



# Unique Client Identifier (UCI) Industry Best Practices

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## Preamble

- The Unique Client Identifier (UCI) Industry Best Practices have been developed by industry, in collaboration with CDIC, to support the adoption of a consistent industry approach to the implementation of (upcoming) CDIC requirements
- The UCI Industry Best Practices provide standards and parameters setting out industry expectations about the UCI design and application and aim to further improve the quality of information being transmitted for nominee brokered deposits
- The standards and parameters compliment and support key legislative requirement set out by the Government of Canada. They should be implemented by stakeholders in conjunction with the *CDIC Act* and the *CDIC Co-Owned and Trust Deposit Disclosure By-law (COTDB)*



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# 1. Introduction



## 1.1 Amendments to the *CDIC Act*

- Amendments to the *CDIC Act* have been made to strengthen deposit insurance protection for brokered deposits held in nominee-name
- Changes include enhanced requirements that nominee brokers must meet to ensure that the deposits held for clients at CDIC Member Institutions (MIs) are protected
- A central change is the requirement for nominee brokers to transmit to CDIC member institutions a unique client identifier (UCI) at the time they place a deposit for a client and each time a change is made to a deposit
- This requirement is effective April 30, 2022 and is not discretionary: it applies to all nominee brokered deposits -- including existing deposit and net new deposits



## 1.2 Purpose of UCI Industry Best Practices

- The UCI Industry Best Practices set out industry expectations about the UCI design and application
- The UCI Industry Best Practices apply to nominee brokered deposits only and do not apply to brokered deposits placed in client name
- They form the basis for nominee brokers, CDIC MIs and all intermediaries involved in the brokered deposit process to implement system and procedural changes required to support the proper transmission and retention of UCIs and facilitate broker disclosure of these UCIs to CDIC when required
- The UCI Industry Best Practices was developed through the work of the Brokered Deposit Advisory Group (BDAG), an industry-based advisory group that supports the implementation of new requirements for nominee brokered deposits set out in the *CDIC Act*



## 1.3 Target Audience

- The UCI Industry Best Practices apply to all organizations that play a role in nominee brokered deposit industry and are involved in the process for placing client funds in deposit products held at CDIC MIs, including:
  - Brokerage firms
  - CDIC MIs
  - Data Service Providers that support brokerage firms and MIs
  - Financial exchange platforms
  - Relevant regulatory bodies (federal or provincial)
  - Other organizations that deal in nominee brokered deposits such as mutual fund companies, insurance companies, etc.



## 1.4 What is a Unique Client Identifier (UCI)?

- The UCI is an alphanumeric code that nominee brokers must assign to each client for whom they place deposits in nominee name at CDIC MI
- The UCI must be unique to a particular client
- Nominee brokers are required to transmit the UCI to CDIC MI at the time the deposit is made for the client and each time a change is made to the deposit
- The same UCI must be transmitted for the same client, irrespective of the number of accounts that a client might hold at a CDIC MI or when the deposit is placed at the MI



