



Deposit Protection Corporation
Subsidiary of State Bank of Pakistan
SBP, Boulton Market Building
M.A Jinnah Road
KARACHI

DPC Circular No. 2

May 31, 2018

The Presidents/Chief Executives
All Banks/DFIs/MFBs

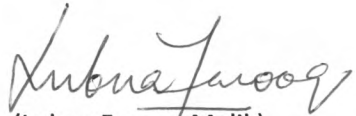
Dear Sir/Madam,

Declaration of Commencement of Business of Deposit Protection Corporation

Consequent upon the promulgation of Deposit Protection Corporation Act, 2016 (the Act), the Deposit Protection Corporation has been established as a subsidiary of State Bank of Pakistan for protection of small depositors in order to ensure financial stability of the system.

2. The objective of the Corporation as enshrined in Section 5 of the Act is "to compensate the depositors for losses incurred by them to the extent of protected deposits in the event of failure of a member institution, as notified by State Bank of Pakistan under sub-section (1) of Section 21".
3. In this backdrop, it is hereby announced that the Deposit Protection Corporation shall commence its business with effect from 1st June, 2018. Further, in terms of Section 33 and 7(4) of DPC Act, Deposit Protection Regulations for banks and guaranteed amount will be communicated in due course.
4. Please acknowledge receipt.

Yours truly,


(Lubna Farooq Malik)
Managing Director