries' covered amount, in which the bank includes in a depositor's single customer view the covered amount to which the depositor is entitled in the capacity of beneficiary. The bank must take into consideration the maximum covered amount per depositor per banking licence.

This is illustrated by the following example. A civil-law notary holds an escrow account with ABC bank. Three

beneficiaries have a total of EUR 195,000 in this escrow account. Beneficiaries 1 and 2 also hold regular deposits with ABC bank, and their balances are EUR 90,000 and EUR 30,000 when the DGS is triggered.

The addition of item (g) to the third paragraph in the second round of amendments means that the amount held on accounts marked as home construction accounts is not included in the calculation of the covered amount used to determine the deposit base. This reflects the special position of home construction accounts, which are part of a broader financial agreement (a mortgage loan) and by their nature have a limited term.

The amendment to Section 4 gives banks a choice between different methods to calculate the amount in covered deposits in escrow accounts. In calculation 1 the bank adds together the individual balances held in the escrow account, the result being the entire balance of the escrow account. In calculation 2 the bank establishes the number of underlying beneficiaries and applies the maximum covered amount for a DGS payout. In calculation 3 the bank calculates and adds together the maximum covered amounts for each individual underlying beneficiary. Calculation 4 is made in the same way as calculation 3, but the bank also includes the deposits that beneficiaries hold directly with ABC bank in establishing the maximum covered amount.

Table 2 Deposit information for sample calculations of escrow accounts

	Deposits held in escrow account with ABC bank (EUR)	Deposits held directly with ABC bank (EUR)
Depositor 1	120,000	90,000
Depositor 2	50,000	30,000
Depositor 3	25,000	0

Item (f) of Section 4(3) states that at DNB's request a bank must be able to show for each escrow account which method has been used in the calculation.

When calculating eligible and covered amounts, a bank must take foreign currencies into account and convert the relevant amount into euros. Section 25(2) of the Bbpm provides that DNB uses the European Central Bank's reference exchange rates when establishing the amounts of the guaranteed deposits. The addition of a fourth paragraph to Section 4 clarifies which exchange rates banks can use in converting currencies into euros.

They can use the exchange rates supplied by foreign exchange information providers to align with their own current practices. DNB can ask a bank which exchange rate it used and which exchange rate information provider it consulted for its calculation.

The amendment to Section 4 in 2021, the addition of the new fourth paragraph, clarifies DNB's procedure in determining the bank deposit base used to calculate the levies that banks are required to pay for the deposit guarantee scheme.

Table 3 Sample calculations for escrow accounts

	Calculation 1	Calculation 2	Calculation 3	Calculation 4
Depositor 1	120,000	100,000	100,000	10,000
Depositor 2	50,000	100,000	50,000	50,000
Depositor 3	25,000	100,000	25,000	25,000
Estimate of covered amount in EUR	195,000	300,000	175,000	85,000

The opening words of the new fourth paragraph make clear that it concerns the deposit base laid down in Section 29.16(1) of the Bbpm, which refers to Section 130(1), opening words and (b), of the Bpr. Annex 15 of Regulation on Statements of Financial Institutions under the Financial Supervision Act includes the statements that a bank submits in determining the deposit base.

The statement contains two calculated values for the deposit base. First, in column 09, line 0070, the deposit base is calculated by aggregating the covered amounts per depositor, as shown in the single customer view. For this purpose a bank uses the calculation method laid down in Section 4(3). Second, in column 06, line 1000, the deposit base is calculated by means of an estimate of the covered deposits based on the numbers of deposits and balances, without taking account of depositors having more than one account.

Items (a) and (b) of the new fourth paragraph state how DNB selects one of the two calculation methods for the deposit base.

Item (a) states that in principle DNB uses the estimate of the deposit base resulting from the single customer view. The precondition for this is that the supplied SCV files and the control of the SCV system are of sufficient quality.

Item (b) states that if appropriate having regard to the assessment of the quality of the submitted files and/or the control of the system, DNB can rely on the estimate based on the number of deposits and balances.

The assessment framework published by DNB for supervision of compliance with the requirements of the Single Customer View Policy Rule 2017 fulfils the criteria and standards for the monitoring and assessment of compliance with the Policy Rule. The assessment framework is the basis on which DNB determines whether the submitted files and the control of the system are of sufficient quality.

### Part 2.3 Identification of deposits and depositors

This part describes the information a bank must hold in its record-keeping systems to ensure the accurate, complete and immediate identification of deposits and depositors, and to answer the question of whether deposits and depositors are eligible under the DGS. The markers in the bank's record-keeping systems form the basis for producing the SCV.

#### Section 5 [back to article](#) ←

Section 5(1) states that a bank must identify a depositor and record the identifying information in such a way as to ensure that the depositor's identity can be established with a high degree of certainty and to allow compensation to be paid under the DGS. In practice, this means that a bank must submit an SCV

for the depositor containing a combination of data showing the depositor's identity with a high degree of certainty. Various reliable combinations of identifying data are conceivable.

For example, if two deposits are held in the name of a natural person and the administrative details for both deposits show the same Citizen Service Number (BSN), date of birth and surname, there is a high degree of certainty that both deposits can be attributed to one and the same depositor. If details are missing from a combination (e.g. the date of birth) or if details are inconsistent (e.g. a typing error in the Citizen Service Number for one of the two deposits), the depositor's identity cannot be established with a high degree of certainty.

Section 5(2) states that banks must record the product type to which the deposit relates on the basis of the available options. The available options are part of the data model prescribed by DNB. On the basis of definitions of product categories that have been adopted by DNB and included in the DGS Data Delivery Manual, banks can determine the category under which a product has to be recorded.

This allows quick identification of deposits that are unsuitable for automatic inclusion in a depositor's covered balance and must be dealt with manually. This record-keeping system also facilitates the

administration of the DGS in that depositors are better informed of how the DGS guarantees their deposits.

The product category also determines the position in the order of priority of deposits as laid down in the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme. The DGS Data Delivery Manual states the category (payment accounts, savings accounts, fixed-term deposits or special accounts) to which each deposit belongs.

Section 5(3) addresses the situation described in Section 29.02(3) of the Bbpm, in which an account holder holds a deposit for a third party pursuant to a contract or statutory requirement. Compensation must be granted and made available to a beneficiary as referred to in Section 29.02(3) no later than three months after the date of DNB's decision or the court judgement, as referred to in Section 3:260(1)(a) and (b) respectively.

The addition to Section 5 in October 2021 states that banks must use the options available in the data model prescribed by DNB to determine the type of business category to which legal entities belong. Banks can determine the category to which a legal entity must be allocated on the basis of definitions of business categories specified by DNB and included in the DGS Data Delivery Manual.

The recording of the business category of legal entities indicates the reason why certain legal entities are not eligible for compensation under the deposit guarantee scheme. This assists DNB in assessing the accuracy of the single customer view and helps provide an explanation and substantiation for DNB's decision not to pay out the covered deposits for a specific depositor under the deposit guarantee scheme.

### [Section 6](#) [back to article](#) ←

Section 29.05 of the Bbpm states that within a few years the DGS must be able to pay out compensation within seven working days. However, the Bbpm lists numerous exceptions that have an impact on whether a deposit and/or depositor is eligible under the DGS. Given the short timeframe in which payouts are to be made in the future, these requirements can be met only if the identifying details that determine eligibility and the exceptions allowed in the DGS have already been documented in banks' record-keeping systems so as to allow immediate identification. This is in line with Section 5(4) of the DGSD. For this reason Section 6 prescribes markers that a bank must incorporate in its record-keeping systems in such a way as to ensure that certain types of deposits and depositors can be identified immediately.

The marker referred to in Section 6(1)(a) distinguishes depositors and deposits not covered by the DGS, as

referred to in Section 29.01(2)(a) of the Bbpm, from those covered by the scheme.

The marker referred to in Section 6(1)(b) addresses the situation described in Section 29.01(2)(d) of the Bbpm, which states that the DGS does not apply to deposits connected with transactions involving a criminal conviction for money laundering.

The markers referred to in Section 6(1)(c) and (d) reflect two situations in which the payout of a deposit may be deferred in accordance with Section 8(5) of the Deposit Guarantee Schemes Directive.

The marker referred to in Section 6(1)(e) addresses the situation in which a deposit has been pledged to a third party. A bank marks such deposits in its SCV file to prevent DNB from making the relevant payouts immediately, thereby temporarily freezing DGS payouts for this deposit. DNB will then request the information it needs before deciding on payouts to the beneficiary. A freeze on DGS payouts applies if as a result of the pledge the pledger/account holder no longer has the right to collect payments in the account that is subject to the pledge, i.e. can no longer dispose of the balance held in the account. Banks must therefore mark deposits (i) that are subject to a disclosed pledge and (ii) where the account holder cannot dispose of the balance. Specifically, this means that if the depositor himself is still authorised to collect payments, the

pledge marker is not applied. The same applies to a pledge to the bank itself. Here too the deciding factor for the application of the marker is whether the depositor is authorised to collect payments.

The marker referred to in Section 6(1)(f) addresses the situation in which a deposit has been attached.

The marker referred to in Section 6(1)(g) addresses the situation in which a deposit is blocked under the laws of the country where the deposit is held. In October 2021 the wording "except the Netherlands" was added to this item. This makes clear that this marker concerns account blocking associated with national law in other Member States. This prevents any apparent overlap with other new or existing markers.

The marker referred to in Section 6(1)(h) addresses the special situation involving bank savings deposits for a private residential property. As a rule, the DGS does not apply to such deposits, except where the deposit cannot be offset, either fully or partly, against the corresponding property loan. Theoretically at least, this could happen if the balance of the bank savings deposit exceeds the corresponding property loan. Since the corresponding property loan is not reported in the SCV, the full balance of the bank savings deposit will be entered in the SCV and then marked and separated from the depositor's eligible amount, on the assumption that the bank savings deposit has been

offset in full. If information supplied by the depositor demonstrates that it was not possible to offset the bank savings deposit for a private residential property in full against the corresponding property loan, the marker will enable the DGS administrator to pay out the bank savings deposit to the extent that the covered amount is not exceeded.

Four markers were added to Section 6(1) in October 2021, namely (i) deposits of depositors granted a suspension of payments, (ii) annuity accounts as referred to in the Income Taxes Act 2001 and standing right savings accounts as referred to in the Income Tax Act 1964, (iii) deposits that are subject to a BEM (minors' investment, inheritance and other monies) clause or similar administration at account level, and (iv) home construction accounts.

The marker added in 2021 as referred to in Section 6(1)(i), deposits of depositors granted a suspension of payments, enables DNB to identify these deposits and take the applicability of the suspension of payments into account in the administration of the deposit guarantee scheme. This could be done, for example, in consultation with the administrator of the organisation to which a suspension of payments has been granted.

The addition of the marker referred to in Section 6(1)(j) in 2021, annuity accounts as referred to in the Income Tax Act 2001 and standing right savings accounts as

referred to in the Wages and Salaries Tax Act 1964, makes it possible to identify these tax-advantaged accounts. In the administration of the deposit guarantee scheme DNB can then apply the policy described in the new Section 3.7 of the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme.

The addition of a marker in 2021 as referred to in Section 6(1)(k), deposits subject to a BEM clause or similar administration at account level, enables DNB to take account of the applicability of these clauses or similar administration at account level – for example a gift administration or testamentary administration – in the administration of the deposit guarantee scheme. For example, the permission of the subdistrict court will be required to process a payout in respect of an account to which a BEM clause applies.

The marker added in 2021 as referred to in Section 6(1)(l), home construction accounts, makes it possible to identify these accounts. This may be desirable due to the possible tax consequences if the deposit on a home construction account is paid out immediately by the deposit guarantee scheme. The addition of a marker for home construction accounts is conditional. If a home construction account is classified as a deposit (and therefore has to be included in the SCV), it must be marked as such.

Section 6(2) states that, if a depositor's identity cannot be established with a high degree of uncertainty, a bank must state this in the SCV file. This will be the case, for instance, if any of the prescribed identity details are missing and no unique combination of details can be made as a result. The grant of compensation may then be deferred, in accordance with Section 8(5) of the Deposit Guarantee Schemes Directive. A marker of this kind may reflect poor data quality. In such cases, a bank must improve its data quality as soon as possible to minimise this type of marking.