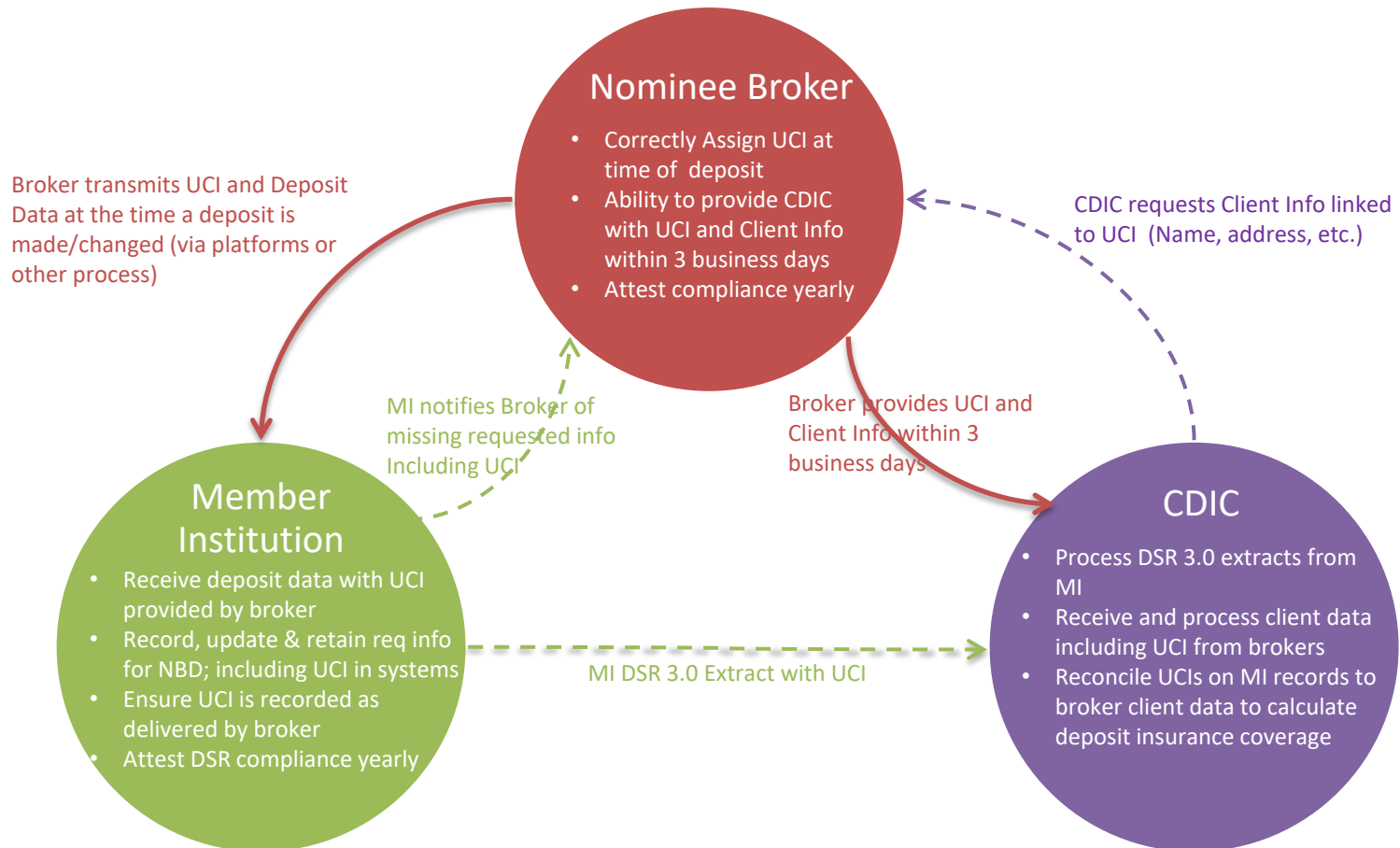


## 1.5 Why is the UCI Important?

- The UCI is a critical piece of information CDIC relies on to calculate deposit insurance coverage for a broker's client and to ensure a timely and accurate reimbursement in the event of an MI's liquidation
- It is key the UCI be applied, transmitted and recorded correctly as information about the nominee brokered deposits flows from broker to MI to CDIC
- The following chart highlights the flow that the UCI follows to ensure deposit insurance protection, including:
  - Assignment and transmission of the UCI by the nominee broker to the MI
  - Receiving, recording and maintaining the UCI by the MI
  - Transmission of the UCI by both the nominee broker and MI to CDIC
  - Reconciliation of the UCI information from the nominee broker and the MI by CDIC to determine coverage



## 1.6 UCI Transmission Flow





## 1.7 Requirements for Existing/New Deposits

- The nominee brokered deposit industry must link UCIs to all deposits placed at CDIC MIs as of April 30, 2022
- This includes:
  - Providing UCIs for any and all nominee brokered deposits held for clients at CDIC member institutions on the day the new requirements come into force (i.e., existing deposits), and
  - Providing UCIs for any new deposits placed for clients as of the day the new requirements come into force (i.e., net new deposits)
- Failure to properly assign UCIs to deposits could result in a reduction or loss of deposit insurance coverage



## 1.8 Standardized Approach for UCIs

- The UCI Industry Best Practices have been developed to reduce the risk of incomplete or erroneous information being provided to CDIC MIs about nominee brokered deposit and the clients for whom these deposits are established
- To promote strong deposit insurance protection, all key players involved in the nominee brokered deposit process (transmission and reception of nominee brokered deposit information) are strongly encouraged to integrate these standards into their systems, processes and procedures
- Not adopting these standards could increase the risk of transmitting incorrect or inaccurate information which would result in a reduction or loss of deposit insurance protection

## 2. UCI Key Standards and Parameters



## 2.1 Maximum UCI Character Length

- UCIs to be used by the nominee brokered deposit industry must have a maximum length of 20 characters
- UCIs may be established with fewer than 20 characters (i.e. can be between 1 and 20 characters), but must not exceed this maximum
- All organizations involved in the transmission and/or reception of nominee brokered deposit information must ensure systems and processes reflect and support this 20 character maximum
- The UCI must not be altered or truncated at any point during its transmission from nominee broker to CDIC member institution



## 2.2 Acceptable UCI Characters

- The UCI must be an identifier made up of:
  - Alpha characters (UPPERCASE only);
  - Numeric characters;
  - Alphanumeric characters;
- Punctuation symbols are limited to [-] [\_] [.] [/] [N] [;] [:]
- Choosing to use characters other than acceptable UCI characters, could lead to the inaccurate transmission of UCIs between the nominee broker and CDIC MI. This could result in a reduction or loss of deposit insurance coverage

Note: Please be advised that the punctuation character “|” was removed from the list of acceptable characters based on technical input received that this character could result in system misreads or errors.



