



Canada
Deposit Insurance
Corporation

Société
d'assurance-dépôts
du Canada

Professional Trustee Framework Webinar

Canada Deposit Insurance Corporation
October 22, 2025

About CDIC



- The Canada Deposit Insurance Corporation (CDIC) was established as a federal Crown corporation in 1967 by an act of Parliament.
- CDIC's mission is to protect depositors. The Corporation provides deposit insurance, resolves its member institutions (MIs) in the event they fail, and promotes and contributes to financial stability.
- CDIC has over 80 MIs which include all deposit-taking banks, federally regulated credit unions, and trust and loan companies.
- CDIC is funded through premiums paid by its members. It receives no public funds to operate.

Professional Trustee Information Session



Objective: Ensure you (as a Professional Trustee) are aware of the ongoing legal obligations under the *CDIC Act* and data requirements, as failure to meet them could limit CDIC insurance coverage for your trust deposits – and by extension to your beneficiaries – in the unlikely event of your bank failing.



Format: The session will consist of a 45-minute presentation divided into 5 modules. You can submit any questions in the chat at any time and we will address them at the end of the presentation.

- **Module 1: Evolution of Professional Trustee Framework**
- **Module 2: Qualifying as a Professional Trustee**
- **Module 3: PT Reporting and Information Requirements**
- **Module 4: Submitting Beneficiary Information to CDIC**
- **Module 5: Application of CDIC Coverage**



Disclaimer: Please note that this presentation is being recorded. The presentation is for general information purposes only and should not be considered legal advice.

Module 1: Evolution of Professional Trustee Framework



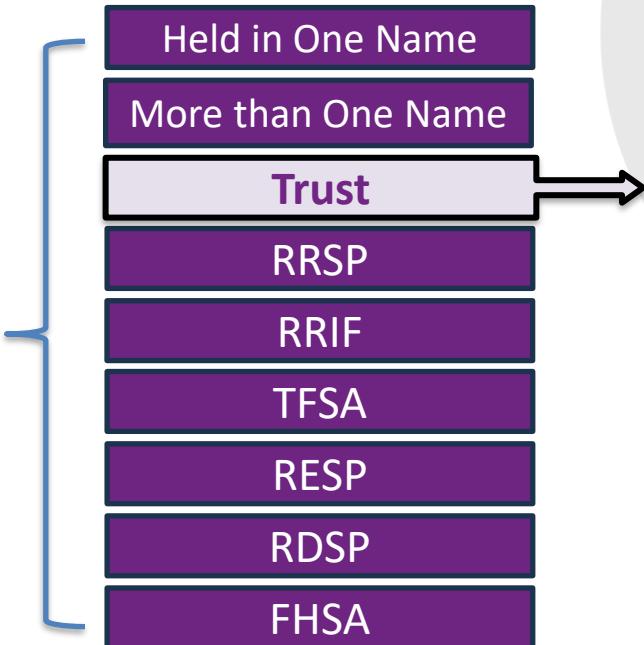
Gain insight into the rationale and purpose behind the Professional Trustee (PT) Framework.

- ❑ Introduction to CDIC deposit insurance framework.
- ❑ Key changes strengthening the rules for deposits held in trust in 2022.
- ❑ Anticipated continued growth in deposits and uptake under PT framework.

Evolution of Professional Trustee Framework

In protecting depositors, CDIC insures up to a maximum of \$100,000 for each of these categories per MI:

CDIC's
Deposit
Insurance
Categories



- For deposits held in trust for clients, CDIC coverage extends from this category – up to \$100,000 for each beneficiary, so long as each beneficiary is identifiable.
- Deposits held in operating or other types of accounts may be eligible for coverage in other categories.
- On April 30th, 2022, the rules for deposits held in trust were strengthened to ensure deposits remain well protected.

Evolution of Professional Trustee Framework

The 2022 changes to the *CDIC Act* introduced 3 types of trustees with unique disclosure requirements to better align beneficiary reporting obligations with the various purposes of trust accounts.

Includes investment brokers,
wealth management firms...



E.g., Responsible for assigning unique client identifiers (UCIs) to each client for whom they place deposits in nominee name at a MI and attesting annually to the ability to fulfill requirements.

Can include legal entities,
businesses, public trustees...



E.g., To opt in, must attest annually to their MI to confirm capacity to provide beneficiary information to CDIC, upon request.

Can include family members,
estates...



E.g., Required to disclose beneficiary information to MIs and update it to ensure MI's record is kept up to date.