Section 6(3) contains a provision covering the situation in which the bank marks depositors if it cannot be determined with certainty whether they are eligible for the DGS.

Section 6(4) contains a similar provision covering the situation in which the bank marks deposits if it cannot be determined with certainty whether they are eligible for the DGS. DNB expects banks to be cautious in the use of this kind of marker.

### Chapter 3 Resolution of banks

Chapter 3 sets out how the SCV file and the SCV system support the resolution of a bank.

**Section 7** [back to article](#) ←

This section states that a bank must be able to provide DNB with a detailed description of the component parts of deposits held with the bank for resolution planning purposes. It is particularly important that a bank is able to indicate not only whether a deposit is eligible under the DGS, but also whether an eligible deposit is held by a natural person or a micro, small or medium-sized enterprise. This additional information is necessary to have a full view of a bank's liabilities, especially the ranking of deposits in the hierarchy of creditors.

The above is associated with Section 212ra(1)(b) of the Bankruptcy Act. This states that the part of an eligible deposit that exceeds the covered amount and is held by a natural person or micro, small or medium-sized enterprise ranks above the claims of unsecured creditors. This priority ranking therefore does not apply to the part of an eligible deposit that exceeds the covered amount and is held by a corporate customer, even though a deposit of such a depositor is eligible for the DGS.

A somewhat similar situation applies to eligible deposits held by natural persons and by micro, small and medium-sized businesses through a branch of a Dutch-based bank located outside the European Union. As explained in the notes to Section 3, these types of deposits are not covered under the DGS.

However, they are assigned priority ranking under Section 212ra(1)(b) of the Bankruptcy Act. On this point too, it is important that a bank provides additional information to provide a full view of the ranking of deposits within the hierarchy of creditors, beyond the information it is required to provide for DGS operational purposes.

**Section 8** [back to article](#) ←

The resolution plan sets out the resolution strategy to be implemented if an institution gets into difficulty. When preparing and updating the resolution plan, the resolution authority assesses the institution's resolvability and may require that it eliminate certain impediments to its resolvability. Section 8 helps achieve this by prescribing that, if the resolution plan provides grounds for doing so, a bank must put in place procedures and controls for dealing with eligible or covered deposits during the period in which a resolution tool is applied. This may be the case, for instance, if the resolution strategy provides for the use of the transfer of undertaking tool to transfer deposits, among other things.

Section 8(1) describes the procedures and controls a bank needs to have in place to separate the part of the deposits that will not be transferred from those that will, and to freeze those deposits. Such functionality is necessary, for example, to allow the transfer of guaranteed deposits in practice. This is due to the

technical complexity of such transfers. Although the legal transfer of deposits to another undertaking will generally take only a short time, the technical transfer is more time-consuming. To ensure continuity of access to the critical (payment) function of deposits, it is conceivable that the deposits transferred may initially continue to be accessed on the systems of the bank that is being resolved. This is how depositors will continue to have access to their payment accounts and to use their debit cards for those accounts. Once the necessary preparations have been made, the undertaking that has taken over the deposits will migrate them to its own systems.

For example, suppose first of all that a natural person holds two deposits at a bank with balances of EUR 90,000 (account 1) and EUR 60,000 (account 2) respectively. Then suppose that when the bank is being resolved it is decided to transfer the covered deposits to another undertaking. On the basis of the single customer view for this depositor, funds amounting to EUR 100,000 will then be transferred and EUR 50,000 will remain with the failing bank. Depending on the procedures and controls the bank has in place, this separation can take place in a number of ways. One option, for example, is to transfer account 1 (EUR 90,000) in full and to split account 2 into a part that is transferred and remains accessible (EUR 10,000) and a remaining part (EUR 40,000) that is placed into a separate account. Another option is to split both

accounts proportionally into a part that remains accessible (EUR 60,000 and EUR 40,000 respectively) and a remaining part (EUR 30,000 and EUR 20,000) that is separated and possibly combined into a separate account.

By analogy with Section 4(2), Section 8(2) requires that a bank must be able to freeze certain deposits. These are deposits that cannot with certainty be classified as eligible under the DGS at the point when the resolution tool is deployed. If a transfer is limited to eligible or covered deposits only, those deposits cannot therefore be transferred automatically. If the resolution plan so requires, a bank must therefore have procedures and controls in place to freeze such deposits temporarily. The DGS thus has time to determine whether the deposits concerned are eligible for the DGS, after which a transfer or payout can take place.

The above operations could be undertaken not only for the “sale of undertaking” instrument, but also if a “bail-in” or “bridge bank” is used as a resolution tool. If the bail-in is carried out to such an extent that corporate depositors or even retail depositors and micro, small and medium-sized enterprises holding over EUR 100,000 are affected, there must be a means of dividing the accounts concerned.

Section 8(2) specifies the deadline by which the described operations must be performed. This is

consistent with Section 3a:52(1) of the Wft, which gives the resolution authority the power to defer certain obligations until midnight, Dutch time, at the end of the working day after the time when the decision to apply a resolution tool is announced.

## Chapter 4 Data delivery

Under Section 26a of the Decree on Prudential Rules for Financial Undertakings, DNB sets the deadline within which a bank must provide DNB with the information it requires to administer the DGS. This chapter sets out the deadlines and the means by which banks must submit the information described in this Policy Rule to DNB.

### Section 9 [back to article](#) ←

To be able to pay out compensation within seven working days, DNB needs to receive the SCV file from a bank no later than three working days after the DGS is triggered. This is required by Section 9(1)(a).

Section 9(1)(b) guarantees that DNB can also request a bank to supply the SCV file within three working days in other situations, for example when carrying out a stress test on the system of a deposit guarantee scheme, as referred to in Article 4(11) of the Deposit Guarantee Schemes Directive.

Section 9(2) states that a bank must provide DNB with information on covered and eligible amounts in euros

on a per-deposit basis within three working days of a request to that effect. Similarly, a detailed description of the component parts of the deposits must be submitted within three days. Such a request may be made when a bank has to be resolved and this information must be available within a short period. The deadline for the submission of the deposit base referred to in Section 4(3) is around six weeks, as it is based on the FINREP timelines.

Section 9(4) confirms that DNB can also specify a longer submission period than three working days, for example if the submission is required for regular validation purposes.

A bank is expected to submit accurate and complete information, as it may form the basis for a payout to depositors, for example. If the information nevertheless needs to be supplemented or corrected, the bank must notify DNB immediately in order to agree how to deal with the request.

Section 9(6) states that a bank must submit the SCV file in a manner and file format prescribed by DNB. See also the notes to Section 2.

## Chapter 5 Data quality assurance

### Part 5.1 Controls of a bank

Part 5.1 describes the controls that a bank must have in place to guarantee data quality. The starting point is that DNB can make payouts to depositors in a timely fashion only if a bank's records contain full and accurate information on deposits and depositors. To ensure this, the percentage of deposits and depositors that is unsuitable for automated recording due to weaknesses in a bank's record-keeping system should be kept to a minimum so that eligible claims of depositors can be verified.

#### Section 10 [back to article](#) ←

This section states that the bank's procedures and measures must be arranged in such a way as to guarantee the accuracy and completeness of both the data required for the compilation of single customer views and the data in the single customer views themselves. One way to meet this requirement is to have in place IT and other controls to manage the bank's record-keeping system and the process of preparing and submitting the information referred to in this Policy Rule. Such a high degree of accuracy and completeness of the information is necessary because the SCV file constitutes the immediate basis for paying compensation to depositors from the Deposit Guarantee Fund.

The bank itself must assess how the accuracy and completeness of the data referred to in the first paragraph can be guaranteed in such a way that it also meets the requirements of Sections 5 and 6, namely that deposits and eligible depositors, including specific marked features, can be immediately identified.

In our opinion, a bank will by definition be in compliance with Section 10(1) if it logs the markers and information prescribed by Sections 5 and 6 in the bank's primary records (product and customer systems) combined with the application of the definitions and markers relevant to the DGS for both deposits and depositors as part of the bank's customer acceptance and know-your-customer processes.

With regard to the data gathered by means of the SCV system to compile an SCV file, the bank itself must assess how it can ensure the accuracy and completeness of this information in such a way that it also fulfils the guiding principles of Section 3 and the deadline specified in Section 9.

We consider that a bank can in any event meet this requirement by reconciling the primary record-keeping systems (source systems) as part of the SCV system to a central system for the compilation and submission of the SCV file.

These provisions thus guarantee the accuracy and completeness of the data in the bank's primary record-keeping systems (source systems) and the processing of that data in the SCV file and DGS reports.

Section 10(3) states that a bank must ensure that all the information it submits for DGS purposes is consistent with the information submitted for supervisory purposes (FINREP). This is to ensure consistent and robust data delivery. Not all data points in the reports have to correspond, as the amounts reported are aggregations, some of which have their own definitions. The data must nevertheless be compiled consistently and from the same sources, although there will of course be timing differences between the reports. What is important is that the process is consistent and reliable and can be traced back to the same source data.

#### Section 11 [back to article](#) ←

This section requires a bank to have controls in place that meet the requirements set out in this Policy Rule. It should be noted specifically that this section constitutes a non-exhaustive list. A bank may consider the controls described in this Policy Rule as guidance, but it must decide for itself whether controls other than those specified in this Policy Rule are appropriate.

Section 11(1)(a) requires a bank to have procedures in place ensuring that compliance with the Policy Rule is embedded in its normal conduct of business. These may include work procedures ensuring that all business units involved adhere strictly to the procedures and controls referred to in Section 10 and any inaccuracies and exceptions are identified quickly and addressed in a timely fashion. These requirements are intended to result in a multi-level control mechanism, with the strictest controls being incorporated into the normal conduct of business to ensure a high degree of data certainty. The control of the bank's normal business processes (internal control system) can then focus on avoiding errors ("zero tolerance of errors"). The role of the internal audit department, as part of the bank's "three lines of defence" model, must be defined in such a way as to allow the monitoring of compliance with the requirements set out in this Policy Rule. On the basis of the degree of compliance expected with this Policy Rule, the internal audit department's activities can then focus on monitoring the reliability of the controls in the normal conduct of business.

Section 11(1)(b) requires a bank to document the procedures and controls in question. This will create not only an internal reference framework but also a basis for the internal audit department's activities. These documents, containing full details of the controls embedded in the normal conduct of business and the internal audit department's procedures, must be

available in a timely fashion in connection with the external auditor's instructions, as described in Section 12.

Section 11(1)(c) sets out how the method of generating the SCV files, or the information specified in Section 4, must be documented. This enables the internal auditor to form an ex-post opinion of the application of the procedures and controls in practice.

Section 11(1)(d) deals with the role of a bank's internal audit department. As part of its audit programme, the internal audit department must assess at least once a year whether the requirements of the Policy Rule have been met. The internal audit department's report must be available within a reasonable time so as to be able to coordinate procedures with the external auditor, including determining the depth of the latter's procedures. The scope of those procedures is defined by the provisions of this Policy Rule. The depth of the procedures must be sufficient to allow monitoring of the controls put in place to avoid errors. The report of the internal audit department is made available to DNB, as soon as possible after the end of the reporting year but no later than five months after the end of the reporting year.

#### Part 5.2 Supervision

Our supervision focuses on the accuracy and completeness of the SCV files and DGS-related reports

submitted by a bank, and on the operating effectiveness of the procedures and controls the bank has put in place to meet the requirements of this Policy Rule. This also includes the work of the internal audit department, as referred to in Section 11.

#### Section 12 [back to article](#) ←

This section covers the role of the external auditor. Section 12(1) states that a bank must instruct an external auditor at least once a year to form an opinion on whether the requirements set out in this Policy Rule are being met with a reasonable degree of assurance. The audit instructions must be based on ISAE 3402. Although designed for audits of service organisations, this standard is also appropriate for a bank's SCV system. When the audit instructions are issued, ISAE 3402 can be tailored to the controls in place for the bank's SCV system for a particular reporting period. The controls tested under ISAE 3402 will in principle be those referred to in this Policy Rule. The scope and depth of the audit instructions may be discussed annually by the bank, its external auditor and DNB. On that occasion, information may also be supplied to the external auditor to enable him to define the required depth of the procedures. The external auditor must also acquaint himself with the procedures and reporting conducted by the internal audit department so as to determine its own procedures. The procedures conducted by the internal audit department are regarded as part of the bank's controls, as referred to in

Section 11. The external auditor must test the entire set of controls in order to form an opinion on the risks that could arise if the requirements set out in the Policy Rule are not met.