## 2.3 Case Sensitivity

- To reduce UCI transmission risk, when alphabetic characters are used for the UCI, uppercase letters (A,B,C...) must be used as the default option for UCI transmission
- Nominee brokers, key intermediaries, and CDIC MIs must, where possible, include systems and procedural safeguards to ensure that lowercase letters entered in error are converted to uppercase
- MIs must ensure uppercase parameters are maintained in their systems to facilitate accurate transmission to CDIC (i.e. through DSR processes)
- Nominee brokers must ensure that their UCI records maintain the uppercase parameters to facilitate accurate transmission to CDIC when required



## 2.4 In-filling of Unused UCI Spaces

- To ensure the integrity of the UCI during transmission:
  - Unused UCI spaces (i.e. for UCIs with < 20 characters) must not be in-filled with null characters
  - For example: If ABC123 is the assigned UCI, than systems must not be set to automatically default to include zeros, dashes or other symbols in empty character spaces
    - ✓ Correct UCI: ABC123
    - ✗ Incorrect UCI: ABC1230000000000000000
    - ✗ Incorrect UCI: 0000000000000000ABC123
    - ✗ Incorrect UCI: ----- ABC123
    - ✗ Incorrect UCI: ABC123 //////////////////



## 2.5 UCI Format

- Nominee brokers may determine the format to apply to generate a UCI for their clients within the parameters set out in these standards
- UCI character spaces must remain unstructured to enable the transmission and reception of different UCI lengths and forms, within the established parameters. This means that no character spaces are reserved for specific purposes like dealer codes, company, etc.
- Nominee brokers may use certain UCI character spaces for internal purposes, if they wish to do so



## 2.6 UCI Function

- The primary function of the UCI is to represent the underlying client of a broker (i.e. in lieu of client names and addresses) for CDIC coverage purposes
- The UCI must not be used to transmit other information required for CDIC coverage (i.e. to flag registered plan types, transmit dealer codes, etc.)
- The UCI can be structured by nominee brokers to identify information elements for internal business purposes (i.e. to differentiate between sales platforms)
- The UCI must be distinct from the account number(s) under which the deposit is placed for the client



## 2.7 UCI Link to Deposits and Broker Records

- To ensure alignment of nominee broker and CDIC MI records, a UCI must be assigned to a client and transmitted to a MI if it is linked to deposit positions at a CDIC MI
  - Note: Deposits transmitted without UCI are to be rejected
- When a UCI is issued for a client, the UCI must be linked to the required client information (i.e. names, addresses, accounts, etc.) in the records/ systems of the nominee broker and must be kept up-to-date
- Nominee brokers must be able to access this client information for provision to CDIC in the event of a failure and/or for CDIC verification testing
- MIs must ensure that UCIs transmitted to them are linked to the appropriate nominee brokered deposit on their records



## 2.8 Amending the UCI

- The same UCI must be transmitted for the same client, irrespective of the number of accounts that a client might hold at a CDIC MI or when the deposits are placed
- Nominee brokers might, from time to time, be required to amend or change a UCI for a client for various business reasons (i.e. system changes, acquisitions, etc.). In such instances, the new UCI must be updated with member institutions for any existing and future deposits for that client
- Nominee brokers must also ensure that UCIs are appropriately assigned when a deposit is moved from one DI category to another (i.e. non-registered to registered). This applies only if a nominee broker opts to assign different UCIs for different deposit categories. See Section 3.1



## 2.9 UCI Reuse and Lifecycle

- The UCI may be reused or reassigned if a client terminates their relationship with a nominee broker. However, the preferred approach is to not reuse or reassign the UCI. The current field length accommodates sufficient assignment of UCI combinations without reuse
- If nominee brokers choose to reassign the UCI, they must ensure that no deposit positions for which the broker is a nominee, continue to be held at CDIC MI for the client for whom the UCI was originally assigned
- Failure to do so could result in a misalignment of the UCI on the records of the nominee broker and those of MI, and could result in a reduction in deposit insurance coverage
- If a nominee broker chooses not to reassign the UCI, timeframes for retaining old/unused UCIs on the broker's records should meet the records management procedures and requirements that each broker must follow

### 3. UCI Additional Standards and Parameters



## 3.1 UCIs Across DI Categories

- Nominee brokers may assign a single UCI for a client across all DI categories or assign different UCIs for a client for each DI category
- To help ensure consistent application of UCI to deposits held at CDIC MIs and simplify UCI records management, the preferred industry approach is to assign a single UCI for a client across all DI categories
- Nominee brokers that choose to assign different UCIs across different DI categories must ensure they maintain accurate and up-to-date client records for each UCI assigned to a client across DI categories
- Failure to do so could result in the misalignment of UCI information on the records of the nominee broker and CDIC MI, and could result in a reduction or loss of deposit insurance coverage





