NOTIFICATION ON UNAVAILABILITY OF DEPOSITS AT CENTRO TAUPOMOJI KASA CREDIT UNION

VĮ “Indėlių ir investicijų draudimas” (“Deposit and Investment Insurance”) (hereinafter referred to as IID) is Lithuanian state company that guarantees the protection of the funds of depositors of financial institutions and thereby increases the reliability and stability of the financial sector.

With the real threat of damage to the interests of depositors, other creditors and clients, on December 8, 2017 the Board of the Bank of Lithuania has restricted Centro taupomoji kasa credit union’s activities until February 28, 2018, and appointed its temporary administrator. The credit union was not able to provide financial services during the restriction period.

On January 16, 2018 the Board of the Bank of Lithuania recognised the credit union Centro taupomoji kasa as insolvent and revoked its licence of a credit union for good, thus it has no right to provide financial services. The Bank of Lithuania will apply to the Vilnius District Court regarding the initiation of bankruptcy proceedings for this union. The decision was taken because this credit union has not complied with the major capital related requirements – capital adequacy requirement, maximum exposure to a single borrower requirement and single open position in foreign currency limit.

The credit union possessed 1000 depositors with the deposits compensation amounted to EUR 10,56 million.

According to the size of the property it was the 22nd (out of 69) Credit Union in Lithuania.

The deposits reimbursement started on February 6, 2018 (15th working day). The bank agent (UAB “Medicinos bankas”) reimburses deposits to the depositors.

IID will continue the reimbursement process until January 16th, 2023.

Sincerely,
Alena Mugenienė
Deputy Director

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