

Chapter III

Deposit Insurance Scheme

Article 128

In addition to the deposit insurance fund for participatory banks mentioned in the article 67 above, it is established a *Fonds Collectif de Garantie des Dépôts*, which is referred to in this chapter by the "fund" in order to protect depositors.

Article 129

The objective of the fund is to compensate depositors in the case of unavailability of their deposits or any other repayable funds.

The fund may also provide a credit institution facing difficulties with repayable loans or take a share in its capital.

Article 130

The credit institutions licensed to collect deposits from the public are required to adhere to the fund and to contribute to its funding through the payment of regular premiums following the guidelines provided by Circular of the Governor of Bank Al-Maghrib, after consulting the Credit Institutions Committee.

Article 131

The guarantee of fund covers all deposits and other repayable funds collected by a credit institution, excluding deposits and funds received from:

- Other credit institutions;
- Its own subsidiaries, members of its governing body and management, its shareholders that are holding at least 5% of voting rights;
- Institutions which provide services mentioned in the articles 7 and 16 above;
- Entities mentioned in the second and third subparagraph of the article 19 above;
- Institutions mentioned in 1), 2), 3), 4), 6) and 7) paragraphs of the article 23 above.

Article 132

A limited company shall be established, called “Managing Company”, which is entrusted, in line with the specifications determined by Bank Al-Maghrib, to manage the deposit guarantee funds stated in the articles 67 and 128 above and to contribute to resolve the difficulties of credit institutions.

These specifications define in particular:

- Requirements relating to the running of the Managing Company;
- Conditions of its contribution to resolve the difficulties of credit institutions;
- Code of conduct to be observed by the board of directors and the staff of the Managing Company;
- Information sharing arrangements between Bank Al-Maghrib and the Managing Company.

Article 133

The Managing Company shall be governed by the provisions of this Chapter, by the provisions of the Law No. 17-95 relating to Limited Companies and by its own statutes.

Article 134

The statutes of the Managing Company and any changes made to them should be approved in advance by Bank Al-Maghrib.

Article 135

The capital of the Managing Company shall be held by Bank Al-Maghrib and the credit institutions which are members of deposit guarantee funds.

Its board of directors shall be chaired by the Governor of Bank Al-Maghrib or any other person delegated by him for this purpose.

Aside the provisions of Law No. 17-95 relating to Limited Companies as amended and supplemented, the statutes of Managing Company shall set the number of directors, as well as the independent directors who shall be appointed by the Governor of Bank Al-Maghrib.

Article 136

In the case where a credit institution member facing difficulties likely to result the unavailability of deposits, the Managing Company may, after consulting Bank Al-Maghrib and asking the credit institution to submit an acceptable recovery plan, provide the credit institution with repayable financial support or take a stake in its capital or the capital of an institution resulting from the application of the provisions of 2), 3) and 4) paragraphs of the article 115 aforementioned.

Article 137

In the case where Bank Al-Maghrib finds that a credit institution member is no longer able to give back deposits or other repayable funds because of its financial situation and there is no indication that this refund may have place shortly, it shall inform the members of the board of directors of the Managing Company in order to trigger the compensation of depositors.

In the case where the fund's resources are not sufficient to compensate depositors, the Managing Company may, following the conditions set by Governor of Bank Al-Maghrib, require credit institutions to pay additional premiums.

The Managing Company can also issue bonds or sukuk, regardless the provisions of article 293 of the Law No. 17-95 on Limited Companies.

This issuance is not subject to the provisions of Title II of Dahir No. 1-93-212 of 4 Rabii II 1414 (21 September 1993) relating to the Conseil déontologique des valeurs mobilières and the required information for institutions collecting public savings, as amended and supplemented.

Article 138

The compensation of depositors is held up to a maximum coverage per depositor, natural or legal person, set by Bank Al-Maghrib.

The target dates for the compensation are set by Bank Al-Maghrib. The deposit guarantee funds are subrogated to the rights of depositors up to the amounts already paid.

Article 139

In the case of liquidation of a credit institution that benefited from repayable financial support, the Managing Company has got a privilege on the proceeds of liquidation to recover its claim which is next after Treasury preference as mentioned in the article 109 of law No. 15-97 concerning code of public debt collection.

Article 140

The Managing Company has to disclose information to the public on its mandate regularly in line with the instructions set by Bank Al-Maghrib.

Article 141

The Managing Company may sign any cooperation and information sharing agreement with associations or foreign institutions which are responsible for a similar mandate.

Article 142

The conditions under which the deposit guarantee funds 'resource are managed by the company and its interventions are set by the circular of the Governor of Bank Al-Maghrib, after consulting the credit institutions committee.