## 3.2 UCI Transmission to Different CDIC MIs

- Nominee brokers may place deposits for a client across various CDIC MIs
- Nominee brokers can use a single UCI assigned to a client for all deposits made at different MIs **or** can assign different UCI for a client for each MI at which deposits for the client are placed
- To ensure consistent application of UCI to deposits held at CDIC member institutions and simplify UCI records management, the preferred industry approach is to use a single UCI for a client across all MIs
- A nominee broker that chooses to provide different UCIs for the same client for deposits placed at different MIs, must ensure the following:
  - That a single UCI is only ever transmitted for deposits held for a client at a specific MI
  - That clear and up-to-date records are kept by the broker of the different UCIs assigned to a specific client for each MI



## 3.3 UCI Internal Policies and Procedures

- Each nominee broker should establish clear internal policies and procedures on how UCIs are assigned to clients, including how these key standards and parameters are addressed
- The policies and procedures should be audited from time to time by nominee brokers as a means to verify ongoing adherence to the UCI requirements and industry best practices
- These policies and procedures should also be well socialized within the nominee brokerage firm to ensure ongoing adherence to them (i.e. to facilitate possible future UCI changes)
- The policies and procedures should also be provided to CDIC as required, to respond to possible question on UCIs linked to clients
  - CDIC will provide additional guidance on policies and procedures as required



## 3.4 Use of Existing Stock Identifiers for UCI

- Certain nominee brokers may consider using identifiers already established for their clients on their records as a UCI for deposit insurance purposes. While not prohibited, caution must be exercised when doing so
- As a industry best practice, nominee brokers must ensure they consider possible legal, privacy and confidentiality issues that might exist prior to using any existing (stock) identifiers as a UCIs
- The use of Social Insurance Numbers (SIN) as possible UCIs is prohibited due to legislative constraints. For more information, please see: (<https://www.canada.ca/en/employment-social-development/services/sin/reports/code-of-practice/annex-2.html>)

## 4. Guidelines for UCI Deposit Application



## 4.1 Required Information

- The UCI is one of several pieces of information that must be provided by a nominee broker to a CDIC MI when a deposit is placed for a client:
  - Nominee broker legal name: the legal name of the firm (i.e., brokerage firm) that is acting as the nominee for their clients
  - Deposit amount: the amount of the deposit at the time it is placed with the member institution, or when the deposit is reregistered or transferred
  - UCI: the unique client identifier that the nominee broker assigns to the client for whom the deposit is made, and which must be provided each time a deposit is made and each time a change is made to the deposit
  - Client interest in the deposits : the amount or percentage of the deposit allocated to each client under the deposits, when there are multiple clients linked to the same deposit and each has a specific ownership in the deposit
  - Coverage Category: indicator of whether the deposits is non-registered or falls with one of the special income arrangements (i.e. registered plans) set out in the CIDC Act (i.e. RRSP, RRIF, TFSA, RESP or RDSP). May also be referred to as the *account type*.
  - UCI for individual who benefits from the plan (*registered deposits only*): a UCI to be provided for the individual or individuals who benefit from an above noted registered plan



## 4.2 Application of UCIs for Different Deposits

- It is important for nominee brokers to apply the UCIs correctly for the different types of deposits they place for their clients with member institutions to ensure CDIC can accurately determine deposit insurance coverage
- How a UCI is to be applied can change based on whether the deposit is for an individual client, for multiple clients, co-owned between two or more clients or held under a registered plan (also referred to as Special Income Arrangement)
- Failure to assign a UCI to a deposit or the incorrect assignment of a UCI can result in a reduction in deposit insurance protection for broker clients
- The following sections provide various examples of how UCIs should be assigned by nominee brokers when placing deposits for their clients at CDIC MIs

## 5. UCI Application: Key Examples - Non-Registered Deposits

## 5.1 Example A: One Client/One Deposit

- Client Mary Smith asks her nominee broker (**Broker ABC**) to place \$20,000 in a GIC at member institution XYZ (**MI XYZ**)
- Mary Smith is a new client so is assigned a UCI by Broker ABC. The UCI assigned to Mary Smith is **B1A1**
- Broker ABC must transmit the UCI for Mary Smith when the deposit is placed at MI XYZ
- MI XYZ must receive and record Mary Smith's UCI in its complete format in their systems

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A

UCI for Mary Smith must be transmitted to the  
 member institution



## 5.2 Example B: One Client/Multiple Deposits

- Mary Smith places multiple deposits through Broker ABC at MI XYZ:
  - a \$50,000 5yr GIC; a \$30,000 6mo Term Deposits; and a \$40,000 HISA
- Broker ABC **must** transmit Mary Smith's UCI when each deposit is made with MI XYZ
- Broker ABC **must** transmit the same UCI for each deposit for Mary Smith at MI XYZ regardless of when the deposit is made or the type of deposit product
- CDIC uses the UCI to aggregate deposits held for Mary Smith at MI XYZ and provides deposit insurance coverage up to the \$100,000 limit

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who Benefits from the Plan
Deposit #1 5yr GIC	Broker ABC	\$50,000	B1A1 +	N/A	Non-Reg	N/A
Deposit #2 6mo Term	Broker ABC	\$30,000	B1A1 +	N/A	Non-Reg	N/A
Deposit #3 HISA	Broker ABC	\$40,000	B1A1	N/A	Non-Reg	N/A