The annual audit by the external auditor is important for a variety of reasons, including the need to ensure data quality, and is consistent with its role in the event of a bank failure. The external auditor's report must be disclosed to DNB no later than five months after the end of the reporting year. The auditor must therefore focus primarily on assessing the reliability of the procedures and controls. From 1 January 2019 the external auditor will no longer be required to produce separate findings on the DGS reports, because the accuracy and completeness of the data in those reports will then be clear from the internal management and control of the SCV system.

At our request, the bank will instruct the external auditor to form an *ad-hoc* opinion.

### **Section 13** [back to article](#) ←

The SCV system includes all the procedures and measures ensuring that a bank is constantly able to maintain adequate, up-to-date records for the administration of the DGS. A bank is thus able to supply the SCV file or other data requested by DNB from the SCV system in a manner determined by DNB and to deliver it within a period specified by DNB. This section

states that DNB must be notified of any material changes to the SCV system so that it can consider those changes when monitoring the accuracy and completeness of the information to be submitted by a bank. Examples of material changes to the SCV system include integration with another bank through a merger, acquisition or transfer of a deposit portfolio, or the introduction of a new IT system to be used for the SCV system.

Section 13(2) ensures that the SCV system continues to meet the requirements set out in this Policy Rule after material changes have been made to it, by requiring the management of a bank to give DNB advance notice of the material change and issue a statement after the change has been implemented.

### **Section 14** [back to article](#) ←

This section states that a bank must provide DNB with an SCV file no later than six months after joining the DGS or being involved in a merger or acquisition. The internal audit department's audit procedures must begin in the first reporting year as part of the "three lines of defence" model. The external auditor's first report must follow within five months of the end of the first reporting year. Because the bank (or newly formed bank) will only just have begun operating, the first audit instructions may be based on ISAE 3402 type 1. This means that only the design and existence of controls will be assessed. The audit instructions will be

extended to include an assessment of the controls' operating effectiveness (type 2) a year later, in accordance with Section 12(1).

### **Section 15** [back to article](#) ←

This section addresses DNB's supervisory role in assessing the quality of the submitted SCV file and the control of a bank's SCV system.

Section 15(2) makes clear that, if the assessment provides grounds for doing so, DNB may specify such additional measures as it deems necessary. DNB will impose additional measures if the SCV file is deficient in terms of accuracy and completeness, or if the control of the SCV system is not sufficiently ensured. In such cases, DNB will highlight the deficiencies found and specify the measures to be taken by the bank and the deadline for implementing them.

Section 15(3) states that DNB may at any time request information in order to assess the quality of the SCV file. In order to approximate the actual payout situation as closely as possible and enable DNB to assess the suitability of the SCV file as a whole, the SCV file must contain all single customer views. The data delivery must therefore contain the bank's up-to-date production data. A random check or an anonymised SCV file will not suffice. All this is necessary in order to guarantee a good-quality SCV file in the event that the DGS is actually triggered. DNB has procedures and

controls in place that ensure that this information is handled carefully and destroyed after the assessment stage. All requirements with regard to the Personal Data Protection Act and data breaches will be complied with.

Section 15(4) states that DNB may use the reports prepared by a bank's internal and external auditors in order to assess the controls in place for the SCV system.

Amsterdam, 10 July 2017

De Nederlandsche Bank N.V.  
F. Elderson, Director

## 4 Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme

De Nederlandsche Bank N.V.'s Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme (*Beleidsregel Reikwijdte en Uitvoering Depositogarantiestelsel*) as referred to in Section 3:259(2) of the Financial Supervision Act (*Wet op het financieel toezicht – Wft*)

De Nederlandsche Bank N.V.;

Having consulted with representative organisations;  
Having regard to Sections 29.02 and 29.06 of the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft*) and Section 26a of the Decree on Prudential Measures under the Financial Supervision Act (*Besluit prudentiële maatregelen Wft*);

Resolves to adopt the following Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme:

### Chapter 1 General provisions

#### Section 1.1 [explanation](#) →

The following definitions apply in this Policy Rule:

1. DNB: De Nederlandsche Bank N.V.;
2. Decrees as follows: Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft*);
3. The Act: Financial Supervision Act (*Wet op het financieel toezicht - Wft*)
4. Professional record-keeping system: the record-keeping system of:
  - a. financial undertaking as referred to in Section 1:1 of the Act;
  - b. holders of an exemption from the prohibition as referred to in Section 3:5(1) of the Act;
  - c. holders of a dispensation as referred to in Section 3:5(4) of the Act;
  - d. a receiver as referred to in Section 1:383 of the Dutch Civil Code; or
  - e. a receiver as referred to in Section 68 of the Bankruptcy Act.
5. Date of the judgement or ruling which led to the triggering of the deposit guarantee scheme (DGS): date of the judgement of DNB or of the legal ruling

with regard to the respective bank as referred to in section 3:260(1)(a) and (b) respectively of the Act.  
6. Temporarily high deposit: a deposit as referred to in Section 29.02(4) of the Decree.

### Chapter 2 Scope

#### Part 2.1 Escrow accounts

#### Section 2.1 [explanation](#) →

The identity of a beneficiary will be deemed to have been known prior to the date of the judgement or ruling that led to the triggering of the deposit guarantee scheme as referred to in Section 29.02(3) of the Decree if the beneficiary's identity is shown in:

- a. the record-keeping of the bank, as it was on or before the date of the judgement or ruling which led to the triggering of the deposit guarantee scheme; or
- b. professional record-keeping by the account holder, provided that the bank records show before or on the date of the judgement or ruling which led to the triggering of the deposit guarantee scheme that the deposit is held for one or more third-party beneficiaries.

## Part 2.2 Exclusions

### Section 2.2 [explanation](#) →

DNB grants compensation under the DGS to a third party if it can be or has been demonstrated that the information DNB requires to determine the level of the third party's claim already existed before the date of the judgement or ruling which led to the triggering of the deposit guarantee scheme.

### Section 2.3 [explanation](#) →

1. In determining the compensation payable under the deposit guarantee scheme, as referred to in Section 3:261(1) of the Act, DNB considers the following public authorities to be public authorities to which the deposit guarantee scheme does not apply, as referred to in Section 29.01(2), opening words and (a) (8), of the Decree:
  - a. the State;
  - b. provinces;
  - c. municipalities;
  - d. water boards;
  - e. the public bodies of the BES islands
  - f. foreign and supranational public authorities comparable to public authorities in (a) to (e).
2. In determining the compensation payable under the deposit guarantee scheme, as referred to in Section 3:261(1) of the Act, DNB considers that the deposit guarantee scheme does apply to public-law entities

that are not a direct, integral part of the public authorities referred to in the first paragraph.

### Section 2.4 [explanation](#) →

If a depositor is a legal entity without legal personality that is classified as an undertaking to which the deposit guarantee scheme does not apply, as referred to in Section 29.01(2) of the Bbpm, DNB will not grant compensation for this deposit to the persons claiming the deposit as members of the company or similar grouping.

## Chapter 3 Execution

### Section 3.1 [explanation](#) →

1. DNB applies an order of priority to eligible deposits:
  - a. when granting compensation for guaranteed deposits after it has been decided to trigger the deposit guarantee scheme as referred to in Section 3:260(1) of the Wft; and
  - b. if the operations referred to in Section 8 of the Single Customer View Policy Rule have to be carried out as a result of the adoption of a resolution arrangement as referred to in Article 18 of the SRMR or Section 3a:18 of the Wft.
2. If a depositor has more than one deposit at a bank and the eligible amount exceeds the covered level, the ranking of the eligible deposits determines the order of priority in which they are paid out or

protected in the case of a resolution arrangement as referred to in the first paragraph.

3. The order of priority referred to in the first paragraph is as follows:
  - a. Payment accounts
  - b. Savings accounts
  - c. Fixed-term deposits
  - d. Accounts that are not payment accounts, savings accounts or fixed-term deposits and where DNB can determine the eligible amount on the basis of the information supplied by the bank.
  - e. Accounts where DNB cannot establish the eligible amount on the basis of information supplied by the bank.
4. If a depositor has more than one deposit in a single category of the ranking referred to in the third paragraph and the eligible amount exceeds the covered level, the amounts of the different eligible deposits determine the order in which they are paid out or protected in the case of a resolution arrangement as referred to in the first paragraph. The lowest eligible deposit is paid out or protected first.

### Section 3.2 [explanation](#) →

If deposits are held in a foreign currency for which the European Central Bank does not set a reference exchange rate, DNB sets the reference exchange rate that prevailed on the date referred to in Section 29.06(2) of the Decree, on the basis of:

1. The reference exchange rate published by the relevant central bank associated with the currency in which the deposits are held, or if no such reference exchange rate is published:
2. The calculation of a middle exchange rate if the relevant central bank does not publish a reference rate but does publish buying and selling rates; or
3. Exchange rates published by an exchange rate information provider if a reference exchange rate cannot be established using either of the methods described in the first and second paragraphs.

#### **Section 3.3** [explanation →](#)

When setting the compensation amount under the deposit guarantee scheme as referred to in Section 3:261 of the Wft, the depositor's liabilities to the bank are disregarded as follows:

- a. in the event of a debit account balance, DNB deems the balance to be zero for purposes of setting the compensation;
- b. in the event of a negative amount of interest accrued but not yet credited, DNB deems the amount to be credited to be zero for the purposes of setting the compensation;

#### **Section 3.4** [explanation →](#)

1. When the deposit guarantee scheme is triggered, a depositor must notify DNB of the presence of any temporarily high deposit. DNB provides a form for that purpose.

2. If a depositor claims the additional protection referred to in paragraph 1, DNB sets the additional protection per depositor per bank at the level of the amount originally deposited, with the proviso that:
  - a. the additional protection per depositor per bank cannot exceed EUR 500,000;
  - b. the total covered amount per depositor cannot exceed the combined balance of the deposits which the depositor holds with the bank.
3. If a deposit is transferred as referred to in the first paragraph to another account, the three-month protection period referred to in Section 29.02(4) of the Decree commences on the date on which the amount was deposited on the original account.
4. DNB can request a depositor to provide additional information on the temporarily high deposit if it wishes to examine the deposit.

#### **Section 3.5** [explanation →](#)

1. If a depositor holds one or more accounts with a bank established in the Netherlands and one or more accounts with a branch of the same bank in another Member State, DNB pays out the amount awarded to the depositor. The payout is not made through the DGS of the Member State in which the branch is established.
2. If a depositor holds accounts with branches of the same bank in various Member States other than the Netherlands, DNB pays out the covered amount to the depositor. The payout is not made through

a DGS authority of the Member State in which the branch is established.

#### **Section 3.6** [explanation →](#)

The calculation of accrued interest, as set out in Section 29.06(2) of the Decree, will be applied as follows in the case of a structured deposit within the meaning of Article 4(1)(43) of the Markets in Financial Instruments Directive 2014:

- a. to the extent that interest not yet credited on the date referred to in Section 29.06(2) of the Decree no longer depends on external market factors, it is deemed to be accrued within the meaning of Section 29.06(2) of the Decree;
- b. to the extent that interest or premiums not yet credited on the date referred to in Section 29.06(2) of the Decree are still subject to external market factors, they are not deemed to be accrued within the meaning of Section 29.06(2) of the Decree.

#### **Section 3.7** [explanation →](#)

1. In the case of deposits that have been marked in accordance with Section 6(1)(j) of the Single Customer View Policy Rule as annuity accounts within the meaning of the Income Tax Act 2001 or standing right savings accounts within the meaning of the Wages and Salaries Tax Act 1964, DNB will not make the compensation granted under the deposit guarantee scheme available automatically for

payout through the website as referred to in Section 29.07(1) of the Decree.

