

UKRAINIAN FINANCIAL CONSUMERS' AWARENESS OF THE DEPOSIT GUARANTEE SYSTEM – 2019

SURVEY FINDINGS REPORT



May 2020
Kyiv, Ukraine

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USAID
FINANCIAL SECTOR TRANSFORMATION PROJECT

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INTRODUCTION

The Deposit Guarantee Fund (hereinafter referred to as the DGF) is required by law to conduct a periodic assessment of public awareness of the deposit guarantee system. In addition, the DGF uses such periodic assessments to comply with Principle 10 of the Core Principles for Effective Deposit Insurance Systems, which recommends that each IADI (International Association of Deposit Insurers) member country (IADI) assess the level of public awareness of the national deposit insurance system.

In March 2015, the DGF released findings of the first survey to assess the level of public awareness of the deposit insurance system in Ukraine. This was a telephone survey of respondents aged 18+ years who lived in urban areas with a population of over 50,000 people. The second wave of the survey was conducted in December 2017 with support from the USAID Financial Sector Transformation Project. This survey featured face-to-face interviews with respondents of 18 + years across all types of population clusters in all oblasts. The survey findings were published in the report “Ukrainian Financial Consumers’ Awareness of the Deposit Guarantee System - 2017.”

This Report presents findings of the third wave: the Info Sapiens Research Agency conducted a national survey of Ukraine’s residents aged 18+. A total of 2,144 respondents were interviewed. The questionnaire was designed to assess the respondents’ awareness of various aspects of the deposit guarantee system, their needs for additional information and preferred communication channels, as well as patterns of financial and savings behavior.

The third wave survey covered all oblasts and types of population clusters/settlements across Ukraine. The third wave survey findings are fully comparable to those of the second wave (2017) in terms of gender, age, and geographical characteristics. The third wave survey was conducted in December 2019 with support from the USAID Financial Sector Transformation Project.

Residents of Ukraine aged 18+ who displayed at least a minimum level of interest in the information on financial services in Ukraine were invited to take part in the survey.

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SUMMARY OF THE SURVEY

The findings of the survey of adult Ukrainians who displayed at least a minimum level of interest in financial services¹ conducted in December 2019 suggest the following (below are the survey findings of 2019 compared with those of 2017):

- The overall interest in financial services dropped significantly compared to 2017. Thus, in 2017, 63% of the sample demonstrated some interest in financial services (compared to 37% who were “rather not interested”), while in 2019, this ratio reached 58% vs. 42% respectively. The higher interest in 2017 could be related to the fact that in 2017 a large number of banks were still under liquidation, while in 2018-2019 the situation stabilized, and this could have reduced – along with anxiety – the interest in financial services.
- 22% of the respondents said that they did not have any bank account. In 2017, only 14% of the interviewees had no bank account at all.
- The level of immediate (unprompted) awareness of the DGF and its role and functions dropped from 52% to 35%. This may be due to a lower media coverage of bank failures, etc. (one bank failed in 2018 and no failures took place in 2019). At the same time, when prompted, the respondents’ awareness of the DGF increased to 61% compared to 57% in 2017.
- Half of the respondents are aware of the maximum amount of deposits guaranteed by the DGF (47% chose the correct answer compared to 49% in 2017, which is not a statistically significant change). In 2019, a share of those respondents who correctly stated that the inclusion of a bank in the insolvent bank list was the basis for paying out the guaranteed amount (coverage limit) grew significantly (from 58% to 73%).
- In 2019, the percentage of respondents satisfied with the current coverage level decreased from 47% to 41%. 54% of respondents in 2019 said they would be satisfied with a coverage level of UAH 400,000, compared to 60% in 2017.
- Those who were given the aided recall of the insurance of UAH deposits increased from 67% in 2017 to 86% in 2019 (from 51% to 59% for FX deposits). At the same time, as in 2017, only half of interviewees were aware of the insurance of cheque/current accounts.
- 59% of respondents were aware of the coverage of foreign exchange accounts, yet they hardly knew any details, such as the payout currency, rates, etc.
- Ukrainians appeared to be almost completely unaware of the mechanisms and procedures associated with the regulation of the banking sector. Most respondents were confused about who decides to close a bank and who is responsible for bank resolution.
- Most interviewees reported no problems dealing with a bank over the past two years (76% said that they had no problems whatsoever).
- The share of the respondents who kept half or more of their money with a bank increased from 8% to 13% – an indication of gradual restoration of confidence in the banking sector. In this context, fewer respondents named distrust in banks as the major reason for not having an account (30% vs. 44%).
- At the same time, the percentage of respondents with a saving account decreased slightly (from 9% in 2017 to 7% in 2019), which may be seen as an indication that people were still reluctant to entrust banks with their funds for a longer term.
- 47% of respondents reported that they did not immediately withdraw cash from their cards or did not withdraw all their funds at once. 31% of respondents said that they normally withdrew all cash right away following the receipt (the question was not asked in 2017). When choosing a bank to open a deposit account, Ukrainians normally take into consideration the following three factors: insurance coverage (57%), feedback from relatives/friends (52%), and an interest rate offered (51%).
- The respondents, for the most part, would like to have information about the deposit guarantee system at the bank where they have a deposit (50% preferred this particular source).

¹ All those who responded that they were not interested in the information on financial services (Questions A1. and A4. of the survey questionnaire) have been excluded from the respondents.

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- The importance of the Internet and social media as sources of reliable information on financial services is rising; and the importance of television is falling.
- Rural residents were more likely to choose the option "*Hard to answer*" and less aware of the various particular details of the financial system. This may well be explained by a lower level of financial inclusion of the rural population – the rural residents were more likely to choose the options "*Do not keep any money with a bank*" (67%), "*Do not receive payments on a card*" (24%), and "*Do not have any account yet*" (28%). The rural residents were more likely to name television as a preferred source of information (45%).

GENERAL OVERVIEW OF THE DEPOSIT GUARANTEE SYSTEM

The deposit guarantee system in Ukraine has not changed since the second wave of the survey (2017-2018). The main features of the deposit guarantee system in Ukraine are summarized in Table 1.

Table 1. The deposit guarantee system characteristics in Ukraine at the time of the survey

SYSTEM COMPONENTS	DESCRIPTION
Maximum coverage limit	UAH 200,000 per depositor in each participating bank, including accrued interest
Consumer coverage	Deposits of individuals and entrepreneurs, other than those related to the bank, are guaranteed. Deposits by legal entities, including NGOs, consumer societies, etc., are not guaranteed
Coverage of institutions that accept deposits	Only the banks, except the National Savings Bank, whose deposits are guaranteed by the state without any restrictions on the amount, are members of the system. Non-bank financial institutions (credit unions and financial investment companies) are not members, and deposits are not guaranteed.
Deposit products coverage	Current, card, deposit accounts in national and foreign currencies are covered. Guarantees do not cover deposits in precious metals, bearer savings (deposit) certificates and deposits placed on individual non-market terms
Deposit guarantee institution	Deposit Guarantee Fund
Authority of the deposit guarantee institution	Minimizer of losses ² : <ul style="list-style-type: none"> ▪ determines the rate of regular and special fees; ▪ accumulates and manages membership fees; ▪ pays compensation for deposits in case the bank fails; ▪ resolves banks, independently choosing the most appropriate option based on the least cost method.
Compensation payment to depositors	Deposits in banks declared insolvent by the National Bank, no later than 20 days (for banks with more than 500,000 deposit accounts - 30 days) from the date of the beginning of the bank resolution procedure. However, if the temporary administration continues to work at the bank at the current moment, the compensation is paid only for current accounts and term deposits, the term of which have expired by the date of the beginning of the bank resolution.
Other members of the financial stability system and their functions	National Bank of Ukraine - prudential regulator of banks; Ministry of Finance of Ukraine - provides reserve financing to the deposit guarantee institution in the form of loans and / or non-repayable financial assistance from the State Budget of Ukraine

As indicated in Table 1, the characteristics of the deposit guarantee system, including the features and interaction with other financial market regulators, are not easy to understand for ordinary citizens.

In general, each depositor can expect compensation for their deposits in each bank for up to UAH200,000 if the bank fails, but there is a number of features and individual situations.

²According to the definition of the International Association of Deposit Insurers (IADI)

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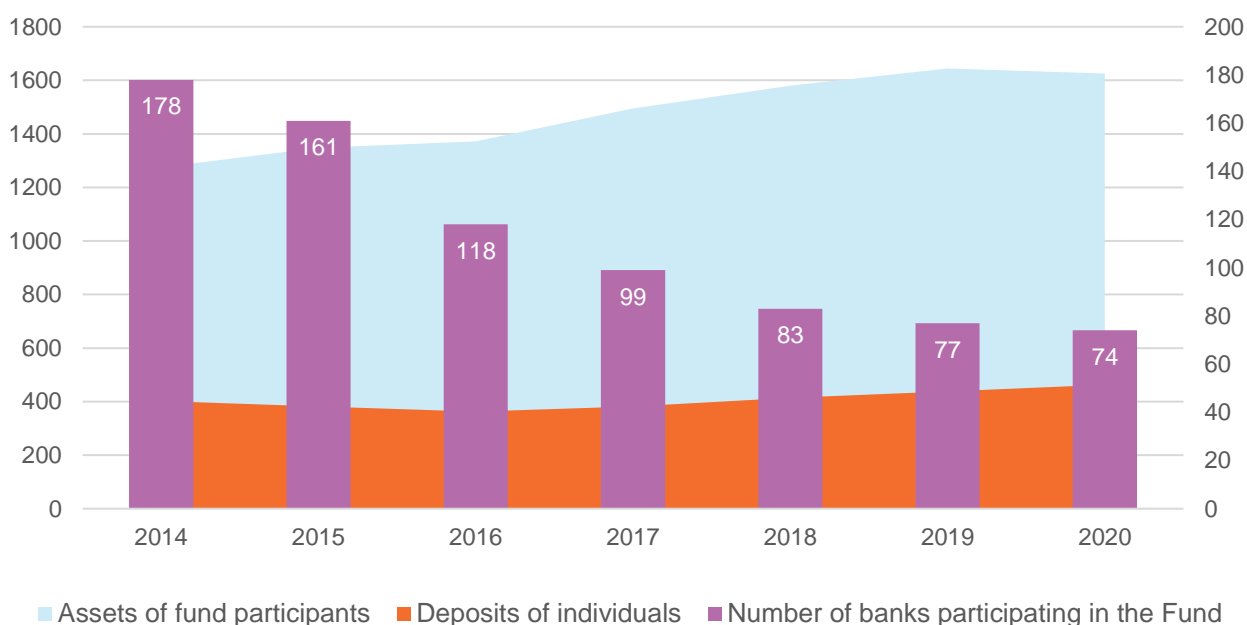
The purpose of the study was to determine whether the users of financial services in Ukraine know about the existence of the deposit guarantee system in Ukraine, whether they really understand the basics and mechanisms of its work.

The third wave of the survey was conducted after the clean-up of the banking system of Ukraine, launched by the National Bank as a prudential regulator of banks. According to the DGF, 95 banks have been declared insolvent since 2014 in Ukraine. More than 2 million depositors have applied to the Fund for compensation, which has paid over UAH90 billion in compensation.

The consumer survey in December 2019 was conducted amid the stabilization of the market situation - in 2018 it was announced that only one bank was liquidated, and in 2019 there were no bank failures, and, therefore, the number of media reports about the banking crisis and the Fund's activity decreased.

Changes in Ukrainian banking sector indicators over the last six years are shown in Figure 1. It should be noted that, despite the fact that the number of member banks³ has significantly decreased due to the clean-up of the banking system, the amount of retail deposits is gradually increasing.

Figure 1. Changes in the number of the DGF members, their total assets and portfolio of deposits of individuals (as of January 1 of the respective year)



According to the DGF, the number of depositors of DGF member banks increased for the first time since 2014. In the first 11 months of 2019, retail deposits in UAH increased by 13.5%, reaching UAH269 billion, and exceeded the pre-crisis level of 2013.

In recent years, the upward trend of the national currency deposits, coupled with the relative stability of foreign currency deposits, has led to a change in the structure of deposits by currency. The share of deposits in hryvnia has started exceeding the share of deposits in dollars and euros. In particular, at the beginning of December, hryvnia deposits accounted for 58% of all deposits, deposits in foreign currency - 42%.

At the same time, and according to the DGF data, in 2018-2019, retail deposit transactions are characterized by the least length of terms from the beginning of 2001. The share of term deposits continues to decline and as of December 1, 2019 stands at 58%, and the share of demand deposits has increased to 42% of the total number of deposits, respectively.

³Members of the Fund are all the licensed banks, except for JSC Oschadbank

1. OVERALL AWARENESS LEVEL OF THE DEPOSIT GUARANTEE SYSTEM

EXPERIENCE OF INTERACTION WITH BANKS

To assess the overall experience of interacting with banks, respondents were asked to answer the question of whether the respondent or his relatives or close friends had personally encountered a number of unpleasant situations over the past two years. Three out of the four respondents did not have their own experience regarding such situations and have not heard about such experiences of their acquaintances. It should be pointed out that the target audience included those who has declared at least minimum interest in information about financial services.

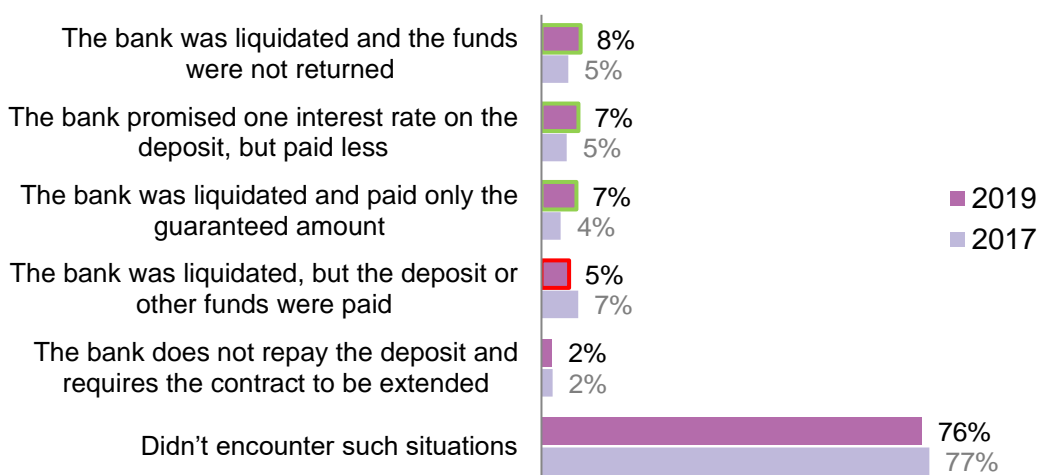
Among the situations heard by the respondents, the most frequently mentioned was the situation when the bank was liquidated and the funds were not returned (8%). The share of such situations increased comparing to 2017, when it was 5%. It should be noted that the respondents were not asked clarifying questions about who and when did not repay the funds, so the respondents could have mentioned, for example, the deposits of the Savings Bank of the former USSR. At the same time, the share of respondents who faced the situation where a bank was liquidated but paid only the guaranteed amount increased from 4% in 2017 to 7% in 2019. It can be explained by the fact that a message about the DGF's inability to obtain sufficient funds to settle with depositors in excess of the coverage limit due to the poor quality of the banks' assets was often disseminated in the information space.