UCI for Mary Smith transmitted to MI XYZ with each deposit

Additional UCI is not required as deposit is not under a registered plan



## 5.3 Example C: One Deposit/Multiple Clients

- Broker ABC places a \$400,000 5yr GIC deposit at MI XYZ under which four (4) clients own an equal portion (25%) of the total deposit
  - Mary Smith (UCI B1A1); Tom Brown (UCI P2A1); Jane White (UCI P3A1); Sam Rogers (UCI P4A1)
- Broker ABC **must** transmit the **UCI for each client** when the deposit is placed with MI XYZ, along with the interest each holds in the deposit
- CDIC uses the UCIs transmitted to MI XYZ to extend deposit insurance coverage to each client under the deposit up to the \$100,000 limit. In this case, each client would receive \$100,000 (25% interest in the deposit) for a total of \$400,000 for the four clients

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$400,000	B1A1 P2A1 P3A1 P4A1	25% 25% 25% 25%	Non-reg	N/A

UCI for each client must be transmitted for each to  
receive separate \$100K coverage

Additional UCI not required as deposit  
is not under a registered plan



## 5.4 Example D: Multiple Deposits/Multiple Clients

- Mary Smith asks her broker to place two deposits at MI XYZ. Under deposit #1 (5yr GIC) Mary is the sole owner. Under deposit#2 (3yr GIC) she is one two clients with equal share (50%) in the deposit
- Broker ABC **must** transmit the correct UCIs for both deposits. In the case of the first deposit they must transmit Mary’s UCI. For the second deposit the must transmit Mary’s UCI and the UCI for the other client (R2D2)
- CDIC would use the UCIs to aggregate deposits and determine deposit insurance coverage. In this case, the aggregate of Mary Smith’s deposits would be \$160,000 (\$100,000 for deposit #1 and \$60,000 for deposit #2). CDIC would protect up to \$100,000

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$100,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 3yr GIC	Broker ABC	\$120,000	B1A1 R2D2	50% 50%	Non-Reg	N/A

Mary Smith’s UCI must be provided for both deposits for aggregation



## 5.5 Example E: Co-owned Deposits

- Mary Smith asks Broker ABC to place two deposits at MI XYZ. Under deposit #1 (5yr GIC) Mary is the sole owner. Deposit #2 (6mth term) is co-owned (i.e. jointly held) by Mary and Denis Smith
- Broker **must** transmit Mary's UCI (B1A1) to MI XYZ for Deposit #1. Broker ABC **must** also assign a separate UCI (J3T3) for the co-ownership unit of Mary and Denis Smith and transmit this UCI to MI XYZ
- CDIC would treat these deposits separately and would provide deposit insurance protection up to \$100,000 for each deposit. CDIC would not aggregate Mary Smith's interest in each deposit due to the co-owner relationship.

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 6mo Term (co-owned)	Broker ABC	\$100,000	J3T3	N/A	Non-Reg	N/A

A separate UCI must be provided for a co-owned deposit



## 5.6 Example F: Nested Trust Deposit

- John Smith asks Broker ABC to place a \$150,000 GIC (Deposit #1) in trust for his daughter, Mary Smith, at MI XYZ
- There are two trust relationships under deposit #1: 1) between Broker ABC and its client (Trust No. 1); and 2) between John Smith and Mary Smith (Trust No. 2). This is a Nested Trust
- For non-registered deposits, CDIC can only consider the **first** trust relationship when calculating deposit insurance protection (i.e. between Broker ABC and its client)
- As such, for purposes of assigning the UCI, Broker ABC must determine who is its client (i.e. the beneficiary of Trust No. 1). The beneficiary will generally be the client in whose name Broker ABC has opened the account.
- Depending who Broker ABC considers its client for the deposit, the UCI can be assigned in one of two ways:
  - i. **The client is the trust:** Broker ABC **must** transmit a UCI for the trust “John Smith ITF Mary Smith” (NT1A1) **and not** for John Smith or Mary Smith individually (eg. where Broker ABC has set up the account in the name of the trust ‘John Smith ITF Mary Smith’); **OR**
  - ii. **The client is the trustee:** Broker ABC **must** transmit a UCI for John Smith (LF1D1) **and not** for Mary Smith (eg. where Broker ABC has set up the account in the name of the trustee ‘John Smith, Trustee’)

## 5.6 Example F: Nested Trust Deposit

Scenario 1: Where Broker ABC's client is the **trust** "John Smith ITF Mary Smith"

Deposit	Nominee Broker Legal Name	Amount of deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$150,000	NT1A1	N/A	Non-reg	N/A

A UCI is assigned to the trust "John Smith ITF Mary Smith", which is distinct from any UCI assigned to John Smith or Mary Smith in their personal capacity

**OR**

Scenario 2: Where Broker ABC's client is the **trustee** John Smith:

Deposit	Nominee Broker Legal Name	Amount of deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$150,000	LF1D1	N/A	Non-reg	N/A