2. Before making the compensation available as referred to in the first paragraph, DNB will draw the depositor's attention to the possible tax consequences of immediate receipt of the compensation.
3. Where possible, DNB supports a structure whereby depositors can have that part of the compensation granted under the deposit guarantee scheme in respect of an annuity account as referred to in the Income Tax Act 2001 or the standing right savings account as referred to in the Wages and Salaries Tax Act 1964 paid to another account in which the applicable tax treatment can continue.

The Policy Rule and the explanatory notes will be published in the Government Gazette.

Amsterdam, 10 July 2017

De Nederlandsche Bank N.V.,

F. Elderson, Director

## Chapter 4 Final provisions

### Section 4.1

This Policy Rule will come into force on the day after its publication in the Government Gazette.

### Section 4.2

This Policy Rule must be cited as: Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme.

## Explanatory notes

### General matters

The Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme sets rules on aspects (i) for which the national rules give us discretionary room or (ii) which require further clarification. By means of the adopted amendments we provide clarity for depositors on the handling of various situations that may arise during a DGS payout. The Policy Rule describes the cover for escrow accounts, the treatment of temporarily high deposits, structured deposits and customers holding deposits in different countries. It thus provides the information necessary in order to compile the SCV, especially with regard to the handling of escrow accounts.

### Introduction to escrow accounts

The Deposit Guarantee Scheme (DGS) covers deposits up to EUR 100,000 per depositor per bank. Section 29.02(3) of the Bbpm provides protection for a third-party beneficiary if a depositor holds a deposit in their own name but does so for the benefit of a third-party beneficiary by virtue of a contract or statutory requirement. That third party is deemed to be the depositor, provided their identity can be determined prior to the date of the judgement or ruling which led to the triggering of the DGS.

The notes to Section 29.01 of the Bbpm cite the example of an escrow account operated by a civil-law notary. If a third-party beneficiary who is not the account holder is treated as the depositor, the following applies. The maximum of EUR 100,000 applies to the aggregate funds held by a beneficiary (the third party), both as a third party and as an account holder. Consider, for example, a notary's clients' account. An account of this type will hold a single balance that accrues to the joint beneficiaries. The share of each beneficiary is prorated according to the amount paid into this special-purpose account for each beneficiary.

Example: person A has a share of EUR 50,000 in the balance on a notary's clients' account at bank X. Person A also has a balance of EUR 60,000 on a savings account at bank X. Person A has an (indirect) claim on bank X totalling EUR 110,000. The DGS will pay out only the maximum of EUR 100,000, leaving EUR 10,000 unpaid. Person A has a claim of that amount on bank X. The amount that we compensate first is the beneficiary's claim not as a third party but as the account holder against the bank. This is because that amount must be paid out within a time period that will be reduced to seven working days over the next few years. By contrast, the period for awarding and paying compensation to a third-party beneficiary is three months (Section 29.05(4) of the Bbpm).

In order to claim remuneration under the DGS, it must first be ascertained that the product is a deposit and is eligible for payout under the DGS. In case of an escrow account the bank's records must show that it is a deposit held for third parties. This is part of the information to be submitted in the single customer view (SCV) compiled by the bank. The identity of the third party must then be evident from the bank's records.

According to the notes to Section 29.02 of the Bbpm, a further condition is that the third party's identity must be known to the bank before the DGS is triggered. This is apparently a reference to Section 29.06(1) of the Bbpm, which states that compensation will be awarded on the basis of the statutory provisions or contractual terms applicable to the covered deposits, the failed bank's record-keeping systems and any other relevant documents. According to the notes to this section DNB will decide on the claims of the respective depositors on the basis of the failed bank's records. This means that a third-party beneficiary can claim compensation under the DGS only if it can support its claim with information that already existed before the DGS was triggered.

The identity of the third party is not, however, entered in the bank's records. For this situation the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme introduces the term "professional record-

keeping”, where the identity of the third party appears in the records of the respective account holders. In this Policy Rule, DNB explains how it interprets and will apply the guiding principles referred to above.

## Notes on individual sections

### Chapter 1 General provisions

#### Section 1.1 [back to article](#) ←

Section 1.1 provides a number of definitions relevant to this Policy Rule. As noted in the general part of the explanatory notes, a third party's deposit can only be covered if its identity can be determined before the DGS is triggered. Compensation must also be granted on the basis of, among other things, the failed bank's records and any other relevant documents. Not all third parties will have been included in the failed bank's records, such as the clients of a notary who are beneficiaries of the notary's clients' account. At the same time not all documents can be deemed relevant to determining the compensation. DNB considers that only reliable documents that also exist before the triggering of the DGS can be relevant.

The term “professional record-keeping” has been defined in this connection. On the basis of “professional record-keeping” it is possible to determine reliably who the underlying third-party beneficiaries are. The

holders of professional records are undertakings that are supervised in one form or another.

The definition refers first to Section 1:1 of the Financial Supervision Act (hereinafter “the Act”). The records of financial undertakings are thus deemed to constitute professional record-keeping. Secondly the definition refers to the third paragraph of Section 3:5 of the Act, which prohibits anyone from inviting, obtaining or having at their disposal repayable funds from the general public. The Exemptions Regulation under the Financial Supervision Act (*Vrijstellingsregeling Wft*) exempts a variety of undertakings holding funds on behalf of third parties from this prohibition, such as civil-law notaries if they hold repayable funds in an account as referred to in Section 25 of the Civil-Law Notaries Act (*Wet op het notarisambt*). To ensure a consistent and clear framework, DNB follows this system of exemptions in terms of when a record-keeping system is considered to be sufficiently reliable to be able to establish the identity of the third-party beneficiary of a deposit if the DGS is triggered. Finally, the definition of professional record-keeping refers to the fourth paragraph of Section 3:5 of the Act, according to which the record-keeping of institutions holding an exemption from the prohibition on collecting repayable funds is also deemed to be professional record-keeping.

Other examples of holders of professional record-keeping are banks, payment service providers, bailiffs, receivers and administrators. An example of an account held by a receiver for third parties is a bankruptcy account. The receiver is appointed by the court and holds an account at a bank for an underlying third-party beneficiary, a bankrupt company. In this case the receiver has recorded the identity of the third party in the records. The receiver can thus be considered to be the holder of a professional record-keeping system.

In the definition of a professional record-keeping system it can be emphasised that if an account holder holds a deposit for third parties, the third parties are the depositors. They are entitled to compensation under the DGS. The definition of a professional record-keeping system can be deemed to include banks based on the definition of a financial undertaking. Banks are not eligible for the DGS if they are the beneficiary of the deposit (Section 29.01(2)(a) of the Bbpm).

For example, if a bank holds an account for customers and these third parties can be identified before the date of the judgement or ruling which led to the triggering of the DGS, these customers are the beneficiaries for a payout under the DGS. However, if a bank holds a deposit in its own name and for its own account, it is not eligible for a payout under the DGS in respect of that deposit.

It should be noted that Section 29.01 of the Bbpm excludes deposits of certain depositors. These include deposits of investment firms and investment institutions. Deposits held by such financial undertakings, however, belong not to that undertaking but to the third party. The deposit concerned is therefore covered by DGS to the extent that it is held for one or more third parties.

The definition of a “temporarily high deposit” was added for practical reasons in February 2019 (erroneously as a second item 1). The Policy Rule defines a “temporarily high deposit” as a deposit within the meaning of Section 29.02(4) of the Decree. It follows from the Bbpm that this is a deposit directly related to the fulfilment of a purchase contract for a private residential property within the meaning of Section 3.111 of the Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) for the first three months after the amount is deposited (Section 29.02(4) of the Decree).

## Chapter 2 Scope

### Part 2.1 Escrow accounts

#### Section 2.1 [back to article](#) ←

DNB states in Section 2.1 of this Policy Rule that a condition for DGS compensation is that the identity of the third party appears in the bank’s records on the

date of the judgement or ruling which led to the triggering of the DGS. An exception is the situation where the bank does not know the identity of the third party, but that identity is clear from the records of certain account holders. The term “professional record-keeping system” has been included and defined in this Policy Rule for this purpose.

In accordance with Section 2.1(b) of this Policy Rule, deposits of third-party beneficiaries whose identity is not clear in advance from the bank’s records, but who can be identified on the basis of the professional record-keeping systems of certain account holders, is covered under the DGS. This is subject to the condition that the bank’s records show in advance that the deposit is held on behalf of a third party or third parties. This may be clear, for example, from the name in which the account is held.

The Deposit Guarantee Schemes Directive (Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (recast), hereinafter referred to as “the Directive”) allows Member States to stipulate that deposits in an account to which two or more persons are entitled as members of a group without legal personality may be treated as if made by a single depositor (Article 7(2) of the Directive). The Netherlands has not used this option available to Member States. Under Dutch law, this would refer to partnerships, such as professional

partnerships, general partnerships and limited partnerships. A mutual fund would also be an example of a group without legal personality. It is also important to note that an account holder without legal personality would not be the beneficiary of the deposit. In such cases, the persons who are members of the group would be the beneficiaries of the deposit.

In the situations referred to above, although the deposit is held in the name of a group, it is held for the benefit of a third party. If this is based on a contract or statutory requirement – which will usually be the case – and the beneficiary’s identity can be established as referred to in Section 2.1 of this Policy Rule, the deposit should be allocated proportionally to the third party or parties.

The foregoing means that a person who is a member of a group can claim compensation for a portion of the deposit held by that group if the DGS is put into operation for the bank in question. This is subject to the condition that the bank where the funds are deposited must have registered the third-party beneficiaries of the funds in its records in some form. An example is the group’s formation document held on the bank’s files. In all cases, the identities of the third party or parties will need to be established unambiguously.

**Section 2.2** [back to article](#) ←

It follows from Section 2.2 of this Policy Rule that, in DNB's opinion, the amount of the claim must also be evidenced by information that already existed before the date of the judgement or ruling which led to the triggering of the DGS.

**Section 2.3** [back to article](#) ←

The addition of Section 2.3 in October 2021 provides clarity on the scope of the term 'public authorities' as used by DNB in the administration of the deposit guarantee scheme. This is important because the deposit guarantee scheme and the associated protection do not apply to public authorities. Practice shows that it is sometimes difficult to determine whether an entity is classified as a public authority.

Items (a) to (e) of the first paragraph identify the following five public authorities: the State, provinces, municipalities, water boards and public bodies of the BES islands. These public authorities are not covered by the deposit guarantee scheme and the associated protection. The Policy Rule is thus aligned with the explanatory memorandum accompanying the decree of 16 November 2015 containing provisions amending the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act (*Besluit bijzondere prudentiële maatregelen, beleggerscompensatie en depositogarantie Wft – Bbpm*), the Decree on Prudential Rules for Financial

Undertakings (*Besluit prudentiële regels Wft – Bpr*) and the Decree on Administrative Fines in the Financial Sector (*Besluit bestuurlijke boetes financiële sector*) in connection with the implementation of Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (recast) (OJEU 2014, L 173) (Deposit Guarantee Scheme Implementation Decree).

Item (f) of the first paragraph states that the deposit guarantee scheme and the associated protection similarly do not apply to foreign public authorities that are comparable to items (a) to (e).

The second paragraph provides additional clarity on entities in the public domain to which the deposit guarantee scheme and the associated protection do apply. This concerns public-law entities that are not a direct, integral part of the public authorities referred to in the first paragraph. By the same token, it should be noted that the deposit guarantee scheme and the associated protection also apply to private-law entities that are publicly owned. These are not only private-law entities in a legal sense, but there is also a significant difference between a public authority itself and the entities that it owns.

The distinction can be further clarified by some examples. The Council of State is a constitutionally established body without its own legal personality

that is directly part of the State of the Netherlands. The protection of bank deposits by the deposit guarantee scheme is therefore inapplicable. By way of comparison the Chamber of Commerce is also established by law, but it has been expressly laid down that the Chamber of Commerce has legal personality (Section 2 of the Chamber of Commerce Act). Hence it is a public-law entity that is not a direct and integral part of a public authority (because it has its own legal personality). A deposit held by the Chamber of Commerce is therefore eligible for protection under the deposit guarantee scheme.

