

**New Brunswick Credit Union Deposit Insurance Corporation**  
**Interpretation Bulletin 2012-01 Deposit Insurance Bylaw**

**Joint Deposits**

Purpose

To assist members and the staff of stabilization boards and credit unions who provide information to their members on deposit insurance.

Issue

A member could hold deposits jointly with a non member or with another member.

When deposits are held jointly with another member, all “joint deposits” of the two members’ accounts will be considered as a single deposit. Thus the “joint deposits” may be held under two different memberships but will be considered a single total for deposit insurance purposes.

Examples:

1. Mr. John Doe is a member of the credit union. His spouse does not hold a separate membership in the credit union. Under his membership he holds the following joint deposits with his spouse.

Term deposit \$300,000  
Checking account \$50,000  
Total coverage \$250,000

2. Mr. John Doe is a member and his spouse has her own membership in the credit union.

Joint deposits held under John Doe’s membership:

Term deposit \$200,000  
Checking account 100,000

Joint deposits held under his spouse’s membership:

Term deposit \$150,000

Total deposit insurance coverage available is \$250,000.

The fact that joint deposits are held in more than one membership account does not increase the total deposit insurance available for joint deposits held.

For deposit insurance purposes the records of the credit union must demonstrate that:

- the deposit is jointly owned, and
- the name and address of each of the joint owners.

The above interpretation is based on the by-laws of the Corporation which include the following provisions for joint deposits:

“For the purpose of deposit insurance with the Corporation where a depositor (i.e. a member) who is acting as trustee for another or as joint owner with another, if the trusteeship or joint interest is disclosed on the records of the credit union, the deposit shall be deemed for the purpose of deposit insurance with the Corporation to be a deposit separate from any deposit of the depositor acting in his own right or acting in another joint or trust capacity with the credit union.

For greater certainty, where two or more members are joint owners of two or more deposits, the aggregate of those deposits shall be insured to a maximum of \$250,000. “

Any inquiries on deposit insurance can be made by contacting the NBCUDIC at 453-2315. The insurance by-laws of the Corporation represent the official terms and conditions applicable to deposit insurance. The by-laws are available by contacting the Corporation or may be viewed on its website.