A UCI is assigned to John Smith, which is the same UCI as the one assigned to John Smith's personal accounts

## 6. UCI Application: Key Examples - Registered Deposits (RRSP, RRIF, TFSA, RESP, RDSP)

Note: Recommended approach: one UCI across DI categories\*

\* See Appendix C for examples where different UCIs per DI category are used



## 6.1 Application of UCIs for Registered Deposits

- Nominee brokers must provide UCIs for deposits that are held under the special income arrangements (RRSP, RRIF, TFSA, RESP and RDSP) set out in the *CDIC Act*
- For deposits in these registered plans, nominee brokers must ensure they assign UCIs for the following two scenarios:
  - for the **client who places the deposit deposits** (i.e. the subscriber, annuitant, etc.); and
  - for the **individual or individuals who benefits from the plan**
- Nominee brokers must always provide a UCI under both scenarios, even if the client who places the deposit and the individual who benefits from the plan is the same person





## 6.1 Application of UCIs for Registered Deposits (Con't)

- UCIs when client and the individual who benefits from the plan are the same person (i.e. RRSP, RRIF, TFSA):
  - both codes provided under the same registered deposit must be the same
  - the UCI must continue to be used consistently for all deposits made for the client/person who benefits under that registered plan
- UCIs when client and the individual who benefits from the plan are different people (RESP, RDSP):
  - both codes provided under the same registered deposit must be unique to each individual
  - the UCI must continue to be used consistently for both the client who places the deposit and the person(s) who benefit from the registered plan



## 6.2 Example G: Registered Plans (RRSP)

- Mary Smith asks Broker ABC to place two deposits at MI XYZ:
  - Deposit #1 (5yr GIC) is a non-registered deposit for Mary
  - Deposit #2 (3yr GIC) is a deposit held in a RRSP for Mary
- **For both deposits**, Broker ABC must provide **the UCI assigned to Mary Smith (B1A1)** when the deposit is made with MI XYZ.
- The broker **must** provide MI XZY with **Mary's UCI as the individual who benefits from the registered plan** (i.e. the RRSP)
- The broker must indicate the **account type** identifying that Deposit #1 is not registered and Deposit #2 is held under a RRSP
- CDIC uses the info to determine that each deposit fall in **separate deposit insurance categories** and provides coverage up to \$100,000 for each deposit (no aggregation)

## Example G: Registered Plans (RRSP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 3yr GIC	Broker ABC	\$90,000	B1A1	N/A	RRSP	B1A1

Broker ABC provides the same UCI for Mary Smith for both deposits

Deposit type allows CDIC to identify separate categories

The same UCI is used as client is the person who benefits from the plan



## 6.3 Example H: Registered Plans (RESP)

- Mary Smith asks Broker ABC to place three deposits at MI XYZ:
  - Deposit #1 (5yr GIC) is a non-registered deposit for Mary
  - Deposit #2 (3yr GIC) is a deposit held in a RRSP for Mary
  - Deposit #3 (5yr GIC) held in a RESP for her two children (Linda and Mark)
- **For all deposits**, Broker ABC must provide **the UCI assigned to Mary Smith (B1A1)** as the owner of the deposits when the deposit is made with MI XYZ
- The broker **must** also provide MI XYZ with:
  - A. Mary Smith's UCI (B1A1) as the individual who benefits from the RRSP, and
  - B. Separate UCIs for both her children as the individuals who benefit from the RESP (CH1B1 – Linda; CH2B1 – Mark)
- For Deposit #3, by providing separate UCIs for her two children, CDIC can **extend coverage to each child up to \$100,000**

## Example H: Registered Plans (RESP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 3yr GIC	Broker ABC	\$90,000	B1A1	N/A	RRSP	B1A1
Deposit #3 5yr GIC	Broker ABC	\$120,000	B1A1	N/A	RESP	CH1B1 CH2B1

Broker ABC provides the same UCI for Mary Smith for all deposits

Deposit types allow CDIC to identify separate categories

Different UCIs for children who are the persons who benefit from the plan



## 6.4 Example I: Registered Plans (Multiple RESP)

- Broker ABC is asked by three different subscribers to open RESPs for the same children (Linda and Mark) at MI XYZ:
  - Deposit #1: \$80,000 RESP GIC - Mary Smith as subscriber for Linda and Mark
  - Deposit #2: \$80,000 RESP GIC - Mary and Denis Smith as joint subscribers for Linda and Mark
  - Deposit #3: \$80,000 RESP GIC - Aunt Leslie as subscriber for Linda and Mark
- **For each deposits**, Broker ABC must provide MI XYZ **the UCI assigned to each subscriber of the registered plans (Mary (B1A1); Mary and Denis (C1A1); Leslie (D1A1))** when the deposit is made with MI XYZ.
- For each Deposit, Broker ABC must also provide MI XYZ **the UCIs for Linda and Mark as the individuals who benefit from the RESP (Linda (CH1B1); Mark (CH2B1))**.
- CDIC uses the UCIs provided for Linda and Mark to aggregate deposits held for their benefit at MI XYZ in the RESP deposit insurance category, and **extend coverage to each child up to a total of \$100,000**.

