

Frequently Asked Questions

Personal Banking

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CDIC and insurable deposits

What does CDIC do?

CDIC insures the deposits of Canadians in the event of the failure of a CDIC member institution.

In the event of failure, CDIC will refund depositors the amount of their insured savings up to a maximum of \$100,000 per deposit category per member institution.

CDIC ref.: [cdic.ca > About CDIC](#)

What would happen if a financial institution failed? Has a financial institution ever failed in Canada?

CDIC is mandated to promote the stability of the Canadian financial system. It therefore provides deposit insurance under certain conditions.

To learn about the methods and tools available to it, go to [cdic.ca](#).

CDIC ref.:

- [cdic.ca > What happens in a failure > Resolution of large banks > Large Banks \(D-SIBs\)](#)
- [cdic.ca > Newsroom > Industry news and events > CDIC: Resolution authority for our members](#)
- [cdic.ca > About CDIC > Our history > History of failures](#)

What's an insurable deposit?

It's a deposit in one of the products covered by CDIC:

- Chequing accounts
- Savings accounts
- Term deposits (e.g., Guaranteed Investment Certificates (GICs))
- Deposits in American or other currency
- Bank drafts and money orders

CDIC ref.: [cdic.ca > Your coverage > Protecting your deposits](#)

What isn't covered by the CDIC?

CDIC does not insure:

- Mutual funds
- Stocks
- Bonds
- Exchange-Traded Funds (ETFs)
- Cryptocurrencies
- Traveller's cheques
- Any deposit invested with an institution that is not a CDIC member

CDIC ref.: [cdic.ca > Your coverage > Protecting your deposits](#)

Do I have to pay a premium to CDIC to be insured?

No. No premiums are payable. Premiums are paid to CDIC by CDIC member institutions to cover the cost of insuring their deposits.

CDIC ref.: [cdic.ca > Deposit calculator](#)

Calculating deposit insurance

How is deposit insurance calculated for deposits held in trust?

CDIC protects insurable deposits held in trust for another person separately from other deposits that a trustee or beneficiary could hold in their name at the same member institution.

Each beneficiary's portion is insurable up to \$100,000 (principal and interest).

All insurable deposits held in trust by one trustee for one beneficiary at one financial institution are combined, and the total is insured:

- Up to \$100,000 if there is only one beneficiary
- Up to \$100,000 per beneficiary if there are several beneficiaries

CDIC ref.: cdic.ca > Deposit calculator

I have more than \$100,000 in my account. Am I still insured by CDIC?

CDIC insures your savings up to \$100,000.

The CDIC calculator can help you understand your coverage.

CDIC ref.: cdic.ca > Deposit calculator

I have \$75,000 at National Bank and \$75,000 at another financial institution. Does that mean that only \$100,000 is covered by CDIC?

No. CDIC insurance applies to each member institution. That means that for deposit insurance purposes, your deposits at National Bank (which is a member institution) are not added to amounts you hold at other financial institutions.

Visit the CDIC website to find out if a financial institution is a CDIC member or if your deposits qualify for deposit insurance.

CDIC ref.:

- cdic.ca > Your coverage > Protecting your deposits
- cdic.ca > Deposit calculator

Will my personal deposits and those of my business be counted together for deposit insurance?

Yes, unless your business is a partnership or incorporated. Although the insurable deposits of an individual business are protected, they are not separate from the deposits of the business owner.

Your obligations as a trustee

Do I have to update the information on my beneficiaries if the total deposits held in trust are equal to or less than \$100,000?

Yes. National Bank's records must contain the name and address of all the beneficiaries as well as their percentage interest as at April 30 of each year so that each deposit made on behalf of a beneficiary in one account is insured separately.

If you do not update the information and the deposit amount maintained for each beneficiary were to change, the beneficiaries would only be entitled to share the maximum \$100,000 deposit insurance reimbursement.

I've already provided this information. Why do I have to verify it again?

Updating this information annually ensures its accuracy and reliability to guarantee deposits are protected up to \$100,000 for each beneficiary separately from any other deposit made in your name.

If the trust account is maintained for more than one beneficiary, each beneficiary's portion must be communicated to us by April 30 (as a percentage).

If we do not receive an update from you, we will consider the information in our records to be accurate and reliable.