**Section 2.4** [back to article](#) ←

Section 2.4 was added in October 2021 and provides clarity on the applicability of the deposit guarantee and the associated protection to deposits held by legal entities without legal personality that are undertakings to which the deposit guarantee scheme does not apply. Such clarification is desirable because, viewed individually, the deposit guarantee scheme could apply to the (underlying) persons who are members of a company, association or other grouping that does not possess legal personality.

In Section 2.4 DNB specifies that no compensation will be set for a depositor that is at the same time a legal entity without legal personality and an undertaking to which the deposit guarantee scheme does not apply. This relates to Section 29.01(2) of the Bbpm, which

states that the deposit guarantee scheme does not apply to deposits of certain groups of undertakings. A crucial point is that Section 29.02(3) of the Bbpm does not apply to these depositors. The section concerned specifies the treatment of escrow accounts, particularly the principle that in the case of an escrow account the third party qualifies as the depositor. This escrow account structure does not apply to regular deposits held by legal entities without legal personality. It follows that the deposit guarantee scheme and the associated protection do not apply to these depositors when a legal entity without legal personality belongs to an excluded category of undertakings.

Take, for example, a deposit of EUR 50,000 held by a general partnership in which two persons cooperate on an equal basis. At the same bank person A also has an individual account with a balance of EUR 20,000 and person B has an individual account with a balance of EUR 5,000. The partnership is classified as a financial institution within the meaning of Section 29.01(2)(a)(2).

In this example, DNB, in administering the deposit guarantee scheme, will determine that the partnership's deposit is not eligible for the deposit guarantee scheme and the associated protection because it is classified as a financial institution. Person A only receives compensation of EUR 20,000 for their individual account and the same applies to person B (compensation of EUR 5,000).

Now suppose that the general partnership is classified as an undertaking to which the deposit guarantee scheme and the associated protection do apply. Both persons' claims to the partnership's deposit will then be included in the compensation to be set for these persons. Person A will then receive compensation of EUR 45,000 and person B will receive compensation of EUR 30,000.

## Chapter 3 Execution

### Section 3.1 [back to article](#) ←

This section sets out how to deal with a situation in which a depositor has multiple deposits and an eligible amount that exceeds the level of cover provided by the DGS. Whether the situation involves a payout or a resolution, the question concerns the sequence that must be followed when implementing the payout or resolution.

Take, for example, the situation in which a depositor has a payment account with a balance of EUR 40,000 and a savings account with a balance of EUR 80,000. When the DGS is triggered, the depositor receives a payment of EUR 100,000, after which there is a residual claim of EUR 20,000 against the failed institution. A relevant point is whether this claim results from the payment account, the savings account or a proportionate combination of both.

To provide clarity with regard to execution, payouts under the guarantee system and resolution action, the third paragraph therefore sets out an order of priority of eligible deposits. Payment accounts rank highest, followed by savings accounts, fixed-term deposits and special accounts. The order of priority in terms of access to funds is therefore determined by the degree of liquidity.

In the above example the protective effect of the DGS therefore applies first to the payment account and only then to the savings account. This means that the depositor's residual claim of EUR 20,000 is due to the savings account, because the DGS pays full compensation for the EUR 80,000 payment account.

An accounts category was added in February 2019. This category comprises accounts on which DNB cannot establish the eligible amount – for whatever reason – on the basis of the information supplied by the bank. In this case, additional information must be obtained and an immediate payout is not possible. If a depositor holds more than one account, such an account ranks lowest in the order of priority. This addition to the ranking helps DNB establish which eligible deposits must be paid out or protected, but it does not require any administrative action on the part of the bank. The product categories referred to in Section 5(2) of the Single Customer View Policy Rule,

and hence the prescribed data model, will not be expanded as a result of this addition to the ranking.

In October 2021 the item “d. Special accounts” in the third paragraph was replaced by “d. Accounts which are not payment accounts, savings accounts or fixed-term deposits and whose eligible amount DNB can determine on the basis of the data supplied by the bank.” Within the ranking of eligible deposits item (d) thus now has a negative definition (stating which accounts do not fall within this category) instead of the previous positive definition. This better reflects the fact that this category includes all accounts which are not payment accounts, savings accounts or fixed-term deposits but whose eligible balance can be determined. The previous definition of special accounts was not sufficiently clear in this regard.

The fourth paragraph of Section 3.1, added in February 2019, describes how a situation is handled in which a depositor has more than one deposit in the same category in the ranking of eligible deposits. In that case the account with the lowest eligible balance is paid out first, followed by the account with the second lowest balance and so on, with due account being taken of the maximum covered amount per depositor per banking licence. This order of payout enables compensation to be paid for as many accounts as possible.

### **Section 3.2** [back to article](#) ←

In accordance with Section 29.06(3) of the Decree, the value of deposits held in a foreign currency is based as a rule on the European Central Bank’s reference rates. However, a deposit may be held in a currency for which the European Central Bank does not set any reference rates. In those cases DNB sets the reference rate. The new Section 3.2 lists the sources used for this purpose.

The first subsection provides that DNB will, where available, first use the relevant reference rate as set by the central bank that issues the currency in which the deposit is held.

In some cases, foreign central banks do not publish any reference rates, but they do publish buying and selling rates. The second paragraph states that in that case DNB will use a middle rate representing the average of the buying and selling rates.

The third paragraph states that if the options in the first and second paragraphs are unavailable, DNB can use exchange rates made available by exchange rate information providers, such as Bloomberg or Thomson Reuters, to set a reference rate.

### **Section 3.3** [back to article](#) ←

Under Article 7(4) of the DGSD, any liabilities the depositor has towards the bank are not taken into account when establishing the compensation amount.

This means that a depositor’s debts are not set off against credit balances when determining the covered amount, with the exception of bank savings deposits related to the purchase of a private residential property. This is also the basic principle of Section 29.07(3) of the Bbpm.

An overdraft balance on a payment account qualifies as a depositor’s liability to the bank. We will similarly not set off this liability against the depositor’s claim on the bank (the deposit) when establishing the compensation amount. The depositor will nonetheless still need to meet its liability towards the bank or the bank’s estate in bankruptcy.

Section 3.3, added in February 2019, makes clear that this procedure applies to both the account balance and any interest accrued but not yet credited. This is because Section 29.06(2) of the Decree states that a deposit is also deemed to include any amount of accrued interest. A negative amount of interest not yet set off against the deposit also qualifies as a depositor’s liability to the bank.

For example, if a depositor has a payment account with a credit balance of EUR 10 and a negative amount of EUR 30 of interest accrued but not yet debited (due to a previous overdraft), DNB deems the interest amount to be zero and sets the compensation at EUR 10. If a depositor has a payment account with a debit balance

of EUR 20 and a credit balance of EUR 5 in interest accrued but not yet credited (related to a previous credit balance), DNB deems the account balance to be zero and sets the compensation amount at EUR 5.

#### [Section 3.4 back to article](#) ←

Deposits held for the fulfilment of a contract for the purchase of a private residential property (“temporarily high deposits”) are an exception to the coverage level of EUR 100,000 per depositor per bank specified in Section 29.02(1) of the Bbpm. This is laid down in Section 29.02(4) of the Bbpm. Such a temporarily high deposit is afforded additional protection up to a maximum of EUR 500,000 per depositor for three months. The newly added Section 3.4 sets out how DNB offers this additional protection in practice.

A temporarily high deposit cannot be inferred from a bank’s records, so it will be up to the depositor to notify DNB when the DGS is triggered that they have a temporarily high balance resulting from the recent sale under a purchase contract for a private residential property. As stated in Section 29.05(5) of the Decree, a longer payout period is available for such a deposit.

The first paragraph describes a procedure for depositors to notify DNB that they are eligible for the additional protection relating to a temporarily high deposit. DNB provides a form to enable depositors to

report that a bank balance contains a temporarily high deposit requiring additional protection.

The second paragraph specifies how DNB incorporates the additional protection up to EUR 500,000 per depositor when setting the covered amount. Since a temporarily high deposit is not held separately, DNB cannot use the account balance to distinguish between regular deposits and temporarily high deposits. So as not to compromise the additional protection offered to depositors, DNB will calculate the amount of the additional protection in the case of a temporarily high deposit on the basis of the amount originally deposited as a result of a purchase agreement for a private residential property up to EUR 500,000 per depositor (item (a)). Naturally, the total protected amount – the sum of the regular protection up to EUR 100,000 per depositor per bank and the additional protection related to a temporarily high deposit – cannot exceed the aggregate balances held by a depositor with the bank (item (b)).

For example, on 5 January, a depositor has EUR 300,000 deposited in a payment account in relation to the sale of a home. The DGS is triggered in respect of the bank on 10 January. The protection afforded by the DGS in this situation is subject to a maximum of EUR 400,000. Suppose the account holder’s aggregate balance (and share in any jointly held accounts) is EUR 400,000. The depositor will then immediately receive

EUR 100,000 and can claim EUR 300,000 as an additional payout based on the protection of temporarily high deposits.

This is because the total covered amount can never exceed the combined balance of the deposits which the depositor holds with the bank. If the account holder’s total balance in this example at the time of the triggering of the DGS is EUR 300,000, they will immediately receive EUR 100,000 plus an additional EUR 200,000.

This is because the additional guarantee cannot exceed the purchase price of the private residential property. If the total balance of the depositor’s accounts in this example is EUR 600,000, the depositor will receive EUR 100,000 based on the regular protection plus an additional EUR 300,000.

The third paragraph covers the situation in which a depositor transfers the temporarily high deposit to another account with the bank at which it was originally deposited or with another bank. This could be because a depositor wishes to keep the amount in a savings account that offers a higher rate of interest than the payment account in which it was originally deposited. The third paragraph makes clear that the three-month protection period commences when the depositor initially receives the temporarily high amount.

	Account held at Dutch main office	Account held at Belgian branch	Account held at German branch	The DGS authority that pays out the compensation
Depositor 1		x		Belgium
Depositor 2	x	x		Netherlands
Depositor 3		x	x	Netherlands

The fourth paragraph emphasises that DNB may ask a depositor for information in addition to the information provided in the form referred to in the first paragraph to gain a clearer understanding of the purchase agreement on which the additional protection claim is based. Specifically, this is information needed to establish the transaction amount, the date of the agreement and the parties involved.

### [Section 3.5 back to article ←](#)

Under Article 14 of the DGSD, a DGS in the host Member State must compensate depositors of a branch established in that Member State on behalf of the DGS in the home Member State. The addition of Section 3.5 makes clear which DGS authority will reimburse depositors if they hold accounts at multiple branches of a bank having its registered office in the Netherlands.

If a depositor has accounts both at a branch of the bank in the Netherlands and at a branch abroad, DNB, as the DGS of the country where the banking licence was issued, will reimburse this depositor and the

payment will not go through the DGS of the Member State. This applies both to depositors in the Netherlands and to depositors in another Member State.

If a depositor does not hold any accounts with a bank's main office in the Netherlands but holds multiple accounts at two or more branches in other Member States, DNB will compensate the depositor in its capacity as the home DGS authority.

The current DGSD provides no means to deal with such situations. The solution in which a depositor in such a situation is paid out proportionately by different DGS authorities in different member states can be unclear to depositors and is therefore undesirable. The intended approach, in which the depositor receives a single payment from one DGS authority, is in the interest of the depositor. Several DGS authorities will adopt this approach in Europe at any rate.

The table below provides a number of examples to clarify the approach. Depositor 1 is compensated by the

Belgian DGS authority under Article 14 of the DGSD. Depositor 2 is compensated by DNB under Section 3.5(1). Depositor 3 is compensated by DNB under Section 3.5(2).

### [Section 3.6 back to article ←](#)

The Markets in Financial Instruments Directive (2014/65/EU, "MiFID II") defines a structured deposit as a deposit within the meaning of the DGSD that is paid out in full upon maturity (in line with Article 2(3)(B), of the DGSD). This means structured deposits are eligible for protection under the DGS.

A structured deposit differs from regular deposits in that the credit interest is not based on an agreed interest rate but on external market factors, such as indices.

In accordance with Section 29.06(2) of the Decree, which states that interest accrued but not credited is deemed part of a deposit, the new Section 3.6 describes how uncredited interest on a structured deposit should be treated when determining the covered amount.