The share of respondents who indicated that a bank promised certain interest on the deposit and paid a different one increased from 5% to 7%, indicating that there was insufficient information on the terms of payment of interest on deposits by banks.

Overall, the share of respondents who faced any of the suggested situations did not change significantly in the statistical terms compared to 2017, and stands at 24% (versus 23% in 2017).

Figure 2. Experience of interaction with banks.⁴

Responses to the question: "Which of the following situations have you, your family members, close friends and acquaintances faced over the last two years?", % of respondents



⁴In this and the following figures, the green border indicates a statistically significant increase in the indicator, the red border indicates a statistically significant decrease (a probability of 95%).

1. OVERALL AWARENESS LEVEL OF THE DEPOSIT GUARANTEE SYSTEM

AWARENESS OF THE DGF AND ITS FUNCTIONS IN THE DEPOSIT GUARANTEE SYSTEM

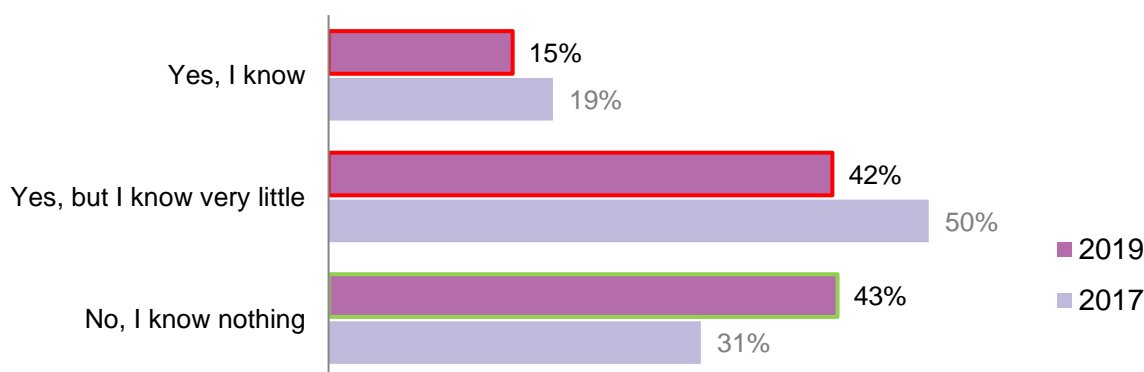
Ukrainian respondents rate their level of awareness of the deposit guarantee system low. Only 15% of the respondents confidently stated that they know about the existence of the system and its operation mechanism, and another 42% said that they know something, but not a lot. 43% of respondents are unaware of the deposit guarantee system.

There is a decrease in the level of awareness about the deposit guarantee system: in the 2017 survey, the proportion of those who knew about the system 19%, which is 4 percentage points more than in the 2019 survey. The decline in awareness level may be associated with lower media activity around the topic of bank resolution due to a decrease in such cases. In 2018, only one bank was declared insolvent, in 2019 there were no bank failures.

The share of respondents who know little about guarantees has also decreased. Instead, the share of those who knew nothing has increased significantly from 31% in 2017 to 43% in 2019.

Figure 3. Awareness of the existence of the deposit guarantee system

Responses to the question: "Do you know anything about guarantees of deposit payouts if a bank fails?", % of respondents

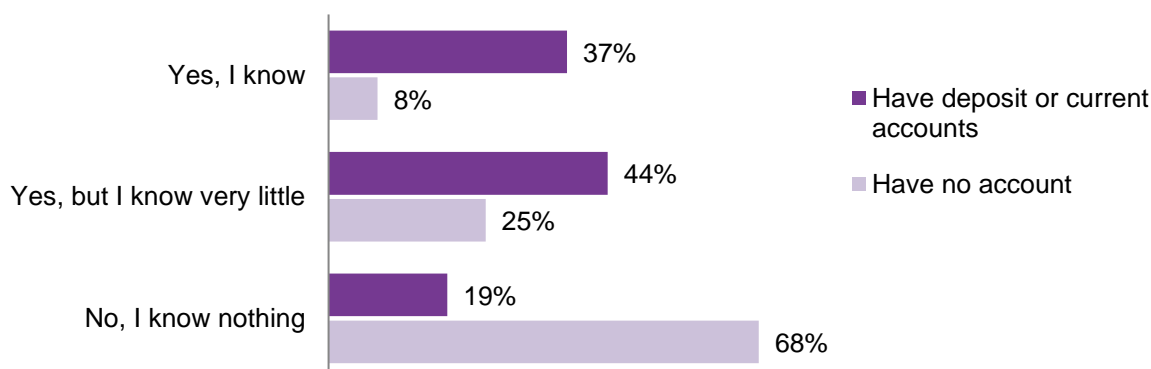


It should be noted that the level of awareness about the existence of the deposit guarantee system is much higher among those categories of citizens who have term deposits or checking accounts in hryvnia or in foreign currency: in this audience, the share of responses "No, I don't know anything" is only 19%, and the share of responses "Yes, I know" - 37%.

Among those who do not have accounts, the share of responses "No, I don't know anything" is 68%.

Figure 4. Awareness of the existence of the deposit guarantee system: analysis by groups of respondents who have deposits / accounts

Responses to the question: "Do you know anything about guarantees of deposit payouts if a bank fails?", % of respondents



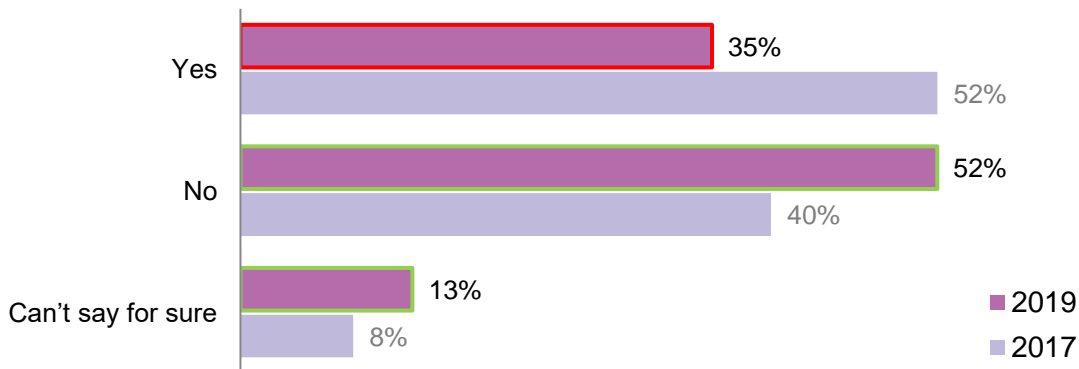
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However, only 35% of the respondents are aware of the Fund's existence, which is 1.5 times less than those who have heard about the deposit guarantee system.

The change in the responses to this question also indicates a significant decrease in the level of awareness - two years ago, more than half of the respondents (52%) stated that they knew about the Deposit Guarantee Fund.

Figure 5. Awareness of the Deposit Guarantee Fund

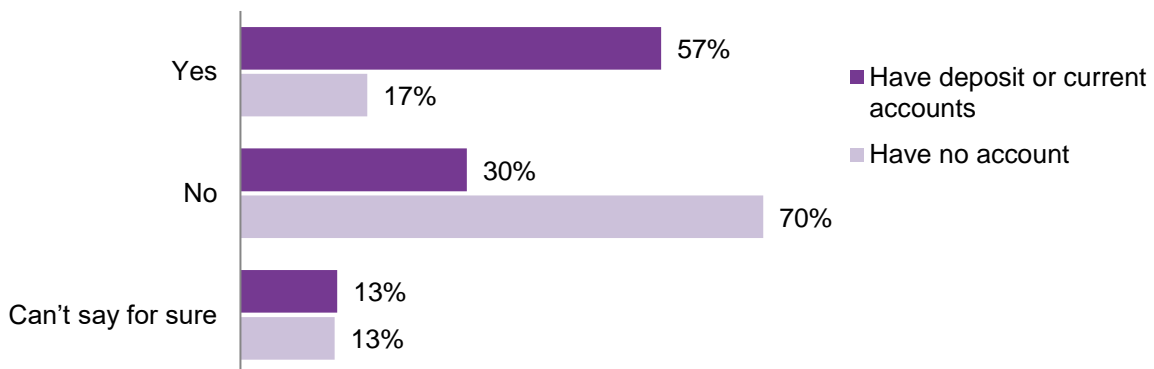
Responses to the question: "Have you heard about the Deposit Guarantee Fund before?"; % of respondents



The level of awareness about the existence of the Fund among those categories of citizens who have a term deposit or checking accounts in UAH or in foreign currency is much higher than in the surveyed audience as a whole: among those who have accounts, the share of positive answers is only 57%. At the same time, among those who do not have accounts, the share of "No" answers reaches 70%.

Figure 6. Awareness of the existence of the Deposit Guarantee Fund: analysis by groups of respondents who have deposits / accounts

Responses to the question: "Have you heard about the Deposit Guarantee Fund before?"; % of respondents



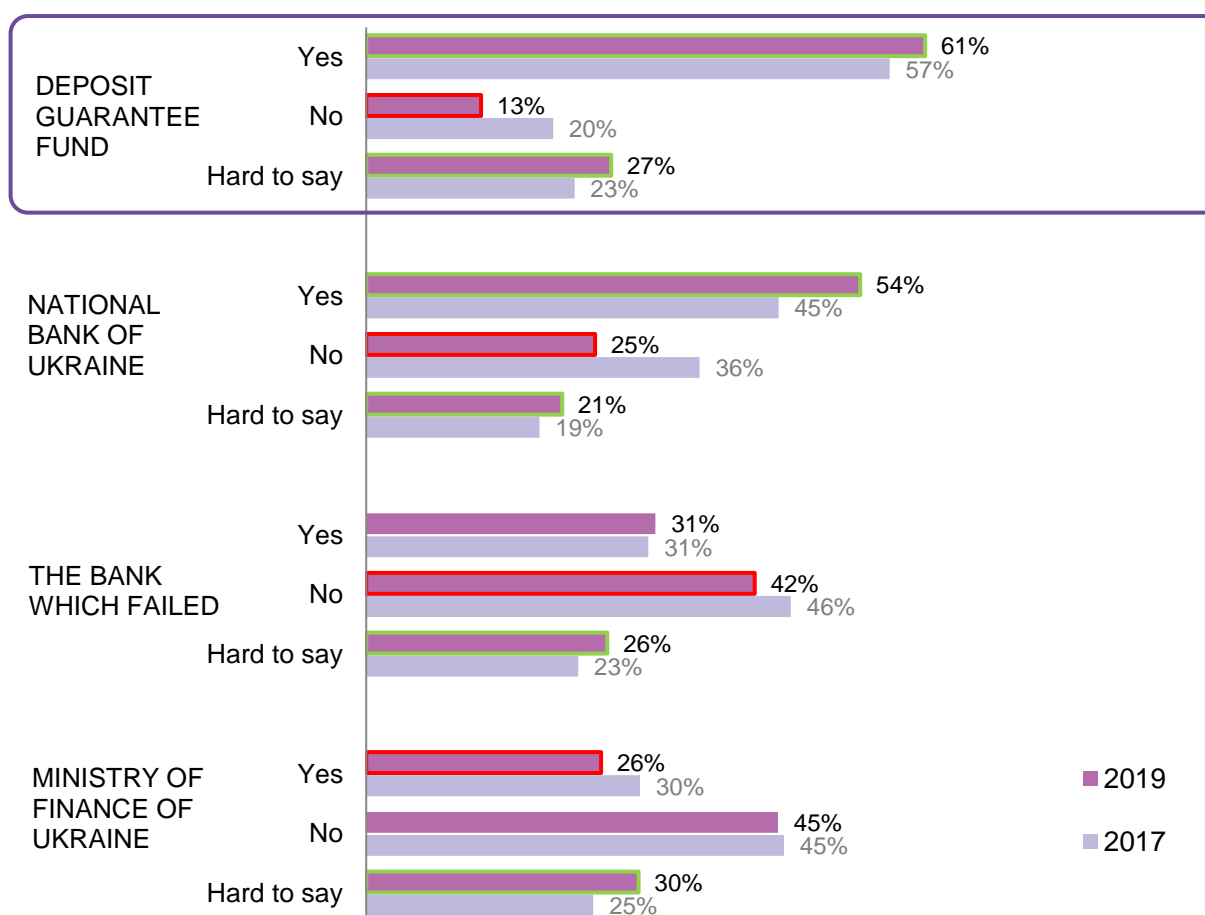
1. OVERALL AWARENESS LEVEL OF THE DEPOSIT GUARANTEE SYSTEM

In response to the question with a clue "What institutions can guarantee the return of bank deposits when a bank becomes insolvent?" 61% correctly named the Deposit Guarantee Fund (an increase from 57% in 2017). However, 54% mistakenly think that this is also a function of the National Bank of Ukraine (also an increase from the level of 45%).

A fairly large share of respondents believe that the repayment of bank deposits can be guaranteed by the Ministry of Finance and the bank that became insolvent (26% and 31%, respectively). Overall, the share of respondents who believe that the Fund can guarantee the repayment of bank deposits (61%) is significantly higher than those who have previously heard about the Deposit Guarantee Fund (35%). This can be explained by the "telling name" of the DGF, which tells citizens the direction of the DGF's activities, even if they hear about it for the first time (from an interviewer).

Figure 7. Institutions that guarantee the return of bank deposits

Responses to the question: "Which institutions, in your opinion, may guarantee that deposits will be paid out in case of a bank failure?", % of respondents

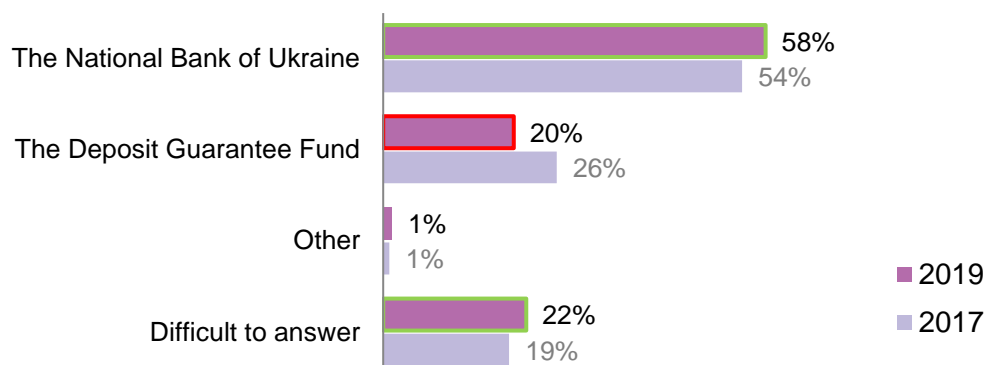


As for the other function of the DGF, namely bank resolution and the liquidation and sale of bank assets, the respondents' awareness remains low. Only one in five respondents knows that the Fund is resolving insolvent banks, while the vast majority (58%) mistakenly believe that the NBU is doing this. The awareness situation has worsened compared to 2017, when the correct answer was given by 26% and the wrong answer was given by 54%. This can be explained by the fact that the crisis has ended and there is less information about the liquidation of banks.

