

HOW ARE MY INVESTMENTS PROTECTED?



What happens if my financial institution fails?

Canada Deposit Insurance Corporation (CDIC)

CDIC insures customer's deposits at member institutions in the event of a failure.

CDIC coverage is free and automatic. If your deposits are insured, CDIC will pay you automatically in case of a failure.

Learn more about CDIC at [cdic.ca](https://www.cdic.ca).



Who are CDIC member institutions?

- Banks
- Federally regulated credit unions
- Loans and trust companies
- Associations governed by the Cooperative Credit Associations Act that take deposits



What are CDIC's coverage limits?

If a CDIC member institution fails, eligible deposits at each CDIC member institution are protected to a maximum of \$100,000 per separately insured category.

✓ What is covered?

- Savings and chequing accounts
- GICs and other term deposits
- Foreign currency

✗ What is not covered?

- Mutual funds, stocks and bonds
- Exchange traded funds
- Cryptocurrencies

Canadian Investor Protection Fund (CIPF)

CIPF covers customers of member firms who have suffered or may suffer financial loss because of the failure of a member firm.

CIPF coverage is free and automatic if you have an account with a CIPF member firm that is used solely for investing in securities or commodity and futures contracts.

Learn more about CIPF at cipf.ca.



Who are CIPF member firms?

An investment dealer that is a member of IIROC (Investment Industry Regulatory Organization of Canada).



What are CIPF's coverage limits?

For an individual, the limits on CIPF protection are generally as follows:

- \$1 million for all general accounts combined (such as cash accounts, margin accounts and TFSAs), plus
- \$1 million for all registered retirement accounts combined (such as RRSPs, RRIFs and LIFs), plus
- \$1 million for all registered education savings plans (RESPs) combined where the client is the subscriber of the plan.

✓ What is covered?

Missing property. This is property held by a CIPF member firm on your behalf that is not returned to you following the firm's failure.

Missing property can include:

- cash
- securities
- futures
- segregated insurance funds

✗ What is not covered?

- Losses resulting from:
 - a drop in the value of your investments for any reason
 - unsuitable investments
 - fraudulent or other misrepresentations that were made to you
 - misleading information that was given to you
 - important information that was not disclosed to you
 - poor investment advice
 - the failure or default of the company that issued your security
- Securities held directly by you (for example, a share certificate that you hold)
- Other exclusions identified in the CIPF Coverage Policy.

MFDA Investor Protection Corporation (MFDA IPC)

MFDA IPC protects client assets held by a member firm in the event that the member firm fails.

MFDA IPC coverage is free and automatic if you have an account with a MFDA member firm.

Learn more about MFDA IPC at mfda.ca.



Who are MFDA member firms?

A mutual fund dealer that is a member of MFDA (Mutual Fund Dealers Association of Canada).



What are MFDA IPC's coverage limits?

Up to \$1 million for each of a customer's general and separate accounts. Most customers will have two "accounts" for coverage purposes:

- the total of their trading accounts (general account) and
- the total of their registered retirement accounts, such as RRSPs and RIFs (separate account)

✓ What is covered?

Examples of the types of property that may be eligible for MFDA IPC coverage:

- securities
- cash
- segregated funds

✗ What is not covered?

Customer losses which do not result from the failure of a member firm such as:

- losses that result from changing market value of securities
- unsuitable investments
- the failure or default of an issuer of securities

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