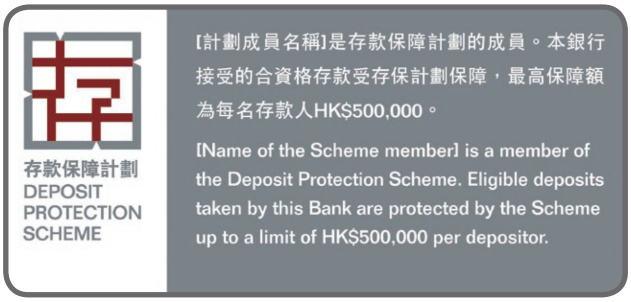
Deposit Protection Scheme at a Glance

- The Deposit Protection Scheme (DPS) is a statutory scheme established to protect bank depositors. All licensed banks, including virtual banks, are required to participate in the DPS as a Scheme member unless otherwise exempted by the Hong Kong Deposit Protection Board (the Board). It is a statutory requirement for all Scheme members to display a membership sign at their places of business, where applicable.



- Each depositor’s aggregate deposits in a Scheme member are protected up to a limit of HK$500,000. In the event of a bank failure, the compensation payable to a depositor is determined on a gross basis without deducting any liabilities owed by the depositor to the bank concerned, and the target time frame for making full compensation payments to depositors is within seven days in most cases.

- The DPS covers deposits denominated in Hong Kong dollars, renminbi or any other currencies.

- Eligible deposits held with Scheme members are legally protected by the DPS without the need for registration or application. Depositors are not required to pay for the protection.

- Deposits such as term deposits with a maturity longer than five years, structured deposits, bearer instruments, offshore deposits, and non-deposit products such as bonds, stocks, warrants, mutual funds, unit trusts, insurance policies and virtual assets, fall outside the scope of DPS protection.

- All Scheme members make contributions to the Deposit Protection Scheme Fund (DPS Fund). The target fund size is 0.25% of the total amount of protected deposits held with all Scheme members, which is equivalent to about HK$6.5 billion in 2024.

- Scheme members’ contributions are assessed annually using a differential levy system with reference to the supervisory rating of each Scheme member as determined by the Hong Kong Monetary Authority (HKMA).