1. OVERALL AWARENESS LEVEL OF THE DEPOSIT GUARANTEE SYSTEM

Figure 8. Which authority carries out the bank asset liquidation and sale procedure?

Responses to the question: "Which authority carries out the bank asset liquidation and sale procedure?", % of respondents

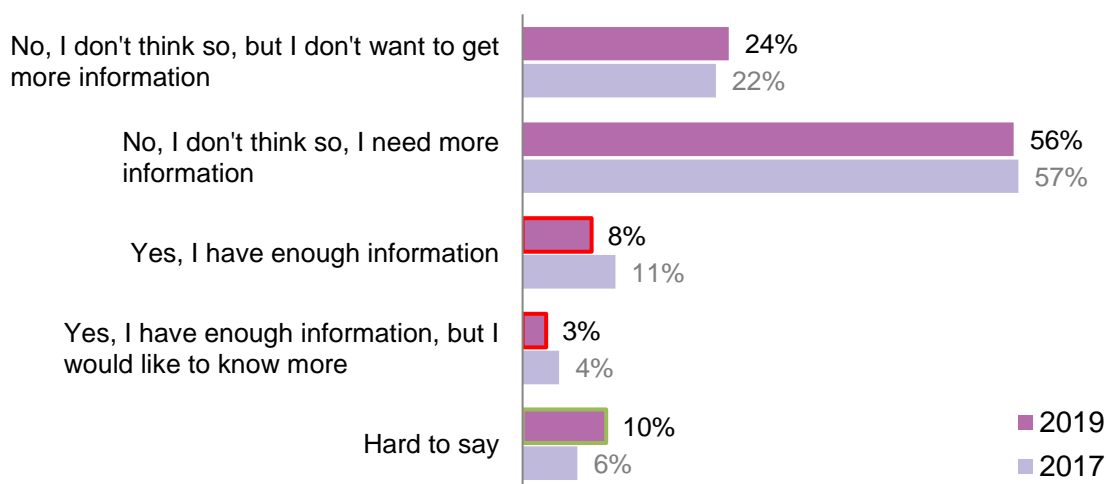


Respondents are fully aware of their own low awareness level: the vast majority of respondents (80%) said they lacked information about the guarantee system. 56% of respondents said they needed more information. However, 24% of Ukrainians are reluctant to receive new information and acquire additional knowledge about the system, even with a low self-assessment of their own awareness.

The share of those who admit that they don't have sufficient information about the deposit guarantee system remains stable comparing to 2017. At the same time, the share of those who believe that there is sufficient information has decreased by almost 1.5 times from 15% to 11%.

Figure 9. Self-assessment of the awareness level of the deposit guarantee system

Responses to the question: "Do you think you have enough information about the deposit guarantee system?", % of respondents



COMMUNICATION CHANNELS

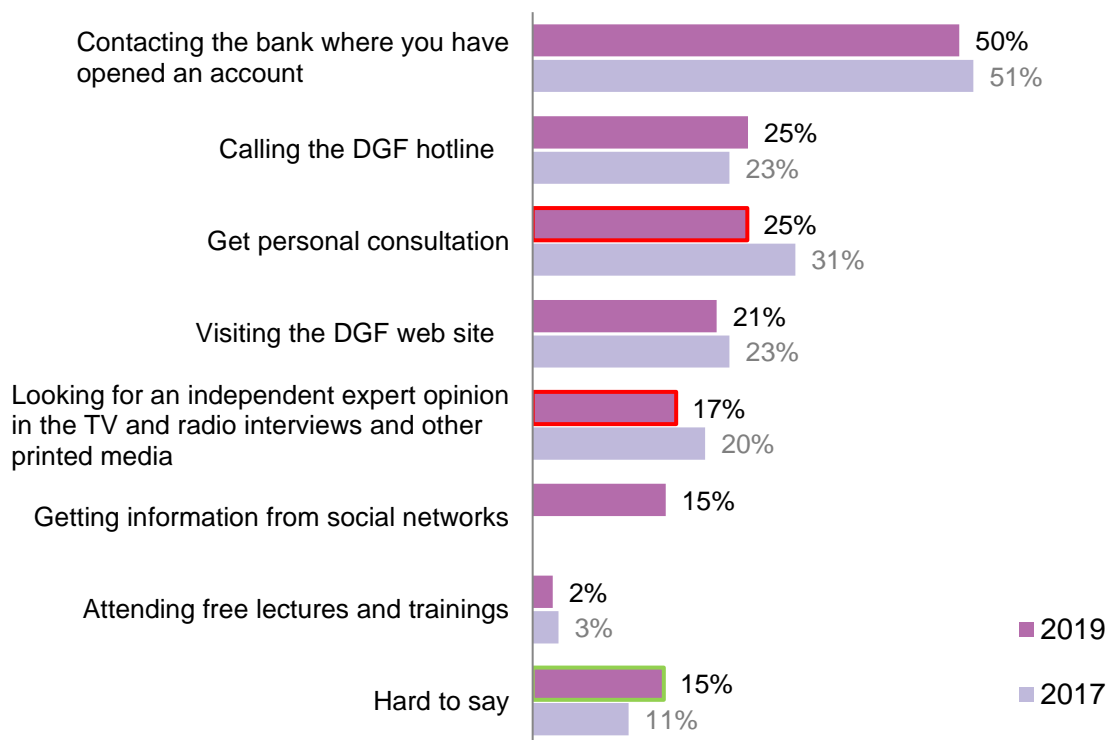
The most desirable channel for receiving information about the deposit guarantee system is the bank where respondents put their funds (50% of responses, unchanged from 2017). The second place in terms of attractiveness was shared by personal consultations (25%, which is significantly less than in 2017) and appeal to the Deposit Guarantee Fund via the hotline (25%, which is only 2 percentage points more the level in 2017).

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The attractiveness of receiving information from the media decreased (17% in 2019 versus 20% in 2017). But the new alternative of "getting information from social media", which was added to the questionnaire in 2019, has almost the same popularity as the media.

Figure 10. Communication channels for information regarding the deposit guarantee system

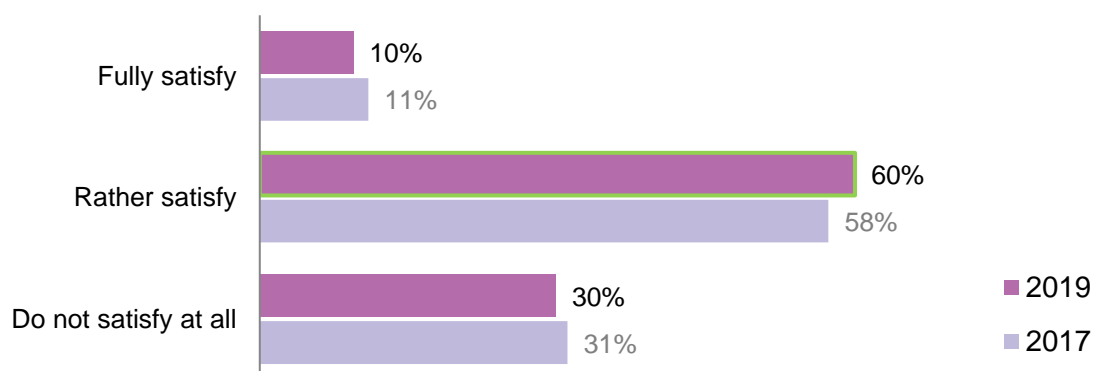
Answers to the question: "If you want to have more information about the deposit guarantee system, which of the following methods is acceptable to you?", % of respondents



However, most respondents are generally satisfied with the way financial information is provided by various media, with only 30% saying that their needs are not met.

Figure 11. Satisfaction of information needs regarding financial services

Responses to the question: "To what extent do various sources of information meet your needs with respect to information about financial and banking services in Ukraine?", % of respondents



1. OVERALL AWARENESS LEVEL OF THE DEPOSIT GUARANTEE SYSTEM

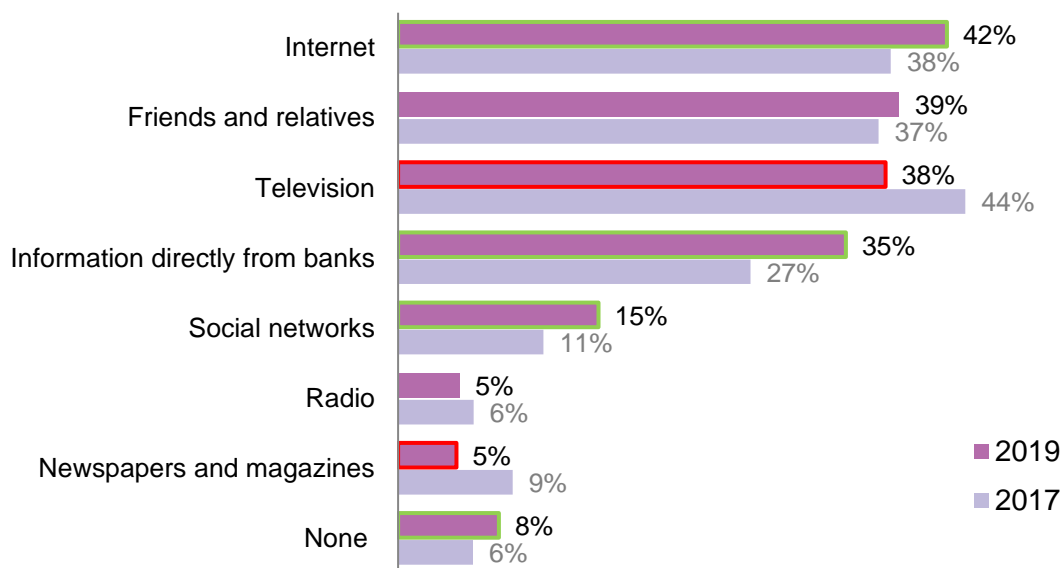
Regarding communication channels, the 2019 poll shows two trends: an increase in the Internet popularity (this channel was chosen by 42% in 2019 compared to 38% in 2017), with a simultaneous decrease in trust in television (from 44% in 2017 to 38% in 2019 year). Friends and family traditionally remain in the TOP-3 with no statistically significant changes (39% in 2019).

Respondents have more trust in information from banks (increase to 35% in 2019 from 27% in 2017) and social media (increase from 11% to 15%).

Consumption and, therefore, trust in printed media (newspapers and magazines) is falling.

Figure 12. Trust in communication channels

Responses to the question: "Which communication channel (source of information) do you trust most of all regarding information about financial and banking services in Ukraine?", % of respondents



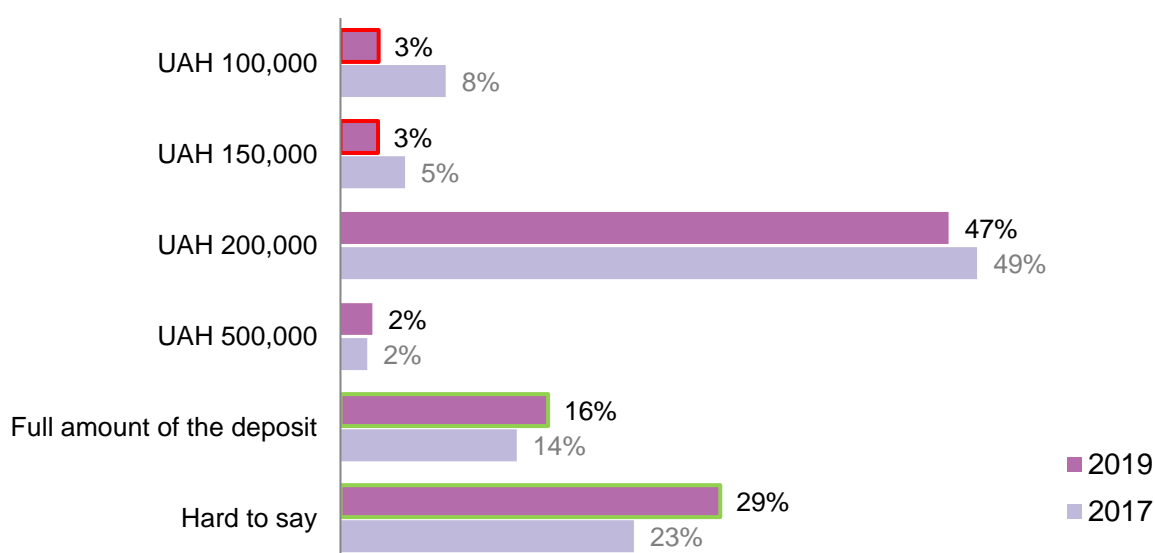
2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

MAXIMUM COVERAGE LIMIT

Almost half of respondents (47%) know that the maximum coverage limit is UAH200,000. The level of awareness has hardly changed since 2017, when the figure was 49%. However, the share of incorrect answers regarding the UAH 100,000 as the maximum coverage limit decreased (from 8% in 2017 to 3% in 2019), but instead the share of "Hard to tell / I don't know" responses increased (from 23% in 2017 to 29% in 2019).

Figure 13. Maximum coverage limit

Responses to the question: "What is a maximum guaranteed bank deposit amount per bank?", % of respondents



Compared to 2017, the share of respondents who are satisfied with the current level of the maximum coverage limit has dropped: in 2019 it is 41% (47% in 2017). Accordingly, the share of respondents who would be satisfied with larger sums also decreased: for example, in 2017 the amount of UAH 400,000 would satisfy 60%, in 2019 - only 54%; an amount of UAH1,000,000 in 2017 would satisfy 86%, compared to only 79% in 2019.

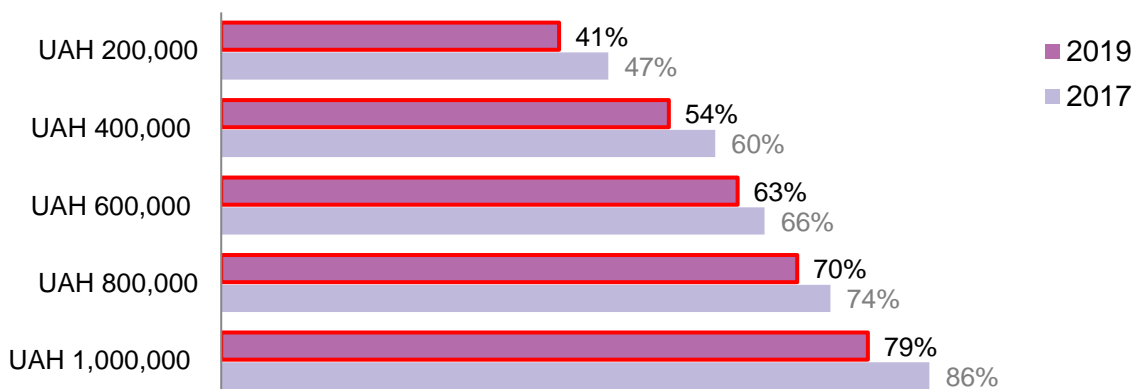
Significant negative changes are observed in each answer, indicating the gradual formation of a public demand for an increase in the compensation amount.