Section 3.6 takes account of the fact that in a certain sense structured deposits do not carry any accrued interest before the reference date that is used in the definitive calculation of interest to be credited. This is because until the reference date price movements in the external factor that determines the interest due

can still cause upward or downward interest adjustments. In other words this is the non-protected investment component of the structured deposit.

The following example may serve to illustrate this. On 1 January a depositor has contracted a one-year structured deposit whose interest rate is linked to an equity index. The index equals 100 on 1 January. The closing price of the index on the 28 December reference date is used to determine the amount of interest to be credited. The interest is subsequently credited on 31 December. If the closing price exceeds 105, the depositor receives annualised interest of 5%. If the closing price is between 100 and 105 on the reference date, the depositor receives annualised interest equal to the rise in the index. If the index closing price is below 100 on the reference date, the depositor receives zero interest on an annual basis.

If in this case the covered amount under the DGS has to be determined on a date prior to 28 December, there is no certainty about the amount of interest to be credited, even if the index stands at 120, for example, on that date. This is the risk inherent in the investment component. In this case, the covered amount comprises only the principal of the deposit, without any interest being due.

If the date on which the amount of cover under the DGS has to be established is between the reference

date and the date of crediting, for example 30 December, there is certainty on the amount of interest to be credited. In such a case the covered amount also includes the amount that is certain to be credited.

### [Section 3.7 back to article](#) ←

Section 3.7 was added in October 2021. Annuity accounts and standing right savings accounts receive special tax treatment under the Income Tax Act 2001 and the Wages and Salaries Tax Act 1964. The failure of a bank holding such accounts would require the payout of the accrued capital and expose depositors to the risk that the tax benefits of such accounts could be lost.

For this reason Section 3.7 introduces special treatment for annuity accounts and standing right savings accounts in the administration of the deposit guarantee scheme. Although the DGS directive states that these deposits must also be made available to the depositor within the statutory period of ten working days (seven working days from 2024), the guiding principle must be avoidance of undesirable tax consequences. Another factor is that a depositor may be unaware of these tax consequences. In order to protect the depositor's interests, we are therefore building extra caution into the payout process.

The first paragraph states that we will not make compensation for annuity accounts and standing right savings accounts available automatically on the

website of the deposit guarantee scheme. This avoids the risk that a depositor will have the compensation paid out without being aware of the possible tax consequences.

The second paragraph states that we will draw the depositor's attention to the possible tax consequences of immediate receipt of compensation. The depositor reserves the right to receive the compensation and to have it paid out to a bank account of their choice. The third paragraph states that in our administration of the deposit guarantee scheme we are prepared to cooperate in providing compensation based on a tax-neutral payout. This could be a solution in line with the Protocol on the Streamlining of Capital Transfers drawn up by the Dutch Banking Association and the Dutch Association of Insurers. We cannot provide advance assurance that this option will be available. The ability to offer this solution depends in part on banks' readiness to support it at the specific time of execution of the deposit guarantee scheme. Guaranteeing tax neutrality may also pose technical challenges. The addition of Section 3.7 to the Policy Rule on the Scope and Execution of the Deposit Guarantee Scheme in any case creates a basis on which to facilitate such a solution.

### Closing remarks

Finally, a few general comments are added below to ensure a proper understanding of this Policy Rule.

With regard to the scope of the term “third-party beneficiary”, the following should be noted. If the account holder encumbers a deposit with a security interest, such as a pledge, this does not mean that the account holder is holding the deposit on behalf of the pledgee for the purposes of Section 29.02(3) of the Decree. The same applies to the situation where all or any part of a deposit has been attached. In other words, the deposit in question will count towards the calculation of the account holder’s aggregate covered deposits. However, rules of civil law will apply in answering the question of who would be entitled to a payout under the DGS.

The Directive requires the DGS payout deadline to be reduced in stages. In order to allow a payout to be made within the shorter payout period, DNB has drawn up the Single Customer View Policy Rule. The Policy Rule determines how a bank should administer deposits held for third parties. So as not to place an unreasonably high burden on banks, that Policy Rule and the present one are without prejudice to the provisions of the Regulation on Statements of Financial Institutions under the Financial Supervision Act (*Regeling staten financiële ondernemingen Wft*), according to which a bank does not need to consider the extent to which a deposit is held on behalf of third parties in its DGS reporting.

Finally, we note that the third party itself can ensure that compensation awarded under the DGS is actually paid. This is provided for in Section 29.07(1) of the Bbpm, which essentially states that “depositors” can ensure that compensation amounts awarded and made available are paid out. As noted, if a deposit is held on behalf of a third party, the third party is treated as the depositor. Under Section 29.05(4) of the Decree compensation payable to a third party must be paid within three months.

Amsterdam, 10 July 2017

De Nederlandsche Bank N.V.,

F. Elderson, Director

## 5 Amendments to the Regulation on Statements of Financial Institutions

Regulation amending the Regulation on Statements of Financial Institutions under Financial Supervision Act 2011 (*Regeling staten financiële ondernemingen Wft 2011*) in connection with the execution of the deposit guarantee scheme.

Regulation adopted by De Nederlandsche Bank N.V. on 28 June 2021, reference 2016/856173, amending the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011

De Nederlandsche Bank N.V.;  
Having regard to Section 131 of the Decree on Prudential Rules for Financial Institutions 2011 (*Besluit prudentiële regels Wft 2011*);

Having consulted the representative organisations involved;

Decreases as follows:

### Section i

The Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011 is amended to read as follows:

#### A

Annex 6.7 will read:

#### B

In Annex 15 the Tables A, B and C including explanatory notes are replaced by three new tables and explanatory notes.

### 6.7. Banks in the Netherlands other than unlicensed banks within the meaning of Section 2:11 of the Financial Supervision Act (DGS banks)

Statement	Frequency	Submission deadline
A - Liabilities eligible under the deposit guarantee scheme (DGS) – consolidated	Every calendar quarter	No later than on 28 April, 28 July, 28 October and 28 January; or, if this is a Saturday, Sunday or public holiday, the next working day.
B - Liabilities eligible under the deposit guarantee scheme (DGS) – per licensee (individual)	Every calendar quarter	No later than on 28 April, 28 July, 28 October and 28 January; or, if this is a Saturday, Sunday or public holiday, the next working day.
C - Liabilities eligible under the deposit guarantee scheme (DGS) – per licensee (individual)	Every calendar year	No later than on 28 January; or, if this is a Saturday, Sunday or public holiday, the next working day.
D - Liabilities eligible under the deposit guarantee scheme (DGS) – cross-border service by EEA Member State	Every calendar year	No later than on 28 January; or, if this is a Saturday, Sunday or public holiday, the next working day.

## A

Liabilities eligible under the deposit guarantee  
scheme (DGS) – consolidated

		Numbers of accounts in units <sup>10</sup>			Amounts in euros						
		At Dutch branches	At EEA branches	Total number of accounts (01+02)	From the Netherlands	From EEA branches	Total for the Netherlands and EEA branches (04+05)	Foreign subsidiaries, and branches outside EEA	Total (06+07)	Covered deposits according to bank record <sup>11</sup>	
		01	02	03	04	05	06	07	08	09	
Deposits (excluding deposits of credit institutions) as defined in the DGSD <sup>1</sup>	0010									V	
of which from the Netherlands or EEA branches respectively <sup>2</sup>	0020	V	V	B	V	V	B				
By legal status of creditors											
- public authorities	0030	V	V	B	V	V	B				V
- other financial undertakings <sup>3</sup>	0040	V	V	B	V	V	B				V
- business customers except financial undertakings - corporates <sup>4</sup>	0051	V	V	B	V	V	B				V
- business customers except financial undertakings - others <sup>4</sup>	0052	V	V	B	V	V	B				V
- retail customers	0060	V	V	B	V	V	B				V
Total of lines 0030 to 0060 inclusive	0070	B	B	B	B	B	B				B
of which bank savings deposits for a private residential property <sup>5</sup>	0080	V	V	B	V	V	B				
Total eligible for DGS according to this return (0051+0052+0060-0080)	0100	B	B	B	B	B	B				
Total eligible for DGS (010) by balance size and account type <sup>6</sup>											
of which =< EUR 100,000	0170	V	V	B	V	V	B				
EUR 100,000 - 200,000 (accounts with one beneficiary)	0180	V	V	B	V	V	B				
EUR 100,000 - 200,000 (joint and other accounts) <sup>7</sup>	0190	V	V	B	V	V	B				
>= EUR 200,000 (accounts with one beneficiary)	0200	V	V	B	V	V	B				
>= EUR 200,000 (joint and other accounts)	0210	V	V	B	V	V	B				
Total of lines 0170 to 0210 inclusive <sup>8</sup>	0220	B	B	B	B	B	B				
Total size of covered deposits based on numbers of deposits and balances <sup>9</sup>	1000						B				

## B

Liabilities eligible under the deposit guarantee  
scheme (DGS) – per licensee (individual)

		Numbers of accounts in units <sup>10</sup>			Amounts in euros						
		At Dutch branches	At EEA branches	Total number of accounts (01+02)	From the Netherlands	From EEA branches	Total for the Netherlands and EEA branches (04+05)	Foreign subsidiaries, and branches outside EEA	Total (06+07)	Covered deposits according to bank record <sup>11</sup>	
		01	02	03	04	05	06	07	08	09	
Deposits (excluding deposits of credit institutions) as defined in the DGSD <sup>1</sup>	0010									V	
of which from the Netherlands or EEA branches respectively <sup>2</sup>	0020	V	V	B	V	V	B				
By legal status of creditors											
- public authorities	0030	V	V	B	V	V	B				V
- other financial undertakings <sup>3</sup>	0040	V	V	B	V	V	B				V
- business customers except financial undertakings - corporates <sup>4</sup>	0051	V	V	B	V	V	B				V
- business customers except financial undertakings - others <sup>4</sup>	0052	V	V	B	V	V	B				V
- retail customers	0060	V	V	B	V	V	B				V
Total of lines 0030 to 0060 inclusive	0070	B	B	B	B	B	B				B
of which bank savings deposits for a private residential property <sup>5</sup>	0080	V	V	B	V	V	B				
Total eligible for DGS according to this return (0051+0052+0060-0080)	0100	B	B	B	B	B	B				
Total eligible for DGS (010) by balance size and account type <sup>6</sup>											
of which =< EUR 100,000	0170	V	V	B	V	V	B				
EUR 100,000 - 200,000 (accounts with one beneficiary)	0180	V	V	B	V	V	B				
EUR 100,000 - 200,000 (joint and other accounts) <sup>7</sup>	0190	V	V	B	V	V	B				
>= EUR 200,000 (accounts with one beneficiary)	0200	V	V	B	V	V	B				
>= EUR 200,000 (joint and other accounts)	0210	V	V	B	V	V	B				
Total of lines 0170 to 0210 inclusive <sup>8</sup>	0220	B	B	B	B	B	B				
Total size of covered deposits based on numbers of deposits and balances <sup>9</sup>	1000						B				

