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DEPOSIT GUARANTEE SYSTEM LIMITATIONS

Yuliia. S. SERPENINOVA

Candidate of Science in Economics, Associate Professor of the Department of Accounting and Auditing of Ukrainian Academy of Banking of the National Bank of Ukraine (Sumy)

Summary. In this article we discuss general approaches to the implementation of the Deposit guarantee system restrictions, it is given their analysis and justification. Also it is given the analysis of the national deposit guarantee system limitations under the law.

Key words: *deposit guarantee system, deposits security, the compensation amount.*

The individuals' deposits is an important source of Bank resources and one of the key components of an effective financial system. Modern global financial system based on market principles of competition, provides the receipt of income by the same participants due to the receipt of losses by other. This causes the need of state protection against financial risks, first of all consists in introduction of effective deposits insurance mechanisms.

Deposit insurance system has an important place in the General system of state financial security. It is not intended to overcome the consequences of the large system banks bankruptcy, or the consequences of the financial crisis. In such situations, the stabilization should be achieved by the close cooperation of all participants of the financial safety of the country. But effective, efficient and adequate system of the deposits insurance is one of the main preconditions prevent panic among depositors during crisis situations, and is one of the mechanisms of overcoming the consequences of the financial crisis.

The events that occurred during the global financial crisis of 2008-2009 indicate the critical importance of early development of effective deposit insurance mechanisms.

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The effectiveness of the Deposit guarantee system requires certain restrictions which must be formalized by law. These restrictions include: the establishment of maximum amounts of compensation; determining the number of depositors who may receive compensation; defining certain categories of deposits falling under the protection etc.

The national Deposit insurance system also has certain limitations established by law. The limit of compensation for deposits (including accrued interest) is currently 200 thousand UAH. Reimbursement of deposits in foreign currency in national currency in accordance with the specified size limit of indemnity. Also current legislation establishes a list of deposits and the number of persons that do not fall under insurance.

The analysis of existing approaches to limitations in the field of protection of deposits and limitations of the national Deposit guarantee system shows that the Ukrainian deposit guarantee system generally corresponds to the current trends. So, Ukraine has established the maximum amount of compensation for deposits, defined a list of deposits and depositors, which are not protected and order of deposits compensation in foreign currency.

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