Among those 21% of respondents for whom the amount of UAH 1,000,000 is insufficient, one in four felt that the state should guarantee the full amount of the deposit, and two out of three could not answer the question.

2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

Figure 14. Satisfaction with the compensation amount

Responses to the question: "If UAH ... is an insufficient deposit guarantee coverage, would UAH ... suffice", % of respondents



COVERAGE OF INSTITUTIONS

The level of awareness among Ukrainians about which deposits and in which institutions are guaranteed by the DGF is not high.

Only 10% of the respondents were able to give a correct answer that the DGF guarantees deposits in all banks, except for National Savings Bank of Ukraine, PJSC, deposits in which are guaranteed by a separate mechanism. The proportion of correct answers increased, compared to 2017 (when the correct answer was 8%), but the growth is very slow, although statistically significant.

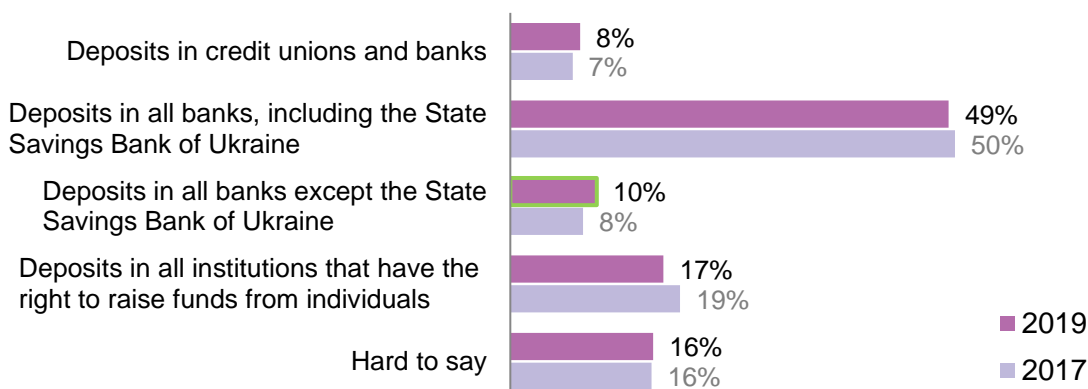
Half of the respondents believe that the DGF guarantees deposits at all banks, including Savings Bank, which is a formally incorrect answer. This can be explained by the fact that in the media there have been numerous reports recently about plans to include Oshchadbank, PJSC ("National Savings Bank of Ukraine") to the members of the Deposit Guarantee Fund.

One in four respondents believes that the DGF guarantees deposits at all deposit-taking institutions, i.e. banks, credit unions, and financial investment companies.

The solution to the problem is not so much in the outreach, but in extending the guarantee to cover all deposit-taking institutions. The protection of non-bank financial institution depositors is a global standard and complies with the Key Principles for Effective Deposit Insurance Systems, which aims to protect the most vulnerable depositors, regardless of a deposit-taking institution.

Figure 15. Guarantee coverage of institutions

Responses to the question: "Deposits in which financial institutions are guaranteed by the Deposit Guarantee Fund?", % of respondents



2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

COVERAGE OF VARIOUS PRODUCTS

The Ukrainians' awareness of the types of deposits guaranteed by the DGF is increasing.

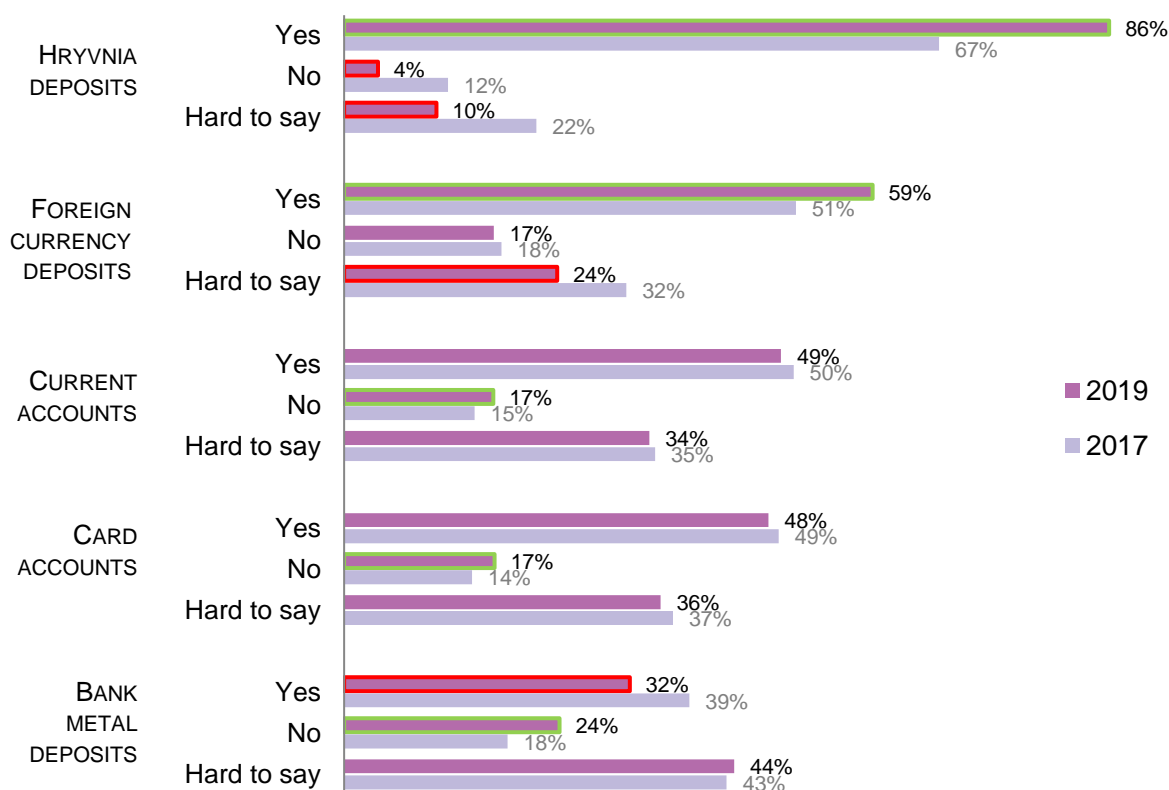
In 2019, the vast majority of respondents (86%) correctly stated that hryvnia deposits are guaranteed – this figure is almost 20 percentage points higher than the figure of the wave in 2017.

The share of respondents who correctly answered that deposits in foreign currency are also guaranteed increased – 59% in 2019 compared to 51% in 2017.

Most often, respondents are unsure about their deposits in precious metals: the largest share of answers is "Hard to tell", 44%, and the share of incorrect answers outweighs the share of correct ones. However, there is also a positive trend in this question: the share of incorrect "Yes" answers has decreased (from 39% to 32%), and the proportion of correct "No" answers has increased from 18% to 24%.

Figure 16. Coverage of all types of deposits (1)

Responses to the question: "Which types of deposits are covered by the DGF guarantee?", % of respondents



However, respondents' awareness of covering more complex products is decreasing, which is reflected in the increase in the share of incorrect answers. More than half of those surveyed believe that the DGF guarantees bearer savings certificates (a significant increase in the share of "Yes" answers from 36% to 54%). The share of those who believe that the DGF guarantees deposits of legal entities has also increased (from 40% to 47%).

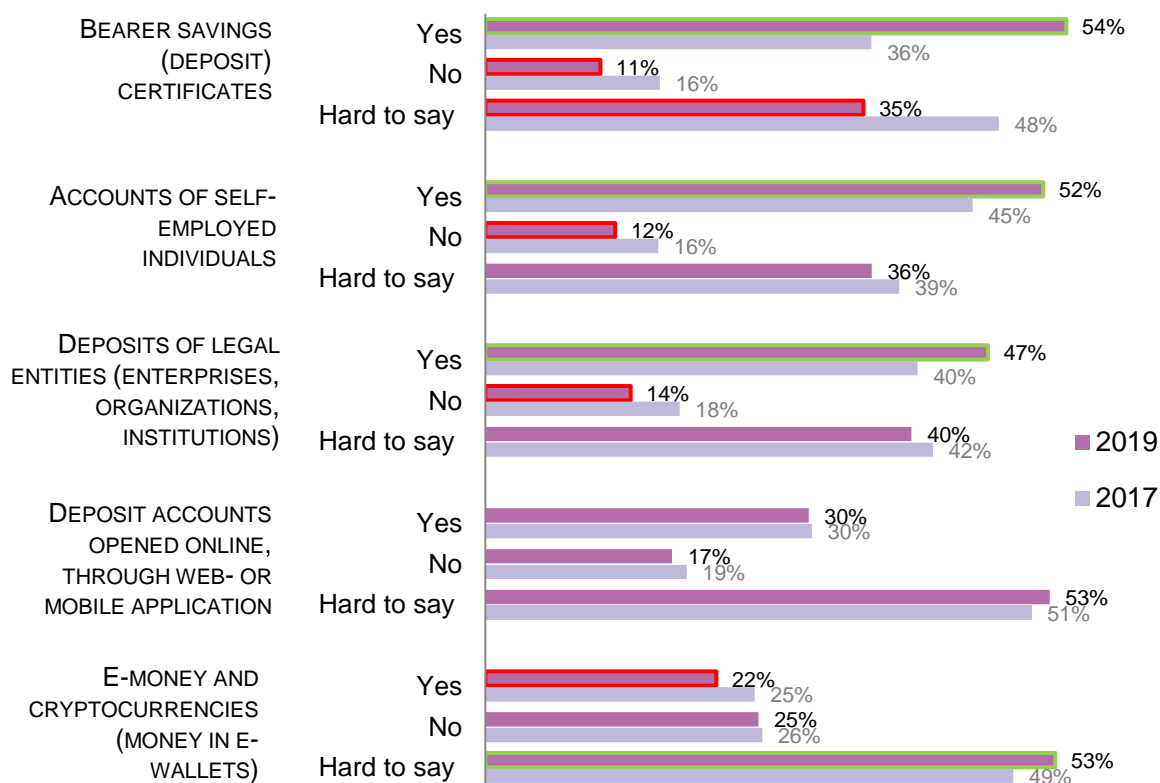
With this background, the growth of the share of correct "Yes" answers regarding the accounts of individual entrepreneurs (from 45% to 52%) seems to be a coincidence and a general trend to give positive answers for any products, rather than an increase in awareness of the features of the Ukrainian deposit guarantee system.

More than 50% of respondents chose the "Hard to tell" option when asked whether the DGF guarantees deposits, opened online, and electronic / mobile money. This means that people do not understand such subtleties and need more explanation.

2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

Figure 17. Coverage of all types of deposits (2)

Responses to the question: "Which of the other types of deposits and accounts are covered by the DGF guarantee? ", % of respondents



AWARENESS OF OTHER FEATURES OF USING THE DEPOSIT GUARANTEE SYSTEM

Reasons for guaranteed payouts

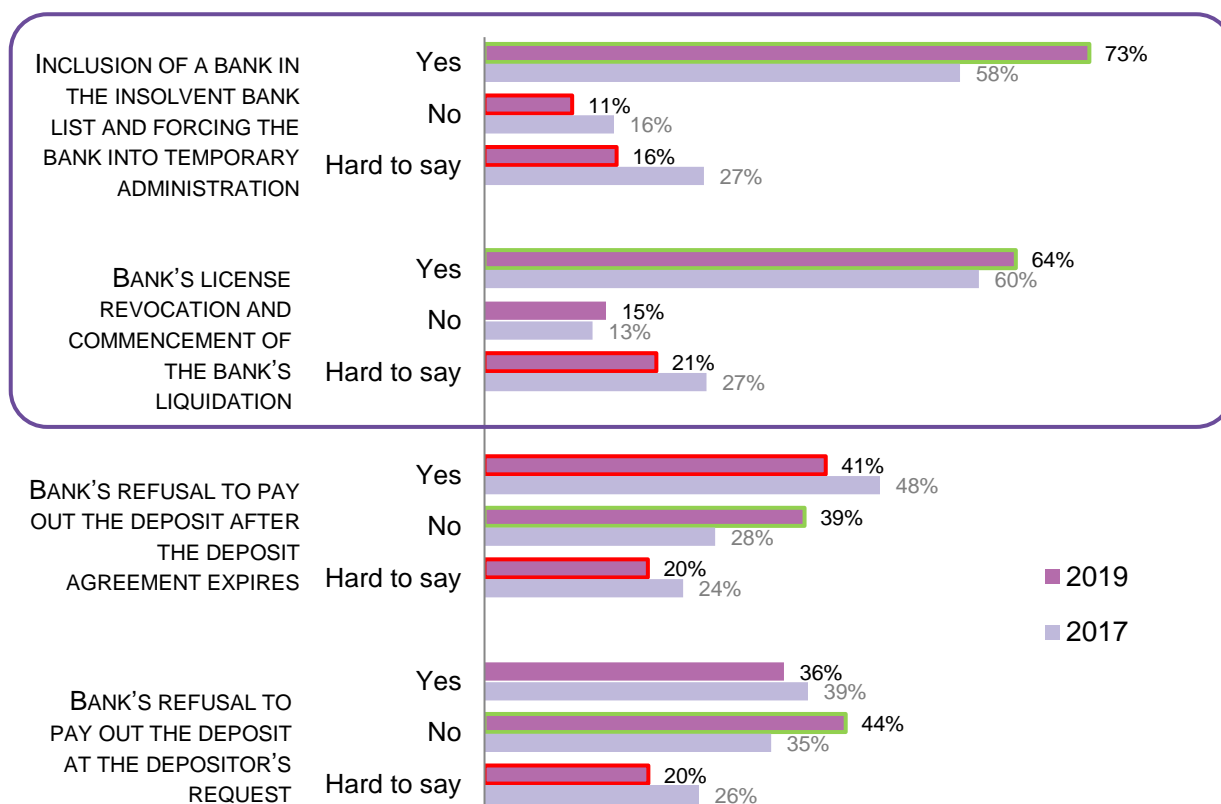
Over the two years, there has been an increase in awareness of how the process of guaranteed payouts begins. The share of correct answers, that the reason for the beginning payouts is declaring bank insolvent, has grown significantly: an increase in 15 percentage points (from 58% in 2017 to 73% in 2019). The share of responses, that the reason for payouts is the fact that the bank's license was revoked and the bank liquidation procedure started, also increased statistically (64% in 2019 versus 60% in 2017).