### Notes to Tables A and B

- These reports provide a list of deposits as defined in Section 1:1, Part 1.1.1. of the Wft, regardless of whether and to what extent the liabilities and/or customers are eligible for the DGS and are covered once the DGS has been activated.
  - Deposits held at the central bank, interbank deposits and deposits held through foreign subsidiaries or non-EEA branches must not be included in the list (column 07 must not be completed).
  - Account balances denominated in currencies other than euro must be converted at the reference rates published by the ECB on the final day of the reporting period. A bank can also perform this calculation using exchange rates published by exchange rate information providers.
  - All fields marked with a (V) must be completed. The fields marked with a (B) are calculated.
1. The basis is the total amount of deposits (excluding deposits of credit institutions) as defined in the DGSD. The amounts in line 0010 are in principle equal to the obligations in table 08.01.a. in FINREP: line 050 -/- 060 -/- 160 (for columns 010 + 020 + 030 where IFRS is used or columns 034 + 035 where GAAP is used), although this is not necessarily always the case, due to differences in specific regulations (IFRS/GAAP). If the amount in accordance with the definition in the DGSD (line 0010) differs from the liabilities in FINREP, the reporting entity may, at the request of DNB, issue a quantitative explanation of the difference between the two returns.
  2. Line 0020 concerns obligations (numbers and balances) assumed through Dutch-based branches/offices (columns 01 and 04), including through the provision of cross-border services, and obligations assumed through branches located in an EEA country (columns 02 and 05).
  3. Other financial undertakings are financial undertakings that are excluded from cover under Section 29.01(2)(a) of the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act. Escrow accounts in the name of a financial undertaking are included in line 0040, with the covered amount of these accounts being included in column 09.
  4. Line 0051 contains all accounts and amounts of corporates. Corporates are all enterprises with an annual turnover that exceeds the criterion defined in Article 2 of the European Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJEU 2003, L 124/16 (2003/361/EC)). Line 0052 contains the accounts and amounts of enterprises which fulfil the annual turnover criterion, as well as business customers that are not enterprises.
  5. These are bank savings deposits relating to private residential property, insofar as these are set off against a home loan pursuant to Section 3:265d of the Wft. These deposits are not paid out in accordance with Section 29.01(2)(e) of the Decree on Special Prudential Measures, Investor Compensation and Deposit Guarantees under the Financial Supervision Act.
  6. Account balances must be entered on one line only. For example, if an account has a balance of EUR 110,000, an amount of 110 must be reported on line 0180 or 0190, rather than an amount of 100 on line 0170 and 10 on line 0180 or 0190.
  7. "Other accounts" refers to all other accounts that have more than one beneficiary.
  8. The amounts shown on lines 0100 and 0220 must be the same and comprise both business and retail customers.
  9. This is a calculation of the total amount in covered deposits based on the number of deposits and balances, without taking account of depositors that have more than one account.
  10. The number of accounts (in units) held with Dutch-based offices/branches must be reported in column 01 and the number of accounts (in units) held with EEA branch offices in column 02 in each of the different balance categories, as specified in columns 04 and 05. If an individual account holder holds multiple accounts, the number of accounts per account holder and the balances on those accounts

- must not be aggregated. For example, one account holder has three accounts with balances of EUR 30,000, EUR 60,000 and EUR 120,000 respectively. On line 0170, up to EUR 100,000, you must enter the account with EUR 30,000 and the account with EUR 60,000, and enter the number of accounts, i.e. 2, on the same line in column 01 or 02. The account with EUR 120,000 must be reported on the line for balances > EUR 100,000, with the number of accounts, i.e. 1, being entered in column 01 or 02.
11. This represents the aggregate covered amount per depositor, as shown in the single customer view.

C

## Liabilities eligible under the deposit guarantee scheme (DGS) – by EEA branch

		Numbers of accounts in units <sup>5</sup>			Amounts in euros						
		At EEA branch in country A	At EEA branch in country B	At EEA branch in country C	At EEA branch in country Z	Total number of accounts at EEA branches <sup>6)</sup>	At EEA branch in country A	At EEA branch in country B	At EEA branch in country C	At EEA branch in country Z	Total at EEA branches <sup>6)</sup>
		01	02	03	30	31	32	33	34	61	62
EEA country (ISO code)	Z001	V	V	V	V		V	V	V	V	
Name of branch:	0010	V	V	V	V		V	V	V	V	
By legal status of creditors											
- business customers except financial undertakings - corporates <sup>1</sup>	0051	V	V	V	V	B	V	V	V	V	B
- business customers except financial undertakings - others <sup>1</sup>	0052	V	V	V	V	B	V	V	V	V	B
- retail customers	0060	V	V	V	V	B	V	V	V	V	B
Total eligible for DGS according to this return (0051+0052+0060)	0100	B	B	B	B	B	B	B	B	B	B
By balance size and account type <sup>2</sup>											
of which =< 100,000 euro	0170	V	V	V	V	B	V	V	V	V	B
EUR 100,000 - 200,000 (accounts with one beneficiary)	0180	V	V	V	V	B	V	V	V	V	B
EUR 100,000 - 200,000 (joint and other accounts <sup>3</sup> )	0190	V	V	V	V	B	V	V	V	V	B
>= EUR 200,000 (accounts with one beneficiary)	0200	V	V	V	V	B	V	V	V	V	B
>= EUR 200,000 (joint and other accounts)	0210	V	V	V	V	B	V	V	V	V	B
Total of lines 0170 to 0210 inclusive <sup>4</sup>	0220	B	B	B	B	B	B	B	B	B	B

### Explanatory notes for Table C

- These reports provide a list of deposits as defined in Section 1:1, Part 1.1.1. of the Wft, for each EEA branch, regardless of whether and to what extent the liabilities and/or customers are eligible for the DGS and are covered once the DGS has been activated.
  - Account balances denominated in currencies other than euro must be converted at the reference rates published by the ECB on the final day of the reporting period. A bank can also perform this calculation using exchange rates published by exchange rate information providers.
  - All fields marked with a (V) must be completed. The fields marked with a (B) are calculated.
  - For all countries where your institution has no EEA branch, a 'o' must be entered in every yellow field.
1. Line 0051 contains all accounts and amounts of corporates. Corporates are all enterprises with an annual turnover that exceeds the criterion defined in Article 2 of the European Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJEU 2003, L 124/16 (2003/361/EC)). Line 0052 contains the accounts and amounts of enterprises which fulfil the annual turnover criterion, as well as business customers that are not enterprises.
  2. Account balances must be entered on one line only. For example, if an account has a balance of EUR 110,000, an amount of 110 must be reported on line 0180 or 0190, rather than an amount of 100 on line 0170 and 10 on line 0180 or 0190.
  3. "Other accounts" refers to all other accounts that have more than one beneficiary.
  4. The amounts shown on lines 0100 and 0220 must be the same and comprise both business and retail customers.
  5. In column 01 (and the following columns, depending on the number of branches) the number of accounts (in units) held at EEA-based branches in each of the different balance categories must be reported. If an individual account holder holds multiple accounts, the number of accounts per account holder and the balances on those accounts must not be aggregated. For example, one account holder at the Belgian branch has three accounts with balances of EUR 30,000, EUR 60,000 and EUR 120,000 respectively. On line 0170, up to EUR 100,000, you must enter the account with EUR 30,000 and the account with EUR 60,000, and enter the number of accounts, i.e. 2, on the same line in column 01. The account with EUR 120,000 must be reported on the line for balances > EUR 100,000, with the number of accounts, i.e. 1, being entered in column 01.
  6. The totals in columns 31 en 62 are equal to the respective returns in columns 02 and 05 in Table A.

## D

Liabilities eligible under the deposit  
guarantee scheme (DGS) – cross-border  
services by EEA Member State

		Numbers of accounts in units <sup>5</sup>			Amounts in euros						
		Under EEA passport in country A	Under EEA passport in country B	Under EEA passport in country C	Under EEA passport in country Z	Total number of accounts under EEA passports	Under EEA passport in country A	Under EEA passport in country B	Under EEA passport in country C	Under EEA passport in country Z	Total under EEA passports
		01	02	03	30	31	32	33	34	61	62
EEA country (ISO code)	Z001	V	V	V	V		V	V	V	V	
By legal status of creditors											
- business customers except financial undertakings - corporates <sup>1</sup>	0051	V	V	V	V	B	V	V	V	V	B
- business customers except financial undertakings - others <sup>1</sup>	0052	V	V	V	V	B	V	V	V	V	B
- retail customers	0060	V	V	V	V	B	V	V	V	V	B
Total eligible for DGS according to this return (0051+0052+0060)	0100	B	B	B	B	B	B	B	B	B	B
By balance size and account type <sup>2</sup>											
of which =< 100,000 euro	0170	V	V	V	V	B	V	V	V	V	B
EUR 100,000 - 200,000 (accounts with one beneficiary)	0180	V	V	V	V	B	V	V	V	V	B
EUR 100,000 - 200,000 (joint and other accounts) <sup>3</sup>	0190	V	V	V	V	B	V	V	V	V	B
>= EUR 200,000 (accounts with one beneficiary)	0200	V	V	V	V	B	V	V	V	V	B
>= EUR 200,000 (joint and other accounts)	0210	V	V	V	V	B	V	V	V	V	B
Total of lines 0170 to 0210 inclusive <sup>4</sup>	0220	B	B	B	B	B	B	B	B	B	B

In Annex 15, after the notes to table C, a new table with explanatory notes is added, worded as follows:

#### Explanatory notes for Table D

- These reports provide a list of deposits as defined in Section 1:1, Part 1.1.1. of the Wft, regardless of whether and to what extent the liabilities and/or customers are eligible for the DGS and are covered once the DGS has been activated, under an EEA passport for the provision of services (Section 2:110 of the Financial Supervision Act).
  - Account balances denominated in currencies other than euro must be converted at the reference rates published by the ECB on the final day of the reporting period. A bank can also perform this calculation using exchange rates published by exchange rate information providers.
  - All fields marked with a (V) must be completed. The fields marked with a (B) are calculated.
  - For all countries where your institution does not collect deposits under an EEA passport, a '0' must be entered in every yellow field.
1. Line 0051 contains all accounts and amounts of corporates. Corporates are all enterprises with an annual turnover that exceeds the criterion defined in Article 2 of the European Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized

enterprises (OJEU 2003, L 124/16 (2003/361/EC)). Line 0052 contains the accounts and amounts of enterprises which fulfil the annual turnover criterion, as well as business customers that are not enterprises.

2. Account balances must be entered on one line only. For example, if an account has a balance of EUR 110,000, an amount of 110 must be reported on line 0180 or 0190, rather than an amount of 100 on line 0170 and 10 on line 0180 or 0190.
3. "Other accounts" refers to all other accounts that have more than one beneficiary.
4. The amounts shown on lines 0100 and 0220 must be the same and comprise both business and retail customers.
5. In column 01 (and the following columns, depending on the number of branches) the number of accounts (in units) held at EEA-based branches in each of the different balance categories must be reported. If an individual account holder holds multiple accounts, the number of accounts per account holder and the balances on those accounts must not be aggregated. For example, one account holder at the Belgian branch has three accounts with balances of EUR 30,000, EUR 60,000 and EUR 120,000 respectively. On line 0170, up to EUR 100,000, you must enter the account with EUR 30,000 and the account with EUR 60,000, and enter the number of accounts, i.e. 2, on the same line in column 01.

The account with EUR 120,000 must be reported on the line for balances > EUR 100,000, with the number of accounts, i.e. 1, being entered in column 01.

**SECTION II**

This Regulation will come into force on 1 October 2021.

This Regulation and the accompanying explanatory notes will be published in the Government Gazette.

Amsterdam, 28 June 2021

De Nederlandsche Bank N.V.

N.C. Stolk-Luyten

Director

## Explanatory notes

in July 2017 the Regulation on Statements of Financial Institutions under the Financial Supervision Act 2011 was expanded to include Annex 15, which comprises tables for the DGS reports. Banks must provide information on the deposits covered under the deposit guarantee scheme based on Tables A and B. With Table C a bank issues data on deposits collected through branches in EEA countries.

These tables include a statement of the deposits of business customers other than financial undertakings. This return is split into two lines, so a subdivision is made into deposits of corporates and other business customers. This amendment contributes to the resolution of banks, since corporates' eligible deposits rank lower in the hierarchy of creditors. The classification is consistent with the marker in the SCV file referred to in section 7(2)(a) of the Single Customer View Policy Rule. This division means the line numbering is increased to 4 digits.

In Tables A and B column 09 can from now on be completed for lines 0030 and 0040. This provides flexibility for future changes in customers' eligibility. It also becomes possible to enter in line 0040 the amount of covered deposits on escrow accounts held in the name of financial undertakings.

Table D is also added, whereby banks make an annual return of deposits collected through cross-border services under an EEA passport. This report was already requested on an ad hoc basis.

The submission deadlines are amended to ensure compliance with the reporting obligation laid down in Article 16(1) of Delegated Regulation (EU) 2015/63, which stipulates that by 31 January each year deposit guarantee schemes must provide resolution authorities with the amount of covered deposits in the previous year of all their member credit institutions. Since the submission deadlines thus differ from the submission deadlines for FINREP, the obligations in Table 08.01.a. in FINREP (line 200 and the old Tables A and B) no longer have to be reported. As soon as the FINREP report has been submitted, however, banks must be able to provide, at DNB's request, a quantitative explanation of the difference between the amounts as defined in the DGSD (line 0010) and the obligations in FINREP.