The deadline for updating information on beneficiaries was April 30. The deadline has passed. Is it too late to carry out an update?

Although this year's exercise has ended (April 30), we nevertheless recommend communicating with your branch as soon as possible so that we can have up-to-date information.

Dormant, closed, business or foreign currency accounts

My account is dormant. Do I have to verify the form? Can I reactivate my account?

If the amounts are still held in trust, you must verify the form and contact your branch to update your beneficiary information and reactivate your account.

Not updating could have a negative impact on your CDIC coverage.

I have a business account. Is it insured?

Yes, even if your business is not a partnership or incorporated.

Note that insurable deposits of an individual business are not separate from the deposits of the business owner. All deposits held at one member institution will be combined for deposit insurance purposes.

I have a U.S. dollar account. Is it insured?

Yes. CDIC insures deposits in American or other currency. However, these deposits are not considered to be a separate category.

CDIC ref.: cdic.ca > Your coverage > Protecting your deposits

You've sent me a letter for a closed account. Why?

You may have taken steps to close your account between the time we extracted the list of clients to contact and the time you received the letter.

Please ignore the notice if your account is closed.

I want to close my account. How should I proceed?

You have to meet with your branch advisor and follow the appropriate procedure.

Beneficiaries of deposits held in trust

I'd like to modify one or more of my beneficiaries. How should I proceed?

You have to meet with your branch advisor and follow the appropriate procedure.

One of my beneficiaries has died. What should I do?

You have to contact your advisor and follow the appropriate procedure.

Why is each beneficiary assigned a percentage of interest?

That's the portion of the trust deposit that belongs to each beneficiary. In order for a beneficiary to be entitled to deposit insurance of up to \$100,000, you must provide us with their name and address and, if there is more than one beneficiary, the percentage of interest for each beneficiary.

What happens to beneficiaries' percentage of interest if beneficiaries are removed or new ones are added during the year?

Information concerning deposit insurance coverage is updated annually on April 30. Any changes made after that day will be compiled at the next update, i.e., on April 30 of the following year.

In addition, if we receive no instructions from you, the deposits will be shared equally among the beneficiaries whose names appear in our records.

Can I modify the beneficiaries' percentage of interest in the total amount during the year?

Yes. Simply contact your advisor.

I don't have the full address for one of my beneficiaries.

All the information to be provided on the form is required by CDIC so that the deposits held in trust can be insured separately up to \$100,000 per beneficiary.

Do I need to indicate a unique alphanumeric code or other identifier for each of my beneficiaries? How can I obtain one?

Unique alphanumeric codes or other identifiers are used by certain professionals acting in the capacity of trustees (broker-trustees), who designate beneficiaries in their records with a unique alphanumeric code or other identifier to keep the names, addresses and percentage of interest of their beneficiaries confidential.

If you don't know the code, you can simply provide us with your beneficiaries' names, addresses and percentage of interest in the deposit total.

Letter and form to be completed

Why have I received this letter?

Our records show that you have a bank account or investment held in trust. As a CDIC member institution, we must ask you to provide us with certain information required by CDIC. This information and updates to it will provide beneficiaries with deposit insurance of up to \$100,000 separately from other deposits held in your name.

Can I update this information by mail or by calling your customer service department?

No. You will need to contact your branch.

I have to meet with my advisor at the branch. Can I give the information directly to them?

Yes.

I lost my form. Can I get another one?

To obtain a copy of your pre-completed form, contact your branch. They will request it from the appropriate sector.

Here is a non-personalized copy of the [Information Regarding the Beneficiaries of a Deposit Held in Trust](#) form for Personal Banking.

How do I update the information on my beneficiaries?

You will need to contact your branch.

I forgot to update the information on my beneficiaries. Am I still covered?

If we do not receive an update from you, we will consider the information in our records to be up to date, accurate and reliable, and your coverage will be based on that information.

We will also presume that the deposit amount is to be shared equally among the beneficiaries if each one's percentage is not indicated in our records.

Will I receive a confirmation once the information has been updated?

No. No confirmation notice will be sent.

If more than one signature is required for the account, will all the trustees be required to sign the form?

Since no transaction or account modification is involved, not all signatures are required. One signature will suffice.