The share of respondents who believe they can claim a guaranteed amount from the DGF as soon as the bank refuses to repay the deposit at the depositor's request, irrespective of the maturity date or after the contract expires, decreases but remains significant (41% and 36%, respectively). This indicates that outreach remains an urgent task. In addition, it is desirable to state in relevant regulatory documents what exactly constitutes the reason for the DGF to pay a guaranteed amount of compensation to depositors.

2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

Figure 18. Reasons for guaranteed payouts

Responses to the question: "What, in your opinion, is the ground for paying out the guaranteed amount?"; % of respondents



Beginning of the process of the guaranteed payouts

As for the question of when the DGF starts guaranteed payouts to depositors of insolvent bank, the majority of respondents (59%) chose "Hard to tell". Among other options, the most popular was the option "within 30 business days from the start of bank's withdrawal from the market", which was given by 10% of respondents. The other options scored from 5 to 8% of the answers.

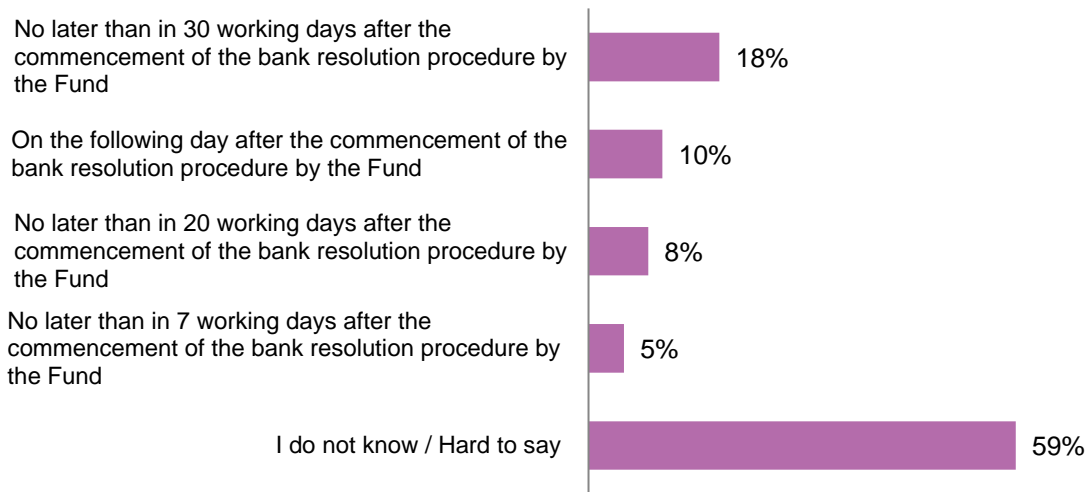
The Law on deposit guarantee system stipulates that "the DGF shall start payouts in the national currency of Ukraine in the order established by the DGF, no later than 20 working days (for banks whose depositor database contains information about more than 500,000 accounts, not later than 30 working days) from the date of bank's resolution."

The survey findings indicate that this information is difficult to bring to the attention of the Ukrainians. The reference in the Law to the number of contributors (and this information is not publicly available) makes it difficult for average citizens to understand exactly when they can expect to regain access to their deposits. The situation is made even more complicated by the possibility for the depositor to receive funds during temporary administration at a bank only for those deposits whose term has expired, as well as to receive balances on current accounts that the Law calls "payment of the guaranteed amount". In fact, in Ukraine, there is a multifactorial model for determining when exactly depositors get access to their funds. Therefore, it is worth paying attention to determining a clear, uniform, and understandable date of the beginning of payouts.

2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

Figure 19. Beginning of guaranteed payouts

Responses to the question: "When exactly does the DGF begin to pay out the guaranteed amounts to depositors of a failed bank?", % of respondents

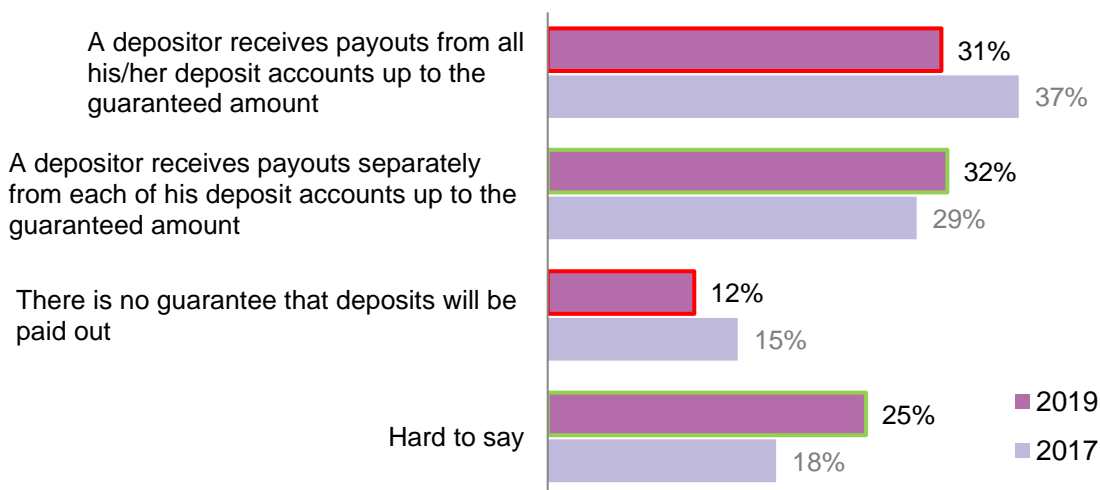


Several deposits in one bank

In the situation of several deposits in one bank, like two years ago, the majority of respondents hesitated between two options that they think are right - "A depositor will receive a refund for the sum of all their deposits, but only up to the guaranteed amount" or "A depositor will receive a refund separately for each of his deposits up to the guaranteed amount." The share of the correct answers decreased to 31% from 37% in 2017, and the share of the wrong answers increased. This indicates the need for further explanatory work.

Figure 20. Several deposits in one bank

Responses to the question: "In your opinion, if a depositor has several deposit accounts in one bank, are all of them guaranteed to be paid out?", % of respondents



2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

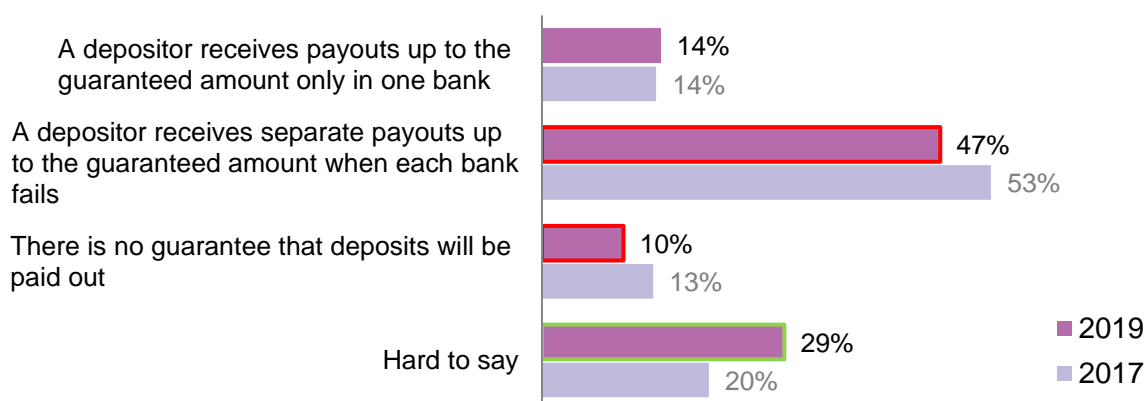
Several deposits in different banks

The situation where a depositor has deposits in different banks is more familiar to the respondents than the situation of several deposits in one bank. Therefore, a relative majority (47%) answered correctly that "The depositor will receive a refund on deposits up to the guaranteed amount in each bank."

However, the proportion of correct answers decreased compared to 2017, when it was 53%. Instead, the share of "Hard to tell" answers has increased.

Figure 21. Several deposits in different banks

Responses to the question: "If a depositor has deposits in several banks, are all of them covered separately by the guarantee?", % of respondents

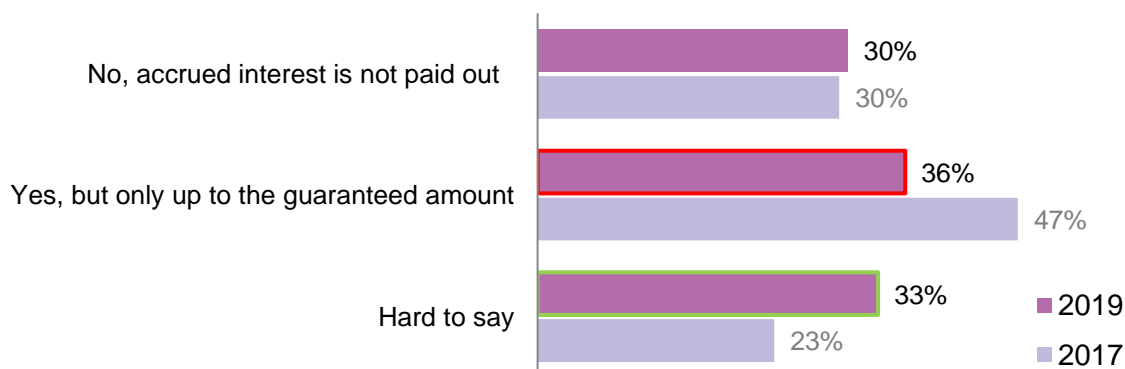


Compensation of interest on deposit

Ukrainians hardly know the mechanism of interest compensation. Similar to the situation of several deposits in one bank, the distribution of answers seems to be an attempt to guess the correct answer - the votes of the respondents were distributed almost equally between the answer options. The share of "Hard to tell" answers has increased, but the correct answer is "Yes, but up to the guaranteed amount".

Figure 22. Compensation of interest on deposit

Responses to the question: "Can deposit interest be paid out? ", % of respondents



2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

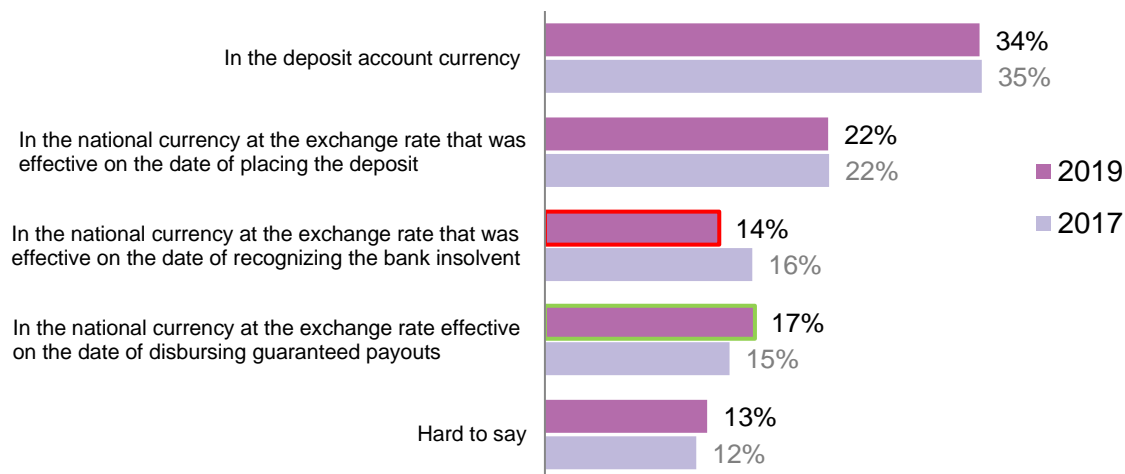
Payouts for deposits in foreign currency

Regarding the currency deposits guaranteed by the DGF, the majority (53%) believe that the payouts are made in national currency, but they can't correctly answer at what rate. The share of correct answers "... at the rate that was effective at the time a bank was declared insolvent" decreased from 16% to 14%, this decrease is statistically significant.

One in three, as in 2017, believes that payouts should be made in the currency of the deposit.

Figure 23. Payouts for deposits in foreign currency

Responses to the question: "In your opinion, in what currency will the guaranteed amount of foreign currency deposits be paid out?", % of respondents

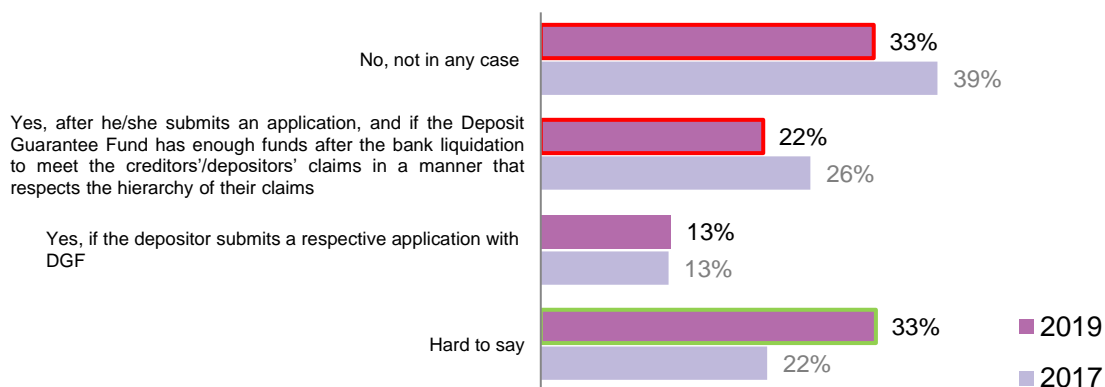


Deposit compensation of the amount in excess of the maximum coverage limit

One in three respondents believes that a depositor can't expect compensation on his or her deposit in excess of the maximum coverage limit in any case - the proportion of such respondents has decreased from 39% in 2017. At the same time, the proportion of correct answers has decreased as well: "... if, as a result of the bank's liquidation, the Deposit Guarantee Fund returns sufficient funds to pay creditors / depositors in order of priority" (from 26% in 2017 to 22% in 2019). This position of the respondents is quite reasonable, since in practice, due to the low level of bank assets that the DGF liquidates, only 22 banks out of 95 were able to pay more than the guaranteed amount.