The following should be noted with regard to the date on which the Regulation comes into effect. Banks are required to report for the first time in accordance with the amended regulation on the period ending on 31 December 2021.

Amsterdam, 28 June 2021

De Nederlandsche Bank N.V.

N.C. Stolk-Luyten  
Director

## 6 Example

### Annex – Worked example

This annex provides a worked example of how a bank, in this case the fictitious ABC Bank, should deal with markers for the different purposes for which the SCV is used.

In the example, ABC Bank has 14 customers and 30 accounts.<sup>1</sup> Most customers have multiple accounts, as shown in the (simplified) single customer view. The customers and the products they hold have different characteristics. This is reflected in the markers that a bank must apply on the basis of the Single Customer View Policy Rule.

On the basis of these markers, a bank will calculate the covered amount for each depositor in accordance with the various rules that govern the calculation of (i) the deposit base (from which the quarterly levies are derived)<sup>2</sup> and (ii) the amounts of compensation to be paid, automatically or otherwise.<sup>3</sup>

The example explains how the markers are to be used in the different reports. For example, customer 7 will see the full amount held in the escrow account (EUR 140,000) registered in their name included in the deposit base for the purpose of calculating the quarterly levies. At the same time, the bank's records do not show who the underlying third-party beneficiaries are. This deposit does not allow for automatic payout and hence the account balance will not count in the calculation of the eligible and covered amounts as requested in preparation for a DGS payout or resolution.

The example report shows ABC Bank's report based on the simplified SCV.

<sup>1</sup> This example is a simplified SCV. Not all data fields are included.

<sup>2</sup> Section 4(3) of the Single Customer View Policy Rule.

<sup>3</sup> Section 4(2) of the Single Customer View Policy Rule.

Data in SCV file												Information derived from SCV file data			
SCV-ID	Depositor	Country/branch	Customer identified unambiguously	Type of depositor	Customer is eligible	Client is deceased	Product (deposit)	Product type	Product is eligible	Blocked	Balance (including interest)	Covered amount in accordance with quarterly report	Automatic processing of DGS payout	Manual processing of DGS payout	Note
o1	Customer 1	NL	Yes	Government authority	No	Na	Account 1 Account 2	Current account Savings account	Na Na		200.000 30.000 <u>230.000</u>	_____o	_____o	_____o	Government bodies are not eligible under DGS
o2	Customer 2	NL	Yes	Government authority	No	Na	Account 3	Current account	Na		_____45.000	_____o	_____o	_____o	Government bodies are not eligible under DGS
o3	Customer 3	NL	Yes	Financial corporation	No	Na	Account 4 Account 5	Current account Fixed-term deposit	Na Na		400.000 35.000 <u>435.000</u>	_____o	_____o	_____o	Financial corporations are not eligible under DGS
o4	Customer 4	NL	Yes	Financial corporation	No	Na	Account 6 Account 7 Account 8	Current account Savings account Escrow account	Na Na Na		10.000 240.000 20.000 <u>270.000</u>	_____20.000	_____o	_____20.000	Financial corporations are not eligible under DGS
o5	Customer 5	NL	Yes	Corporate customer - corporate	Yes	Na	Account 9 Account 10	Current account Current account	Yes Yes		30.000 40.000 <u>70.000</u>	_____70.000	_____70.000	_____o	
o6	Customer 6	NL	Yes	Corporate customer - other	Doubt	Na	Account 11 Account 12	Savings account Fixed-term deposit	Yes Yes		20.000 300.000 <u>320.000</u>	_____100.000	_____o	_____100.000	Doubt as to whether customer is eligible, but amount is shown in quarterly report
o7	Customer 7	NL	Yes	Corporate customer - other	Yes	Na	Account 13	Escrow account	Yes		_____140.000	_____140.000	_____o	_____140.000	Escrow account to be shown fully in quarterly report
o8	Customer 8	DU	Yes	Corporate customer - other	Yes	Na	Account 14 Account 15 Account 16	Current account Savings account Savings account	Yes Yes Yes		30.000 1.000 15.000 <u>46.000</u>	_____46.000	_____46.000	_____o	Customer through EEA branch
o9	Customer 9	NL	No	Retail customer	Yes	No	Account 17	Current account	Yes		_____10.000	_____10.000	_____o	_____10.000	Doubt about unambiguous identification, but amount is shown in quarterly report

Data in SCV file												Information derived from SCV file data			
SCV-ID	Depositor	Country/branch	Customer identified unambiguously	Type of depositor	Customer is eligible	Client is deceased	Product (deposit)	Product type	Product is eligible	Blocked	Balance (including interest)	Covered amount in accordance with quarterly report	Automatic processing of DGS payout	Manual processing of DGS payout	Note
10	Customer 10	NL	Yes	Retail customer	Yes	No	Account 18 Account 19 Account 20	Current account Savings account Other fiscal accounts	Yes Yes Doubt		-500 2.000 10.000 <u>11.500</u>	<u>12.000</u>	<u>2.000</u>	<u>10.000</u>	Negative balance is debt and will not be settled with DGS compensation  Doubt as to whether deposit is eligible, but amount is shown in quarterly report  Negative total amounts are set to 0 for quarterly reporting
11	Customer 11	NL	Yes	Retail customer	Yes	No	Account 21 Account 22 Account 23	Current account Savings account Other fiscal accounts	Yes Yes Yes		10.000 20.000 300 <u>30.300</u>	<u>30.300</u>	<u>30.300</u>	<u>0</u>	Correct SCV, no special comments
12	Customer 12	NL	Yes	Retail customer	Yes	No	Account 24 Account 25 Account 26	Current account Current account Savings account	Yes Yes Yes	Yes	30.000 3.000 15.000 <u>48.000</u>	<u>48.000</u>	<u>18.000</u>	<u>30.000</u>	Blocked account is shown in quarterly report
13	Customer 13	BE	Yes	Retail customer	Yes	Yes	Account 27 Account 28	Savings account Savings account	Yes Yes		5.000 300 <u>5.300</u>	<u>5.300</u>	<u>5.300</u>	<u>0</u>	Customer is deceased, amount is shown in quarterly report. Customer through EEA branch
14	Customer 14	NL	Yes	Retail customer	Yes	No	Account 29 Account 30	Savings account Bank savings deposit for private residential property	Yes No		5.000 150.000 <u>155.000</u>	<u>5.000</u>	<u>5.000</u>	<u>0</u>	Account 30 is a bank savings deposit for private residential property

		Number of accounts (in units) <sup>8</sup>			Amounts in thousands of euros					
		Number of accounts with Dutch branches	Number of accounts with EEA branches	Total number of accounts	Through Dutch branches	Through EEA branches	Total through Dutch and EEA branches (04+05)	Foreign subsidiaries and non-EEA branches	Total (06+07)	Covered deposits as shown in bank's records <sup>9</sup>
		01	02	03	04	05	06	07	08	09
Deposits (other than from credit institutions) <sup>1</sup>	001								1,816,100	
of which through Dutch branches and EEA branches respectively <sup>2</sup>	002	28	2	30	1,764,800	51,300	1,816,100			
Creditors by legal status	002									
- government authorities	003	3	0	3	275,000	0	275,000			0
- other financial corporations <sup>3</sup>	004	5	0	5	705,000	0	705,000			0
- corporate customers other than financial corporations	005	5	3	8	530,000	46,000	576,000			356,000
- retail customers	006	12	2	14	254,800	5,300	260,100			110,600
Total of lines 003 to 006 (equal to line 001a column 08)	007	25	5	30	1,764,800	51,300	1,816,100		1,816,100	466,600
of which bank savings deposits for private residential property	008	1	0	1	150,000	0	150,000			
Total eligible under DGS as shown in this statement (005+006-008) <sup>4</sup>	010	16	5	21	634,800	51,300	686,100			
Total eligible under DGS by account balance (010) and type of account 5) <sup>5</sup>										
of which ≤ EUR 100,000	017	14	5	19	194,800	51,300	246,100			
EUR 100,000 - EUR 200,000 (accounts held by one beneficiary)	018	0	0	0	0	0	0			
EUR 100,000 - EUR 200,000 (joint accounts and other accounts) <sup>6</sup>	019	0	0	0	0	0	0			
≥ EUR 200,000 (accounts held by one beneficiary)	020	2	0	2	440,000	0	440,000			
≥ EUR 200,000 (joint accounts and other accounts)	021	0	0	0	0	0	0			
Total of lines 017 to 021 <sup>7</sup>	022	16	5	21	634,800	51,300	686,100			
Total covered deposits based on number of deposits and account balances <sup>10</sup>	100						486,100			

## Consistency between SCV file and quarterly reports

### Guiding principles:

- A bank must create the SCV file using an SCV system. The bank must ensure that the SCV system reconciles with its source systems (see Chapter 5 of the Single Customer View Policy Rule).
- The SCV file must contain all single customer views (SCVs), including those of depositors ineligible for the DGS (see Section 2 of the Single Customer View Policy Rule). The SCV file must contain the required data for all of the bank's depositors, i.e. their deposits (accounts), the account balances and the interest accrued but not yet credited as at the reference date (in accordance with Section 29.06(2) of the Bbpm).
- The SCV file must contain the markers required for each SCV. These are important for processing in quarterly reports and in an actual payout situation.
- The SCV file must also specify the country where the deposits are held (if they are held at a branch in an EEA Member State).

The following rules apply, subject to the EUR 100,000 maximum per SCV, for calculating the amount of the covered deposits for quarterly reporting purposes, i.e. the return referred to in Section 4(3) of the Single Customer View Policy Rule).

- The balances shown in the quarterly reports include the interest accrued but not yet credited on the reference date.
- A bank can use exchange rates published by exchange rate information providers in order to calculate the eligible and covered amounts.
- Accounts with a debit balance are included in the SCV file with the actual balance. In the quarterly reports, these accounts are included with a balance of €0. They are included in the total number of accounts, so the number of accounts in the quarterly report matches the number of accounts in the SCV file.
- Deposits held by depositors (customers) whose identity cannot be established with a high degree of certainty **must** be included.
- Deposits held by depositors (customers) whose eligibility for the DGS is doubtful **must** be included.
- Deposits held by deceased depositors (customers) **must** be included.
- Deposits (products) whose eligibility for the DGS is doubtful **must** be included.
- Deposits with the following markers (blockings) **must** be included:
  - deposits arising from transactions associated with a criminal conviction for money laundering, as referred to in Section 29.01(2) of the Bbpm;
  - deposits that are the subject of a legal dispute, as referred to in Article 8(5)(a) of the Deposit Guarantee Schemes Directive;
- deposits that are subject to restrictive measures imposed by national governments or international bodies, as referred to in Article 8(5)(b) of the Deposit Guarantee Schemes Directive;
- deposits which have been pledged in favour of a third party, which have been attached or which are being managed by an administrator;
- deposits that are blocked under the laws of the country where the deposit is held, to the extent that the blocking is relevant to a deposit guarantee scheme payout.
- The full account balance must be included for deposits held on behalf of third-party beneficiaries under a contract or a statutory requirement (escrow accounts), unless the bank can perform an accurate calculation in accordance with Section 4(3)(e) of the Single Customer View Policy Rule. The alternatives are:
  - The number of third parties multiplied by the maximum covered amount.
  - The sum of the covered amounts of each third party individually, taking into account the maximum covered amount per depositor per banking licence, with no requirement for the bank to take into account other deposits that the third party holds at the bank.
  - Including the covered amount of each third party individually, taking into account the maximum covered amount.

A bank must be able to show which method has been used to calculate the amount.

- Escrow accounts of financial undertakings, including escrow accounts held by banks in their own name for the account of third parties, must be included in line 0040 “other financial undertakings”, and the corresponding covered amount must be included in column 09.
- Bank savings deposits for a private residential property, as referred to in Section 29.01(2)(e) of the Bbpm **must not** be included.

If a deposit has any of these markers, the SCV must be processed manually in the event of an actual payout.