## Example I: Registered Plans (Multiple RESP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from plan
Deposit #1 5yr GIC	Broker ABC	\$80,000	B1A1	N/A	RESP	CH1B1 CH2B1
Deposit #2 3yr GIC	Broker ABC	\$80,000	C1A1	N/A	RESP	CH1B1 CH2B1
Deposit #3 5yr GIC	Broker ABC	\$80,000	D1A1	N/A	RESP	CH1B1 CH2B1

Broker ABC provides different UCIs for each RESP subscriber

Deposit types allow CDIC to identify correct DI category

UCIs for children who benefits from the plan used consistently by broker across deposits



## 6.5 Example J: Registered Plans (RDSP)

- Mary Smith asks Broker ABC to place three deposits at MI XYZ:
  - Deposit #1 (5yr GIC) is a non-registered deposit for Mary
  - Deposit #2 (3yr GIC) is a deposit held in a RDSP for Mary's daughter Linda
  - Deposit #3 (5yr GIC) held in a RESP for Mary's two children (Linda and Mark)
- **For all deposits**, Broker ABC must provide **the UCI assigned to Mary Smith (B1A1)** as the owner of the deposits when the deposit is made with MI XYZ.
- The broker **must** also provide MI XYZ with:
  - A. A UCI (CH1B1) for Linda as the individual who benefits from the RDSP, and
  - B. Separate UCIs for both her children as the individuals who benefit from the RESP (CH1B1 – Linda; CH2B1 – Mark).
- For Deposits #2 and #3, the **same UCIs would be provided for Linda**, but CDIC would extend coverage up to \$100,000 separately for each deposit as they fall under different DI categories.



## Example J: Registered Plans (RDSP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 3yr GIC	Broker ABC	\$90,000	B1A1	N/A	RDSP	CH1B1
Deposit #3 5yr GIC	Broker ABC	\$120,000	B1A1	N/A	RESP	CH1B1 CH2B1

Broker ABC provides the same UCI for Mary Smith for all deposits

Deposit types allow CDIC to identify separate categories

Same UCI for same child under both plans; coverage remains separate due to different categories

## Appendix A - FAQs

## Appendix B - Glossary of Terms



## Appendix C - UCI Application: Key Examples Registered Deposits (RRSP, RRIF, TFSA, RESP, RDSP)

Note: Different UCIs across DI categories\*



# Application of UCIs for Registered Deposits

- Brokers **must** provide UCIs for deposits that are held under the special income arrangements (RRSP, RRIF, TFSA, RESP and RDSP) set out in the *CDIC Act*
- For deposits in these registered plans, brokers must ensure they assign UCIs for the following **two scenarios**:
  - for the **client who places the deposit deposits** (i.e. the subscriber, annuitant, etc.); and
  - for the **individual or individuals who benefits from the plan**
- Brokers **must always** provide a UCI under both scenarios, even if the client who places the deposit and the individual who benefits from the plan **are the same**

# Application of UCIs for Registered Deposits

- UCIs when client and the individual who benefits from the plan are the same person (i.e. RRSP, RRIF, TFSA):
  - both codes provided under the same registered deposit must be the same
  - the UCI **must** continue to be used consistently for all deposits made for the client/person who benefits under that registered plan
- UCIs when client and the individual who benefits from the plan are different people (RESP, RDSP):
  - both codes provided under the same registered deposit must be unique to each individual
  - the UCI must continue to be used consistently for both the client who places the deposit and the person(s) who benefit from the registered plan



# Example G: Registered Plans (RRSP)

- Mary Smith asks Broker ABC to place two deposits at MI XYZ
  - Deposit #1 (5yr GIC) is a non-registered deposit for Mary
  - Deposit #2 (3yr GIC) is a deposit held in a RRSP for Mary
- Broker ABC must provide **a UCI assigned to Mary Smith** when the deposits are made with MI XYZ. As these two deposits fall into different deposit insurance categories, a different UCI can be used for Mary for each deposit
- The broker **must** also provide MI XYZ with **a UCI for Mary as the individual who benefits from the registered plan** (i.e. the RRSP). This UCI must be the same as the UCI provided to Mary as owner of the deposit
- The broker must also indicate the **account type** identifying that Deposit #1 is not registered and Deposit #2 is held under a RRSP
- CDIC uses the info to determine that each deposit fall in **separate deposit insurance categories** and provides coverage up to \$100,000 for each deposit (no aggregation)

## Example G: Registered Plans (RRSP)

Deposits	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 3yr GIC	Broker ABC	\$90,000	RS2A1	N/A	RRSP	RS2A1

Broker ABC can provide different UCIs for Mary as the deposits fall in different DI Categories

Deposit type allows CDIC to identify separate categories

Broker ABC must provide the same UCI used as client is also the person who benefits from the plan