Figure 24. Possibility of deposit compensation in excess of the maximum coverage limit

Responses to the question: "Can a depositor count on receiving an amount greater than the maximum coverage limit (i.e. in excess of UAH 200,000)?", % of respondents

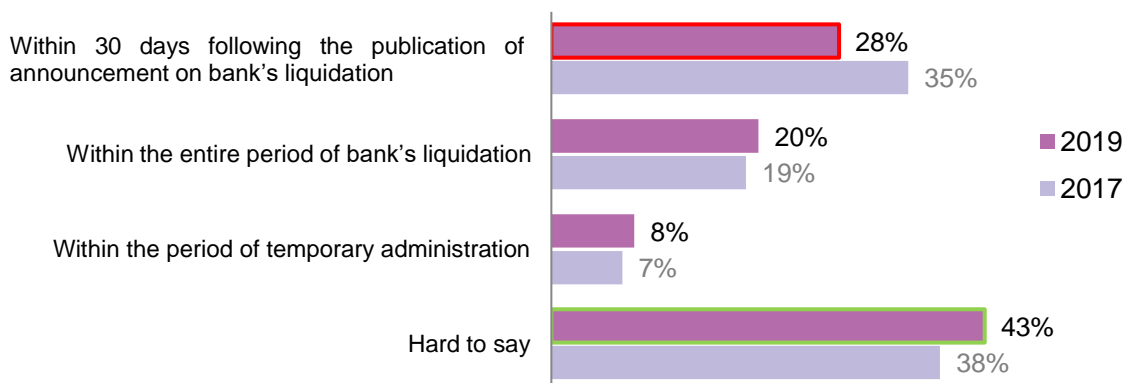


2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

Choosing the answer to the question "During what period of time a depositor must claim a compensation in excess of the coverage limit?" respondents tend to favor a more logical option, namely, "Within 30 days...". However, the "Hard to tell" option leads with 43%.

Figure 25. The period for applying for a refund over the guaranteed amount

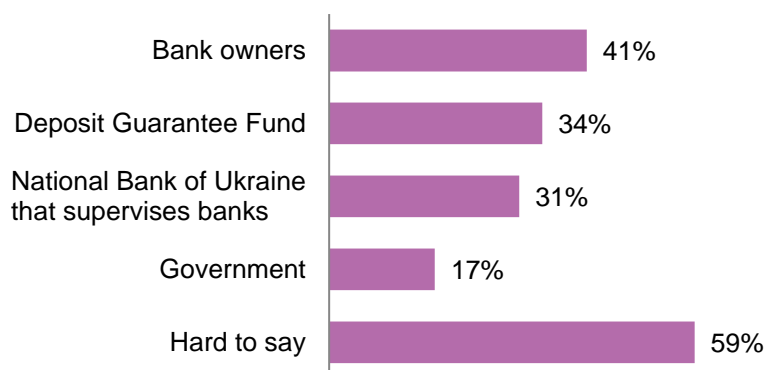
Responses to the question: "Within what period of time must a depositor submit the application to be able to return his/her funds in excess of the coverage limit (i.e. in excess of UAH200,000)?", % of respondents



The question of who should compensate depositors whose deposits exceeded the coverage limit was raised for the first time in 2019. It also proved to be difficult for the respondents - 59% failed to formulate their own opinion on this issue. The remaining 41% pointed to the bank's owners and placed the responsibility on the Deposit Guarantee Fund and the NBU.

Figure 26. Compensation to depositors whose deposits exceeded the guaranteed amount

Responses to the question: "Who, in your opinion, must return funds in excess of the coverage limit to depositors?", % of respondents



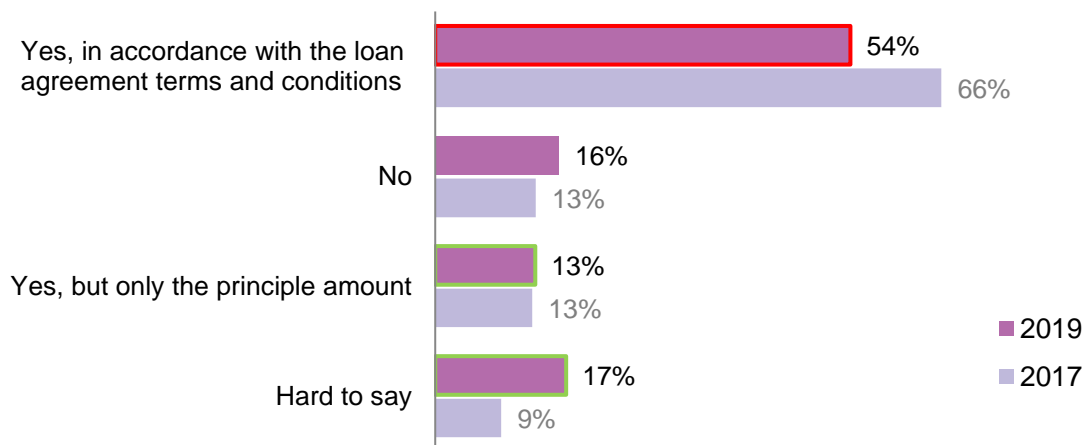
2. AWARENESS OF CERTAIN ELEMENTS OF THE DEPOSIT GUARANTEE SYSTEM

Obligation to repay the loan

Respondents generally believe that borrowers should repay a loan from a bank that was declared insolvent. However, this share has decreased from 66% to 54% compared to 2017, so it is worth continuing the explanatory work.

Figure 27. Obligation to repay the loan

Responses to the question: "Does a borrower have to repay a loan to a bank recognized as insolvent?", % of respondents

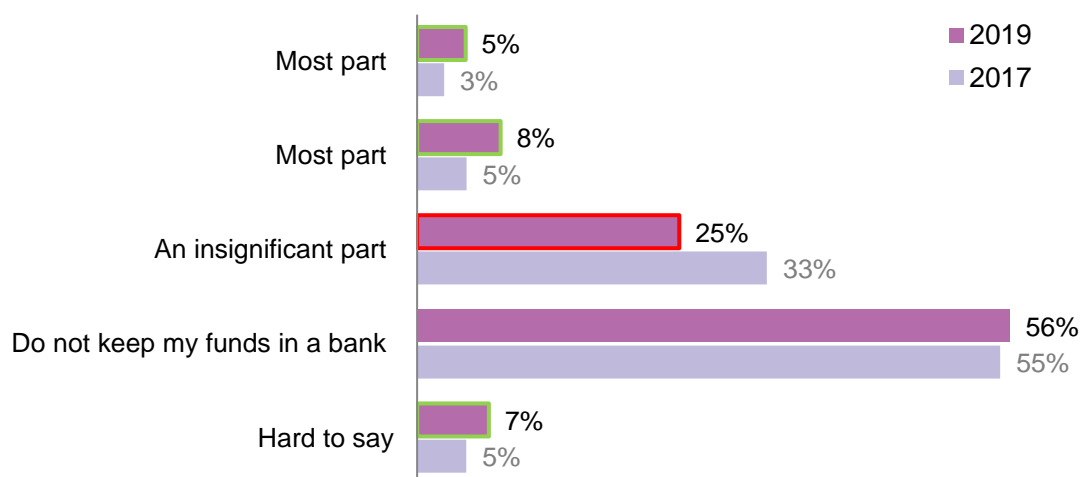


3. FINANCIAL BEHAVIOR

More than half of the respondents (56%), like two years ago, say that they do not keep their money in the bank. The rest of the respondents show signs of a renewed confidence in the banking system: the share of those holding a small portion of their funds in the bank is decreasing (from 33% in 2017 to 25% in 2019), instead the total share of those holding half or more of their funds in the bank, increased from 8% in 2017 to 13% in 2019.

Figure 28. Use of banking services

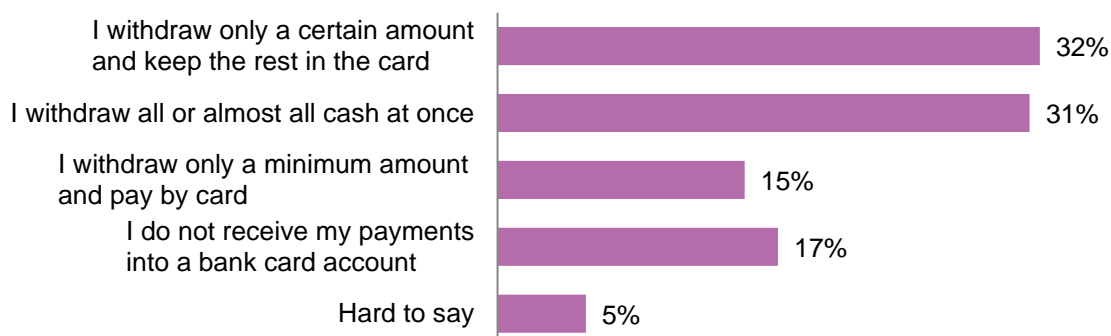
Responses to the question: "What part of your or your family's funds do you keep in the bank?"; % of respondents



It should be noted that only 17% of the respondents said that they did not receive any payments on a bank card, so the coverage of banking products is quite wide. However, a significant number of respondents immediately withdraw all or a considerable portion of their funds in cash (63% overall). Only 15% of the respondents mostly use bank cards for payments.

Figure 29. Cash withdrawal

Responses to the question: "When your payments (salary/pension/social allowance) are credited to your bank card account, do you keep them in the account or withdraw?"; % of respondents



3. FINANCIAL BEHAVIOR

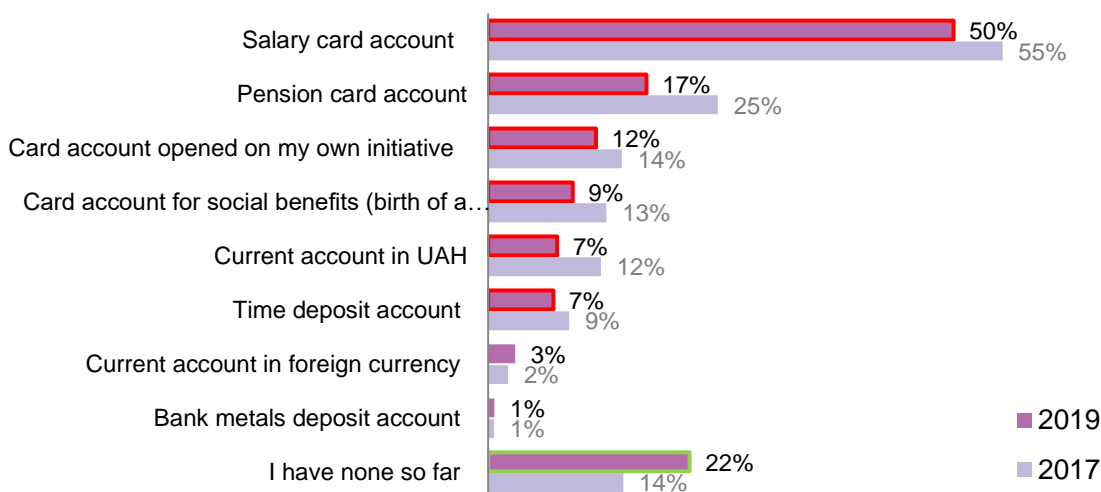
More than one in five respondents (22%) say they do not have bank accounts (such respondents mostly live in rural areas).

In 2017, it was 14%, which is most likely due to the fact that in 2019 the sample structure changed towards lower interest in financial services (see Introduction), and the lower the interest, the lower the usage.

The most common type of accounts is the payroll account, which is held by 50% of the respondents. Only 12% of respondents have opened an account on their own initiative, 7% – have a checking account and the same number of respondents have a term deposit. Despite a decrease in the share of deposit account holders compared to 2017, the amount of money held in banks by respondents has increased (cumulative part of answers “most of my money” and “half of my money” increased from 8% in 2017 to 13% in 2019 - see Figure 28).

Figure 30. Types of bank accounts

Answers to the question: "What types of bank accounts do you or your family have?", % of respondents

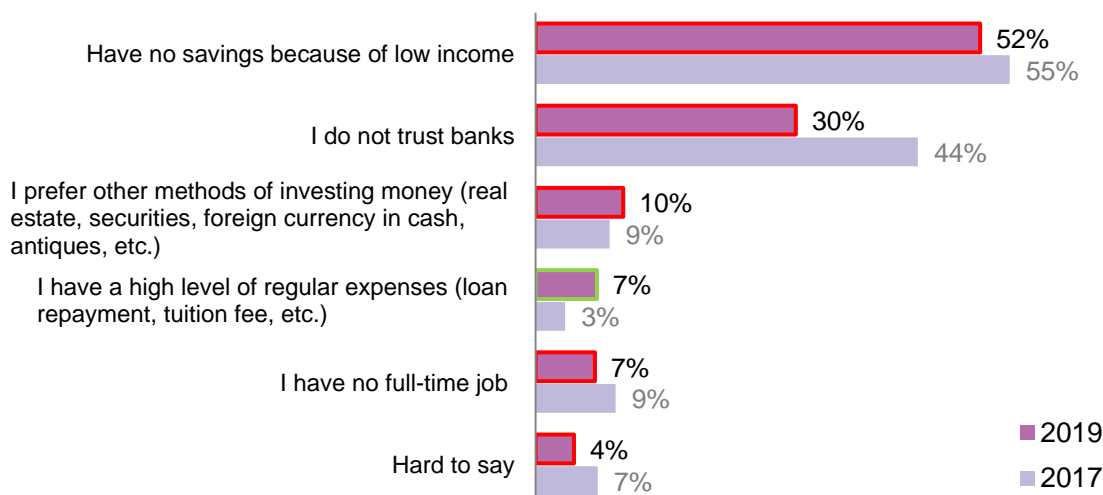


Among the reasons for having no account, respondents most often name the lack of savings (52%), less than in 2017.

And the reason "I don't trust banks" in 2019 was mentioned in 1.5 times less than in 2017 (30% in 2019 versus 44% in 2017).

Figure 31. Reasons for not having an account

Response to the question: "Why don't you have a bank account?", % of respondents



3. FINANCIAL BEHAVIOR

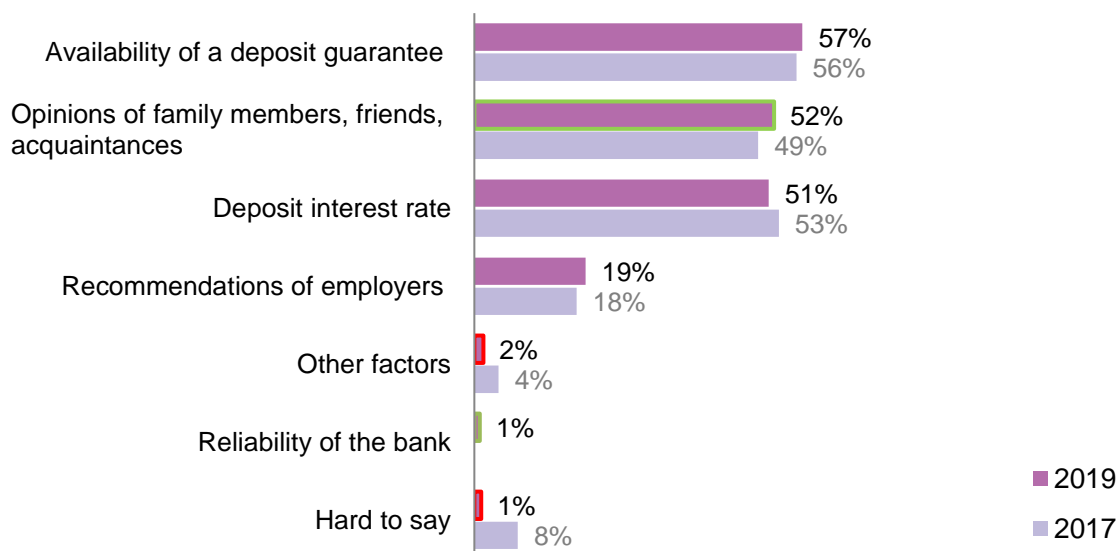
The availability of guarantees is an important criterion for respondents when choosing a bank to sign a deposit agreement - it is taken into account by 57% of respondents.

