



**CDIC**

Canada Deposit  
Insurance Corporation

# PROTECTING YOUR DEPOSITS

Up to \$100,000



Canada

# The Canada Deposit Insurance Corporation (CDIC) is a federal Crown corporation created in 1967 to protect your deposits in member financial institutions in case of their failure.

CDIC's members are financial institutions that take deposits and display this sign:



For a list of member institutions, please visit CDIC's website at [www.cdic.ca](http://www.cdic.ca).

## WHAT DOES CDIC INSURE?

CDIC insures eligible deposits you make with our members. Eligible deposits include:

- savings accounts and chequing accounts;
- term deposits, such as guaranteed investment certificates (GICs) and debentures issued as proof of deposit by member institutions (other than banks);
- money orders, travellers' cheques and bank drafts issued by CDIC members and cheques certified by CDIC members;
- accounts that hold funds to pay taxes on mortgaged properties.

**To be eligible for deposit insurance, your deposit must be payable in Canada, in Canadian currency. Term deposits must be repayable no more than five years after the date of deposit.**

Not all deposits and investments offered by our members are insured.

For example, CDIC does not insure:

- foreign currency deposits (e.g., accounts in U.S. dollars);
- term deposits with a maturity date of more than five years from the date of deposit;
- debentures issued by banks, trust companies or cooperative credit associations;
- bonds or debentures issued by governments and corporations;
- Treasury bills;
- investments in mortgages, stocks or mutual funds.

For other rules on deposit insurance, please visit [www.cdic.ca](http://www.cdic.ca).

## What is the maximum insurance protection?

### Basic protection

The maximum basic protection for eligible deposits is \$100,000 (principal and interest combined) in each CDIC member institution. Deposits are not insured separately if made at different branch offices of a member.

### Separate protection

CDIC covers eligible deposits in the following categories, each to a limit of \$100,000. These include:

- deposits held in one name;
- deposits held in more than one name (joint deposits);
- deposits held in trust for another person;
- deposits held in registered retirement savings plans (RRSPs);
- deposits held in registered retirement income funds (RRIFs);
- deposits held in tax-free savings accounts (TFSA) ;
- deposits held to pay realty taxes on mortgaged properties.

**You are responsible for ensuring that the member institution's records include all information required for the separate protection of these deposits (see following sections for details).**

### Joint deposits

Deposits you own jointly with someone else are insured separately from deposits in your own name, provided that the records of the member institution:

- indicate the deposits are owned jointly; and
- include the name and address of each joint owner.

The maximum insurance for all deposits having the same joint owners at each member institution is \$100,000 (collectively, not per individual owner).

### Trust deposits

Deposits held in trust are insured separately from deposits owned personally by the trustee or the beneficiary(ies), provided that the trustee has disclosed, for inclusion in the records of the member institution:

- that the deposit is held in trust;
- the name(s) and address(es) of the trustee(s);
- the name(s) and address(es) of the beneficiary(ies).

If a trust deposit is held for more than one beneficiary, the dollar amount or percentage owned by each beneficiary must be identified on the CDIC member's records each year as of April 30. Each beneficiary's share is insured up to \$100,000.

*For more information on CDIC's joint and trust account disclosure requirements, please visit [www.cdic.ca](http://www.cdic.ca).*

## Registered plans

CDIC does not insure all investments held in registered plans. Deposits must be held in a savings account, in GICs or other term deposits with an original term to maturity of five years or less, or in debentures issued as proof of deposit by members (other than banks), and must be payable in Canadian currency.

- Your maximum deposit insurance for all your eligible RRSP deposits with the same CDIC member is \$100,000 (principal and interest combined).
- Your maximum deposit insurance for all your eligible RRIF deposits with the same CDIC member is \$100,000 (principal and interest combined).
- Contributions you make to an RRSP or a RRIF plan for your spouse or common-law partner are combined with other deposits held in an RRSP or a RRIF in the name of your spouse or common-law partner with the same CDIC member, not with deposits in your own RRSPs or RRIFs.
- Your maximum deposit insurance for all your eligible TFSA deposits with the same CDIC member is \$100,000 (principal and interest combined).
- Your maximum deposit insurance for all your eligible Registered Disability Savings Plans (RDSP) deposits with the same CDIC member is \$100,000 (principal and interest combined).
- Your maximum deposit insurance for all your eligible Registered Education Savings Plans (RESP) deposits at the same CDIC member that are structured as trusts is \$100,000 (principal and interest combined). (Eligible deposits held in RESPs that are not structured as trusts are not separately insured, but fall under the basic coverage. Ask your CDIC member whether your RESP is structured as a trust.)
- You may be eligible for additional coverage if you have two or more of the same type of registered plan, depending on how those plans are set up. For more information, visit [www.cdic.ca](http://www.cdic.ca).

The following table shows how deposit insurance applies to eligible deposits at a CDIC member institution.

DEPOSITOR	DETAILS		INSURED	UNINSURED
Carole	Savings	\$ 25,000	\$ 100,000	\$ 8,000
	Chequing	\$ 3,000		
	Eligible term deposits	\$ 80,000		
		\$ 108,000		
Carole, RRSP	Eligible term deposits	\$ 40,000	\$ 40,000	—
Paul in trust for Carole	Eligible term deposits	\$ 70,000	\$ 70,000	—
Paul	Chequing	\$ 2,000	\$ 2,000	—
Paul, RRSP	Eligible term deposits	\$ 50,000	\$ 50,000	—
Paul, RRIF	Eligible term deposits	\$ 115,000	\$ 100,000	\$ 15,000
Carole and Paul, jointly	Savings	\$ 30,000	\$ 100,000	\$ 30,000
	Eligible term deposits	\$ 100,000		
		\$ 130,000		
Paul, TFSA	Savings	\$ 5,000	\$ 5,000	—

Notes: All amounts include principal and interest.  
Term deposits must be repayable no more than five years after the date of deposit.

## What happens if a member institution fails?

- It is not necessary to file a claim with CDIC.
- CDIC will communicate with the depositors of the failed member institution regarding payment of insured deposits .
- Payments are made as soon as possible.
- The payment(s) will include principal and interest, totalling up to \$100,000.
- No insurance is payable on interest earned on a deposit after the date the CDIC member failed.

**CDIC: deposit protection Canadians can count on.**

## How is deposit insurance funded?

CDIC's member institutions fund deposit insurance through premiums paid on the insured deposits they hold. If required, CDIC is authorized to borrow additional funds, which CDIC repays with interest.

Additional information can be obtained by contacting a CDIC member institution or by calling toll-free **1-800-461-2342** (1-800-461-CDIC).

[www.cdic.ca](http://www.cdic.ca)  
[info@cdic.ca](mailto:info@cdic.ca)

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**This document contains general information and is not intended to be a legal interpretation of Canadian legislation respecting deposit insurance.**



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