# Example H: Registered Plans (RESP)

- Mary Smith asks Broker ABC to place three deposits at MI XYZ:
  - Deposit #1 (5yr GIC) is a non-registered deposit for Mary
  - Deposit #2 (3yr GIC) is a deposit held in a RRSP for Mary
  - Deposit #3 (5yr GIC) held in a RESP for her two children (Linda and Mark)
- **For all deposits**, Broker ABC must provide a UCI assigned to Mary Smith (B1A1) as the owner of the deposits when the deposit is made with MI XYZ. As these deposits fall into different DI categories, different UCIs can be assigned to Mary
- The broker **must** also provide MI XYZ with:
  - A. Mary's UCI (RS1A1) as the individual who benefits from the RRSP, and
  - B. Separate UCIs for both her children as the individuals who benefit from the RESP (CH1B1 – Linda; CH2B1 – Mark)
- For Deposit #3, by providing separate UCIs for her two children, CDIC can **extend coverage to each child up to \$100,000**

## Example H: Registered Plans (RESP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from the plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Teg	N/A
Deposit #2 3yr GIC	Broker ABC	\$90,000	RS1A1	N/A	RRSP	RS1A1
Deposit #3 5yr GIC	Broker ABC	\$120,000	RE1A1	N/A	RESP	CH1B1 CH2B1

Broker ABC can provide different UCIs for Mary as the deposits fall in different DI categories

Deposit types allow CDIC to identify separate categories

Different UCIs for children who are the persons who benefit from the plan



# Example I: Registered Plans (Multiple RESP)

- Broker ABC is asked by three different subscribers to open RESPs for the same children (Linda and Mark) at MI XYZ:
  - Deposit #1: \$80,000 RESP GIC - Mary Smith as subscriber for Linda and Mark
  - Deposit #2: \$80,000 RESP GIC - Mary and Denis Smith as joint subscribers for Linda and Mark
  - Deposit #3: \$80,000 RESP GIC - Aunt Leslie as subscriber for Linda and Mark
- **For each deposits**, Broker ABC must provide MI XYZ **the UCI assigned to each subscriber of the registered plans (Mary (B1A1); Mary and Denis (C1A1); Leslie (D1A1))** when the deposit is made with MI XYZ
- For each Deposit, Broker ABC must also provide MI XYZ **the UCIs for Linda and Mark as the individuals who benefit from the RESP (Linda (CH1B1); Mark (CH2B1))**
- CDIC uses the UCIs provided for Linda and Mark to aggregate deposits held for their benefit at MI XYZ in the RESP deposit insurance category, and **extend coverage to each child up to a total of \$100,000**

## Example I: Registered Plans (Multiple RESP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from plan
Deposit #1 5yr GIC	Broker ABC	\$80,000	B1A1	N/A	RESP	CH1B1 CH2B1
Deposit #2 3yr GIC	Broker ABC	\$80,000	C1A1	N/A	RESP	CH1B1 CH2B1
Deposit #3 5yr GIC	Broker ABC	\$80,000	D1A1	N/A	RESP	CH1B1 CH2B1

Broker ABC provides different UCIs for each RESP subscriber

Deposit types allow CDIC to identify correct DI category

UCIs for children who benefit from the plan used consistently by broker across deposits in same category



# Example J: Registered Plans (RDSP)

- Mary Smith asks Broker ABC to place three deposits at MI XYZ:
  - Deposit #1 (5yr GIC) is a non-registered deposit
  - Deposit #2 (3yr GIC) is a deposit held in a RDSP for her Daughter Linda; and
  - Deposit #3 (5yr GIC) held in a RESP for her two children (Linda and Mark)
- **AS these deposits fall into different DI categories**, Broker ABC can **provide different UCIs per category to Mary Smith (B1A1)** as the owner of the deposits when the deposit is made with MI XYZ
- The broker **must** also provide MI XYZ with:
  - A UCI (CH1B1) for her daughter as the individual who benefits from the RDSP, and
  - separate UCIs for both her children as the individuals who benefit from the RESP (CH1B1 – Linda; CH2B1 – Mark).
- For Deposits #2 and #3, the **same UCIs would be provided for Linda, but CDIC would extend coverage up to \$100,000 separately** for each deposit as they fall under different DI categories

## Example J: Registered Plans (RDSP)

Deposit	Nominee Broker Legal Name	Amount of Deposit	UCI	Interest of each client under the deposit (% or \$)	Account Type	Individual who benefits from plan
Deposit #1 5yr GIC	Broker ABC	\$20,000	B1A1	N/A	Non-Reg	N/A
Deposit #2 3yr GIC	Broker ABC	\$90,000	RD1A1	N/A	RDSP	CHD1B1
Deposit #3 5yr GIC	Broker ABC	\$120,000	RE1A1	N/A	RESP	CH1B1 CH2B1

Broker ABC can provide different UCIs for Mary as the deposits fall in different DI categories

Deposit types allow CDIC to identify separate categories

Different UCI can be provided for same child under each plan due to different DI categories

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