Ukrainians also pay attention to the comments of relatives and acquaintances - this factor was chosen by 52%.

Also, the TOP-3 criteria included the interest rate on the deposit - almost half of the respondents (51%) chose this criterion. Though the interest rate on the deposit remains in the TOP-3, in 2019 this factor in choosing the bank was mentioned by 51% of respondents, which is 2 percentage points less than in 2017 (however, there is no statistical significance).

Figure 32. Factors in choosing a bank

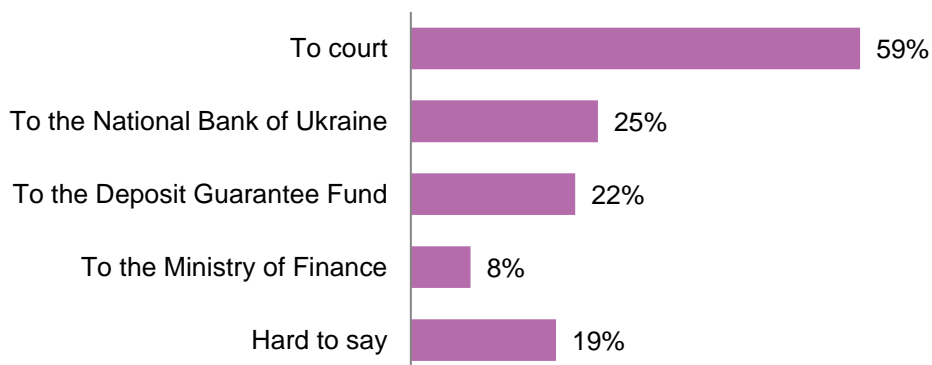
Responses to the question: "What factors do or will you pay attention to when choosing a bank for opening an account?"; % of respondents



In case of a violation of depositor rights, Ukrainians declare their readiness to go to the court (59%). One in four (25%) is ready to turn to the National Bank of Ukraine and 22% to the Deposit Guarantee Fund.

Figure 33. Complaints about bank actions

Responses to the question: "Which institution would you complain to if your rights as a bank depositor were violated and your issue was not addressed by the bank itself?"; % of respondents

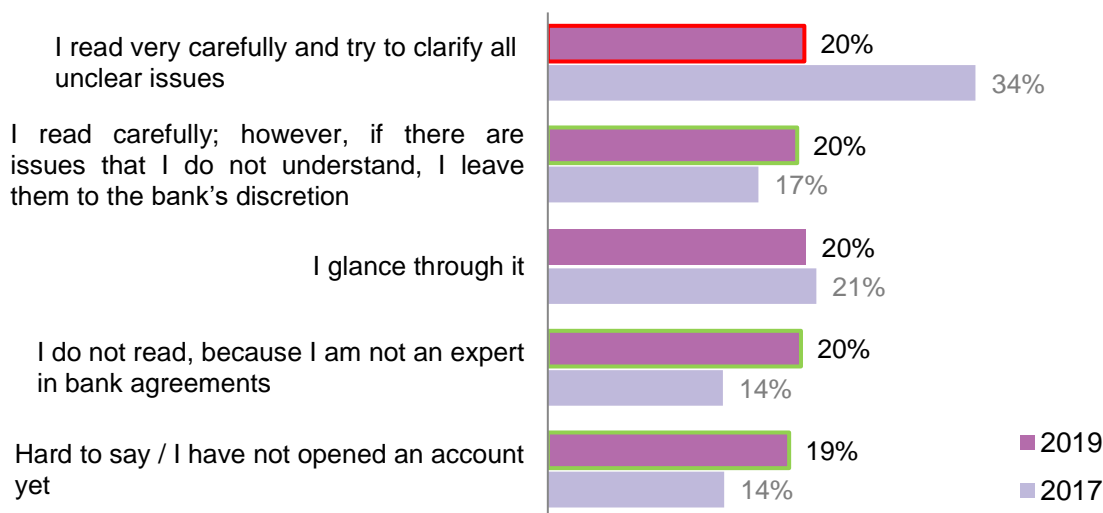


3. FINANCIAL BEHAVIOR

In 2019, the share of respondents who are carefully reviewing the terms of the contract with the bank in the course of opening an account has significantly decreased - from 34% in 2017 to 20% in 2019. Instead, the share of those who read it less carefully or do not read at all has increased.

Figure 34. Reviewing the agreement when opening an account

Responses to the question: "How carefully do you read the agreement with a bank in the course of opening an account?"; % of respondents

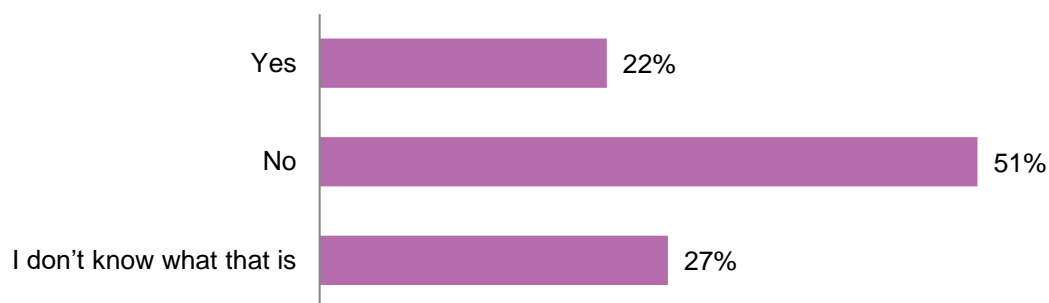


In 2019, the question whether respondents were given the depositor information sheet for individuals when signing a bank deposit / account agreement was asked for the first time. According to the DGF's requirements, a member bank is obliged to provide to new clients who open accounts the depositor information sheet for individuals, which contains information about the deposit guarantee conditions and contacts of the DGF. Only 22% answered affirmatively, i.e. either the banks did not provide it to the respondents or the respondents did not pay attention to it. In favor of the version that banks do not sufficiently elaborate on this issue, is the fact that among those respondents who carefully study the content of the agreement, the share of affirmative answers is only 39%.

This situation needs to be improved, because banks were named the most desirable source of information about the guarantee.

Figure 35. The depositor information sheet for individuals

Responses to the question: "Did you read an information sheet about the deposit guarantee system when signing a bank deposit/account contract?"; % of respondents who entered into agreements with the bank (did not choose the "Hard to tell" answer to the previous question)



4. FACTORS INFLUENCING THE LEVEL OF CONSUMER AWARENESS

The survey collected information on respondents' age, gender and income levels. Based on these factors and data on the region of residence and type of settlement, correlations between these variables and the level of consumer awareness were examined.

Three factors have the highest level of impact on awareness: the level of income of the respondents, the type of settlement and the macro-region of their residence.

There is a direct correlation between the declared income level of the respondent and the level of awareness of various aspects of the deposit guarantee system: people with less wealth know less than those who believe that their well-being is better. Higher income is likely to indicate higher financial inclusion, as higher-income respondents also have a higher quality of life, which implies, among other things, more active use of financial products.

By region, Kyiv is the absolute leader in awareness. The worst level of awareness was recorded in the Central (Kirovograd, Cherkasy, Poltava, Vinnytsia oblasts) and Eastern (Dnipropetrovsk, Donetsk, Zaporizhia, Luhansk, Kharkiv oblasts) regions.

Capital-city residents show the best level of awareness of the existence of the DGF and the deposit guarantee system, they often give the correct answers regarding the amount and the deposit guarantee mechanism, whereas they have encountered unpleasant situations at banks less often than residents of other regions. The high awareness of Kyivites can also be explained by the higher level of well-being - respondents from the capital-city refer to themselves as more affluent population groups by their own self-assessment.

In terms of age distribution, the worst results were found in two age groups of respondents: senior citizens (those aged over 61) and young people (18–29 years old). And if older respondents are expected to be less affluent, the low awareness of young people can't be explained by this factor alone. The most experienced were respondents aged 46 to 60 years.

As for the gender, women, more often than men, have said they are not aware of the guarantee of payouts for bank deposits in case of a bank failure, and also not aware of the Deposit Guarantee Fund. In addition, men were twice as likely as women to choose the correct answer that the DGF guarantees deposits at all banks except the National Savings Bank of Ukraine (this answer was chosen by 12% of men and 6.5% of women). In general, women are more likely to choose the "Hard to answer" option and more often say that they do not have enough information about the deposit guarantee system and need more information. In addition, women are more likely to say that they do not keep money in the bank, and if they receive payments on a bank card (salary / pension / social assistance), they withdraw cash immediately (36% of women and 27% of men admitted to this behavior).

Rural residents choose the answer "Hard to answer" more often than urban residents: therefore, they are less aware of the subtleties of the financial system operation. This is explained by the lower financial inclusion of this category of Ukrainians: they are more likely to choose the answers "*I do not keep my money in banks*" (67%), "*I do not receive payments on a bank card*" (24%), "*I do not have any bank account yet*" (28%). Among the reasons for having no account, rural residents often choose the options "*I have a high level of fixed costs (loan payment, tuition fees, etc.)*" and "*I prefer other ways of saving money*". Among the trusted communication channels, rural residents are more likely to choose television (45%).

APPENDIX. QUESTIONNAIRE

A1. PLEASE TELL US: HOW INTERESTED ARE YOU IN INFORMATION ABOUT FINANCIAL SERVICES IN UKRAINE?

Very interested	8.3%
Rather interested	50.1%
Rather not interested	41.6%
Not interested at all	0.0%

A2. PLEASE TELL US: HOW OLD ARE YOU (IN FULL YEARS)?

18-29 years	21.6%
30-45 years	34.7%
46-60 years	26.6%
61 years and older	17.0%

A3. WHICH COMMUNICATION CHANNEL (SOURCE OF INFORMATION) DO YOU TRUST MOST OF ALL REGARDING INFORMATION ABOUT FINANCIAL AND BANKING SERVICES IN UKRAINE? Choose all that apply.

TV	37.6%	Information directly from banks	34.5%
Radio	4.7%	Social networks	15.5%
Internet	42.3%	Friends and relatives	38.6%
Newspapers and magazines	4.5%	None	7.8%
Hard to say / I don't know			2,1%

A4. TO WHAT EXTENT DO VARIOUS SOURCES OF INFORMATION MEET YOUR NEEDS WITH RESPECT TO INFORMATION ABOUT FINANCIAL AND BANKING SERVICES IN UKRAINE?

Fully	9.5%
Rather meet	60.4%
Do not meet at all	30.1%
I have no need for such information/I am not interested	0.0%

A5. WHICH OF THE FOLLOWING SITUATIONS HAVE YOU, YOUR FAMILY MEMBERS, CLOSE FRIENDS AND ACQUAINTANCES FACED OVER THE LAST TWO YEARS? Choose all that apply.

A bank promised a certain interest rate on my deposit but paid a lower one	7.4%
A bank was liquidated but a deposit or other funds were paid out	5.5%
A bank was liquidated and only the guaranteed payout was made	7.0%
A bank was liquidated but my funds were not paid out	7.8%
A bank does not pay out funds on deposit and requires that the deposit agreement be extended	2.1%
Other	0.8%
Have not faced such situations/ Hard to say	75.6%

B1. DO YOU KNOW ANYTHING ABOUT BANK DEPOSIT GUARANTEES IN CASE A BANK BECOMES INSOLVENT?

Yes, I know	15,4%
Yes, but very little	42,1%
No, I know nothing	42,5%

B2.1. WHICH INSTITUTIONS, IN YOUR OPINION, MAY GUARANTEE THAT DEPOSITS WILL BE PAID OUT IN CASE OF A BANK FAILURE?

	Yes	No	Hard to say / I don't know
National Bank of Ukraine	53.8%	24.9%	21.3%
Ministry of Finance of Ukraine	25.6%	44.8%	29.6%
Deposit Guarantee Fund	60.8%	12.5%	26.7%
The bank which failed	31.5%	42.3%	26.2%

APPENDIX. QUESTIONNAIRE

B2.2. IF A BANK FAILS, AND ITS CUSTOMERS BEAR LOSSES, WHO, IN YOUR OPINION, IS MOST TO BLAME?

The bank owners	63.1%
National Bank of Ukraine that supervises banks	20.7%
Deposit Guarantee Fund	5.1%
Other	1.7%
Hard to say / I don't know	9.4%

B3. HAVE YOU HEARD ABOUT THE DEPOSIT GUARANTEE FUND BEFORE?

Yes	35.2%
No	52.0%
Can't say for sure	12.8%

B3A. I WILL READ OUT SEVERAL MORE STATEMENTS ABOUT THE DEPOSIT GUARANTEE FUND. PLEASE, RATE THEM ON A SCALE FROM 1 TO 7, WHERE 1 MEANS "STRONGLY DISAGREE" AND 7 – "FULLY AGREE."

	1	2	3	4	5	6	7	HS
The DGF always fulfills its obligation to pay out the guaranteed amount	6.4%	5.1%	8.7%	16.6%	14.0%	14.6%	11.7%	23.0%
The DGF protects bank depositor rights	6.3%	5.3%	6.8%	18.2%	17.5%	18.3%	16.1%	11.6%
The DGF can be trusted	7.3%	5.2%	10.2%	19.1%	16.3%	14.5%	10.3%	17.1%
The DGF is an open and transparent institution	10.0%	6.0%	10.3%	15.7%	15.8%	10.1%	8.7%	23.5%
The procedure for receiving payouts from the DGF is convenient and accessible	9.4%	6.5%	9.8%	15.9%	12.8%	10.5%	9.0%	26.0%
I trust my funds to a bank because they are protected by the Deposit Guarantee Fund	14.4%	6.5%	10.9%	14.7%	12.7%	11.1%	10.1%	19.6%
The DGF is an important element of the national financial system	3.7%	3.6%	6.2%	15.5%	13.7%	15.7%	27.1%	14.6%

B4. DEPOSITS IN WHICH FINANCIAL INSTITUTIONS ARE GUARANTEED BY THE DEPOSIT GUARANTEE FUND?

Deposits in credit unions and banks	7.8%
Deposits in all banks, including the State Savings Bank of Ukraine	49.2%
Deposits in all banks except for the State Savings Bank of Ukraine	9.7%
Deposits in all institutions that have the right to raise funds from individuals	17.2%
Hard to say	16.0%

B5. WHAT IS A MAXIMUM GUARANTEED BANK DEPOSIT AMOUNT (COVERAGE LIMIT) PER BANK?

