

# Advisory

## CUDIC Fund Size Target Range

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**Date:** [June 29, 2022](#)

**Distribution:** All CEOs/General Managers/CFOs, B.C. Credit Unions

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### PURPOSE

To inform BC Financial Services Authority (“BCFSA”) authorized credit unions that BCFSA has revised the Credit Union Deposit Insurance Corporation of BC Fund (“CUDIC Fund”) Size Target Range to be 120 basis points (“bps”) to 145 bps of total insured deposits, with a target of 130 bps. The CUDIC Fund size as of March 31, 2022, was 126.4 bps.

### ADDITIONAL INFORMATION

The primary purpose of the CUDIC Fund is to protect insured deposits of BCFSA authorized credit union depositors from incurring a loss should a credit union fail. The new target range was established based on a review of the CUDIC Fund size that concluded in May 2022, indicating the range and target should be increased to ensure the CUDIC Fund was appropriately sized for the financial conditions and the current operating environment of B.C. credit unions.

BCFSA wishes to thank those credit unions that provided feedback on the *Comprehensive Fund Size Review – Consultation Paper* issued in November 2021 and credit union participants at the *Comprehensive Fund Size Review Working Group* sessions in January and February 2022. BCFSA also wishes to acknowledge support provided by the Canadian Credit Union Association for their role in organizing attendance at the working group sessions.

BCFSA follows best practices and core principles established by the International Association of Deposit Insurers.

If you have any questions relating to the CUDIC Fund or this Advisory, please contact [depositinsurance@bcfsa.ca](mailto:depositinsurance@bcfsa.ca).