UAH 100,000	2.9%
UAH 150,000	2.9%
UAH 200,000	46.7%
UAH 500,000	2.5%
Full amount of the deposit	15.9%
Hard to say / I don't know	29.1%

B6. IN YOUR OPINION, IF A DEPOSITOR HAS SEVERAL DEPOSIT ACCOUNTS IN ONE BANK, ARE ALL OF THEM GUARANTEED TO BE PAID OUT?

A depositor receives payouts from all his/her deposit accounts up to the guaranteed amount	31.3%
A depositor receives payouts separately from each of his deposit accounts up to the guaranteed amount	31.8%
There is no guarantee that deposits will be paid out	11.7%
Hard to say / I don't know	25.3%

APPENDIX. QUESTIONNAIRE

B7. IF A DEPOSITOR HAS DEPOSITS IN SEVERAL BANKS, ARE ALL OF THEM COVERED SEPARATELY BY THE GUARANTEE?

A depositor receives payouts up to the guaranteed amount only in one bank	14.1%
A depositor receives separate payouts up to the guaranteed amount when each bank fails	47.4%
Other	0.1%
There is no guarantee that deposits will be paid out	9.7%
Hard to say / I don't know	28.8%

B8. CAN DEPOSIT INTEREST BE PAID OUT?

No, accrued interest is not paid out	30.5%
Yes, but only up to the guaranteed amount	36.1%
Hard to say / I don't know	33.4%

B9. WHAT, IN YOUR OPINION, IS THE GROUND FOR PAYING OUT THE GUARANTEED AMOUNT?

	Yes	No	Hard to say / I don't know
Bank's refusal to pay out the deposit at the depositor's request	36.3%	43.8%	19.9%
Bank's refusal to pay out the deposit after the deposit agreement expires	41.4%	38.8%	19.8%
Inclusion of a bank in the insolvent bank list by the National Bank of Ukraine and forcing the bank into temporary administration	73.4%	10.6%	16.0%
Bank's license revocation and commencement of the bank's liquidation	64.4%	14.7%	20.8%

B10. WHEN EXACTLY DOES THE DGF BEGIN TO PAY OUT THE GUARANTEED AMOUNTS TO DEPOSITORS OF A FAILED BANK CARD B10. PLEASE CHOOSE ONLY ONE ANSWER

On the following day after the commencement of the bank resolution procedure by the DGF	10.2%
No later than in 20 working days after the commencement of the bank resolution procedure by the DGF	8.2%
No later than in 30 working days after the commencement of the bank resolution procedure by the DGF	18.0%
No later than in 7 working days after the commencement of the bank resolution procedure by the DGF	4.9%
Hard to say / I don't know	58.7%

B11. WHAT IS THE ELIGIBILITY PERIOD FOR GUARANTEED PAYOUTS FROM THE DGF?

30 days	19.8%
Within 3 years after the commencement of a bank liquidation procedure	8.8%
Within 5 years after the commencement of a bank liquidation procedure	3.5%
Up until the DGF submits information to the state register on the bank termination as a legal entity	8.4%
The eligibility period for guaranteed payouts is unlimited	12.8%
Hard to say / I don't know	46.8%

B11. 1-5. WHICH TYPES OF DEPOSITS ARE COVERED BY THE DGF GUARANTEE?

	Yes	No	Hard to say / I don't know
Hryvnia deposits	85.8%	3.8%	10.4%
Foreign currency deposits	59.3%	16.8%	23.9%
Bank metal deposits	32.1%	24.2%	43.8%
Current accounts	49.0%	16.7%	34.2%
Card accounts	47.6%	16.9%	35.5%

B11. 6 -10. WHICH OF THE OTHER TYPES OF DEPOSITS AND ACCOUNTS ARE COVERED BY THE DGF GUARANTEE?

	Yes	No	Hard to say / I don't know
Bearer savings (deposit) certificates	54.1%	10.7%	35.2%
Accounts of self-employed individuals	51.9%	12.1%	36.0%
Deposits of legal entities (enterprises, organizations, institutions)	46.8%	13.5%	39.7%
E-money and cryptocurrencies (money in e-wallets)	21.5%	25.4%	53.1%
Deposit accounts opened online, through web- or mobile application	30.1%	17.4%	52.5%

APPENDIX. QUESTIONNAIRE

B12. IN YOUR OPINION, IN WHAT CURRENCY WILL THE GUARANTEED AMOUNT OF FOREIGN CURRENCY DEPOSITS BE PAID OUT?

In the deposit account currency	34.4%
In the national currency at the exchange rate that was effective on the date of placing the deposit	22.4%
In the national currency at the exchange rate that was effective on the date of recognizing the bank insolvent	13.8%
In the national currency at the exchange rate effective on the date of disbursing guaranteed payouts	16.6%
Hard to say / I don't know	12.8%

B13. CAN A DEPOSITOR COUNT ON RECEIVING AN AMOUNT GREATER THAN THE MAXIMUM COVERAGE LIMIT (THAT IS IN EXCESS OF UAH 200,000)?

No, not in any case	32.6%
Yes, after he/she submits an application, and if the Deposit Guarantee Fund has enough funds after the bank liquidation to meet the creditors'/depositors' claims in a manner that respects the hierarchy of their claims	21.8%
Yes, if the depositor submits a respective application with DGF	12.7%
Hard to say / I don't know	32.8%

B14. WITHIN WHAT PERIOD OF TIME MUST A DEPOSITOR SUBMIT THE APPLICATION TO BE ABLE TO RETURN HIS/HER FUNDS IN EXCESS OF THE COVERAGE LIMIT (THAT IS IN EXCESS OF UAH 200,000)?

Within 30 days following the publication of announcement on bank's liquidation	28.5%
Within the entire period of bank's liquidation	20.5%
Within the period of temporary administration	8.2%
Hard to say / I don't know	42.9%

B14A. WHO, IN YOUR OPINION, MUST RETURN FUNDS IN EXCESS OF THE COVERAGE LIMIT TO DEPOSITORS?

Bank owners	41.4%
National Bank of Ukraine that supervises banks	30.5%
Deposit Guarantee Fund	34.2%
Government	17.0%
Other	0.1%
Hard to say / I don't know	13.1%

B14.1 WHICH AUTHORITY CARRIES OUT THE BANK ASSETS LIQUIDATION AND SALE PROCEDURE?

National Bank of Ukraine	57.5%
Deposit Guarantee Fund	19.6%
Other	1.3%
Hard to say / I don't know	21.5%

B15. DOES A BORROWER HAVE TO REPAY A LOAN TO A BANK RECOGNIZED AS INSOLVENT?

Yes, in accordance with the loan agreement terms and conditions	53.9%
No	16.1%
Yes, but only the principle amount	13.0%
Hard to say / I don't know	17.0%

B16. DOES A BANK UNDER LIQUIDATION HAVE THE RIGHT TO IMPOSE FINES AND ENGAGE A COLLECTOR FIRM IF A BORROWER DOES NOT REPAY HIS/HER LOAN?

Yes	No	HS / IDK
33.9%	42.4%	23.8%

B17. IF A BORROWER HAS AN OUTSTANDING LOAN IN A BANK UNDER LIQUIDATION, MAY THIS LOAN BE SOLD?

Yes	No	HS / IDK
37.6%	31.0%	31.4%

APPENDIX. QUESTIONNAIRE

C1. HOW CAREFULLY DO YOU READ THE AGREEMENT WITH A BANK IN THE COURSE OF OPENING AN ACCOUNT?

I read very carefully and try to clarify all unclear issues	20.4%
I read carefully; however, if there are issues that I do not understand, I leave them to the bank's discretion	19.8%
I glance through it	20.5%
I do not read, because I am not an expert in bank agreements	20.1%
Hard to say / I don't know / I have not opened an account yet	19.2%

C3. DID YOU READ AN INFORMATION SHEET ABOUT THE DEPOSIT GUARANTEE SYSTEM WHEN SIGNING A BANK DEPOSIT/ACCOUNT CONTRACT?

No	49.3%
Yes	18.5%
I don't know what that is	32.2%

C3.1. WHICH INSTITUTION WOULD YOU COMPLAIN TO IF YOUR RIGHTS AS A BANK DEPOSITOR WERE VIOLATED AND YOUR ISSUE WAS NOT ADDRESSED IN THE BANK ITSELF? Choose all that apply.

To the National Bank of Ukraine	24.6%	To court	59.0%
To the Ministry of Finance	7.8%	Other	2.4%
To the Deposit Guarantee Fund	21.6%	Hard to say	19.0%

C4. DO YOU THINK YOU HAVE ENOUGH INFORMATION ABOUT THE DEPOSIT GUARANTEE SYSTEM?

No, I don't think so, but I don't want to receive more information	23.6%
No, I don't think so, I need more information	56.2%
Yes, I have enough information	7.9%
Yes, I have enough information but I want to know more	2.7%
Hard to say / I don't know	9.6%

C5. IF YOU WANT TO HAVE MORE INFORMATION ABOUT THE DEPOSIT GUARANTEE SYSTEM, WHICH OF THE FOLLOWING METHODS IS ACCEPTABLE TO YOU? Choose all that apply.

Contacting the bank where you have opened an account	49.7%
Calling the DGF hotline	25.1%
Visiting the DGF web site	21.5%
Getting information from social media	15.5%
Looking for an independent expert opinion in the TV and radio interviews and other printed media	16.7%
Get personal consultation	25.0%
Attending free lectures and trainings	2.4%
Hard to say / I don't know	15.3%

C6. WHAT PART OF YOUR OR YOUR FAMILY'S FUNDS DO YOU KEEP IN THE BANK?

Most part	4.6%
Half of our funds	7.9%
An insignificant part	24.8%
Do not keep my funds in the bank	56.0%
Hard to say / Refuse to answer	6.8%

C6.1 WHEN YOUR PAYMENTS (SALARY/PENSION/SOCIAL ALLOWANCE) ARE CREDITED TO YOUR BANK CARD ACCOUNT, DO YOU KEEP THEM IN THE ACCOUNT OR WITHDRAW?

I withdraw all or almost all cash at once	31.5%
I withdraw only a certain amount and keep the rest in the card	32.1%
I withdraw only a minimum amount and pay by card	14.6%
I do not receive my payments into a bank card account	16.6%
Hard to say / Refuse to answer	5.2%

APPENDIX. QUESTIONNAIRE

C7. WHAT TYPES OF BANK ACCOUNTS DO YOU OR YOUR FAMILY HAVE? Choose all that apply.

Time deposit account	7.0%
Bank metals deposit account	0.7%
Current account in UAH	7.4%
Current account in foreign currency	2.9%
Card account opened on my own initiative	11.5%
Salary card account	49.8%
Card account for social benefits (birth of a child, unemployment assistance, etc.)	9.1%
Pension card account	16.9%
Other	0.1%
I have none so far	21.6%

C7_1. WHY DON'T YOU HAVE A BANK ACCOUNT? Choose all that apply.

I have no savings because of low income	51.7%
I have a high level of regular expenses (loan repayment, tuition fee, etc.)	7.2%
I have no full-time job	6.9%
I prefer other methods of investing money (real estate, securities, foreign currency in cash, antiques, etc.)	10.2%
I do not trust banks	30.3%

C8. CURRENTLY, THE MAXIMUM DEPOSIT GUARANTEE AMOUNT IS UAH 200,000. DO YOU THINK THIS IS A SUFFICIENT BANK DEPOSIT GUARANTEE COVERAGE?

Yes	41.0%
No	34.3%
Hard to say / I don't know	24.7%

C9.1. IF UAH 200,000 IS AN INSUFFICIENT DEPOSIT GUARANTEE COVERAGE, WOULD UAH 400,000 SUFFICE?

C9.2. IF UAH 400,000 IS AN INSUFFICIENT DEPOSIT GUARANTEE COVERAGE, WOULD UAH 600,000 SUFFICE?

C9.3. IF UAH 600,000 IS AN INSUFFICIENT DEPOSIT GUARANTEE COVERAGE, WOULD UAH 800,000 SUFFICE?

C9.4. IF UAH 800,000 IS AN INSUFFICIENT DEPOSIT GUARANTEE COVERAGE, WOULD UAH 1 MILLION SUFFICE?

	C9.1	C9.2	C9.3	C9.4
Yes	54.4%	62.7%	70.0%	78.5%
No	38.7%	30.0%	23.7%	13.5%

C9.5. IF UAH 1 MILLION IS AN INSUFFICIENT DEPOSIT GUARANTEE COVERAGE, PLEASE WRITE DOWN WHAT AMOUNT OF DEPOSIT GUARANTEE COVERAGE WOULD BE SUFFICIENT, IN YOUR OPINION?

The entire amount of the deposit	25.9%
The entire amount of the deposit + %	4.6%
Up to 3 million	0.9%
Other	3.2%
Refuse to answer / Hard to say	65.5%

C9A. PLEASE LOOK AT THE DEPOSIT GUARANTEE COVERAGE OPTIONS BELOW. WHICH OF THE AMOUNTS IS REASONABLE IN YOUR OPINION?

UAH 400,000	27.3%
UAH 600,000	12.8%
UAH 800,000	10.1%
UAH 1 mln	13.8%
Hryvnia equivalent of Euro 100,000	4.6%
Hard to say	31.4%

APPENDIX. QUESTIONNAIRE

C10. WHAT FACTORS DO OR WILL YOU PAY ATTENTION TO WHEN CHOOSING A BANK FOR OPENING AN ACCOUNT?

Choose all that apply.

Deposit interest rate	51.0%
Opinions of family members, friends, acquaintances	51.9%
Recommendations of employers	19.3%
Availability of a deposit guarantee	56.8%
Other factors	1,6%
Reliability / stability of the bank	0,9%
The State Bank	0,1%
Refuse to answer / Hard to say	1,2%

C11. DO YOU USE REMOTE BANKING SERVICES (INTERNET BANKING AND/OR MOBILE BANKING)?

Yes	43.7%
No	53.5%
I don't know, what it is	2.8%

D1. INDICATE A SEX OF THE RESPONDENT

Male	49.6%
Female	50.4%

D2. YOUR MARITAL STATUS

Single	17.9%
Married / live together	68.0%
Divorced / separated	6.4%
Widower / widow	6.4%
Refuse to answer	1.2%

D3. YOUR EDUCATION

Secondary	17.8%
Specialized secondary	42.5%
Incomplete higher education	8.3%
Higher education	30.9%

D4. WHAT IS YOUR PRIMARY OCCUPATION?

I only work	64.5%
I work and study at the same time	3.4%
I only study	3.2%
I neither work nor study	28.3%

D5. IN WHICH OF THE FOLLOWING POPULATION GROUPS COULD YOU INCLUDE YOURSELF (YOUR FAMILY)?

Can hardly make ends meet / Not enough money even for food	6.8%
Have enough money for food, but buying clothes can cause financial difficulties	26.1%
Have enough money for food and clothes, but not for durable goods (TV set, refrigerator)	52.0%
Can buy durable goods but cannot afford very expensive purchases, such as a car	10.7%
Can afford very expensive purchases, such as an apartment, country house and many others	0.3%
Refuse to answer	4.0%