For more information on the disclosure requirements for each type of trustee, please visit: [For brokers — CDIC](#) or [For trustees — CDIC](#)

Evolution of Professional Trustee Framework

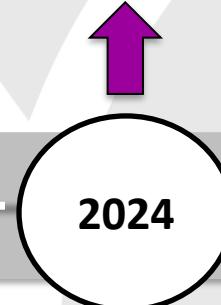
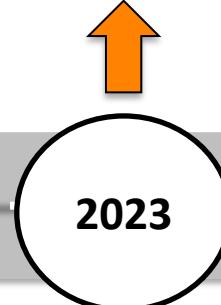
Since 2022, there has been considerable uptake of the PT framework by eligible trustees across a wide spectrum of MIs.

On April 30, 2022, the PT framework took effect.

Types of PTs using framework: law firms, funeral service providers, real estate, insolvency professionals etc.

PT deposits account for approx. 20% of all insured trust deposits.

Volume and # of PT deposits expected to grow due to ↑ awareness and changes related to Payment Service Providers.



It is essential that CDIC can reach out to PTs with relevant updates or requests related to the framework so that PTs can continue to fulfill obligations.

Module 2: Qualifying as a Professional Trustee



Understand legislative criteria to qualify as a Professional Trustee.

- ❑ Defining Professional Trustees under the CDIC Act
 - Implications for Payment Service Providers (PSPs) as of September 8, 2025.
- ❑ Assessing eligibility with CDIC's Interactive tool.
- ❑ Opting into the Professional Trustee Framework.

Qualifying as a Professional Trustee

To qualify as a Professional Trustee, individuals or entities must meet the definition under the [CDIC Act](#).

- a) the public trustee of a province or a similar public official whose duties involve holding moneys in trust for others;
- b) a federal, provincial or municipal government, or a department or agency of such a government;
- c) a lawyer or partnership of lawyers, a law corporation, or a notary or partnership of notaries in the province of Quebec, when they act in that capacity as a trustee of moneys for others;
- d) a person who is acting as a trustee of moneys for others in the course of business and is required by or under a statute to hold the deposit in trust;
- e) a person who is acting as a trustee of moneys for others in the course of business and is subject to the rules of a securities commission, stock exchange or other regulatory or self-regulating organization that audits compliance with those rules;
- f) a regulated federal or provincial trust company acting in the capacity of a depositor; or
- g) a payment service provider that is registered as those expressions are defined in section 2 of the *Retail Payment Activities Act*.**



- As of Sept 8, the definition of Professional Trustee under the CDIC Act permits Payment Service Providers (PSPs) that (1) are registered with the BoC and (2) hold end-user funds in trust, to opt into the PT Framework.
- PSPs that qualify as a Professional Trustee can benefit from lighter reporting requirements.

Qualifying as a Professional Trustee

For PSPs, there are different scenarios in which you may qualify as a Professional Trustee:

PT Eligibility	Registered PSPs	Applicant PSPs who applied <u>before</u>	Applicant PSPs who applied <u>on or after</u>
CDIC Act Definition	<p>Qualifies as a PT under the CDIC Act. PSPs should first:</p> <ul style="list-style-type: none"> ✓ Ensure business activities align with the PT Framework. ✓ Confirm registration status. 	<p>May Qualify as a PT under the CDIC Act, if the applicant is:</p> <ul style="list-style-type: none"> ✓ Not refused registration. ✓ On the Bank of Canada published applicant list. ✓ Safeguarding end-user funds in a trust account. 	<p>Application for registration must be accepted by the Bank of Canada before qualifying as a PT.</p>
PSP Obligations	<p>g) “a payment service provider that is registered as those expressions are defined in section 2 of the <i>Retail Payment Activities Act</i>”</p>	<p>d) “a person who is acting as a trustee of moneys for others in the course of business and is required by or under a statute to hold the deposit in trust”</p>	<p>Not eligible to become a PT until registration is approved by the Bank of Canada.</p>
MI Expectations	<p>Opt-in to PT Framework by submitting attestation to Member Institution.</p>	<p>If refused: Not eligible to become PT and <u>immediately</u> inform CDIC Member of the refusal.</p>	<p>If refused: Not eligible to become a PT.</p> <p>If granted: May submit PT attestation indicating that they are a registered PSP.</p>
	<p>Receive & File PT Attestation and flag designated account(s) as PTAs.</p>	<p>If refused: Remove PTA flag & work with PSP to restructure deposits.</p>	<p>If refused: Cannot accept attestation at this time.</p> <p>If granted: Receive & File PT Attestation and flag designated account(s) as PTAs.</p>

Qualifying as a Professional Trustee

CDIC has created guidance to help trustees determine if they are qualified Professional Trustees through its interactive tool located at [Professional trustees — CDIC](#). Trustees should nonetheless seek legal advice to ensure your professional activities align with the definition of Professional Trustee.

Are you a:

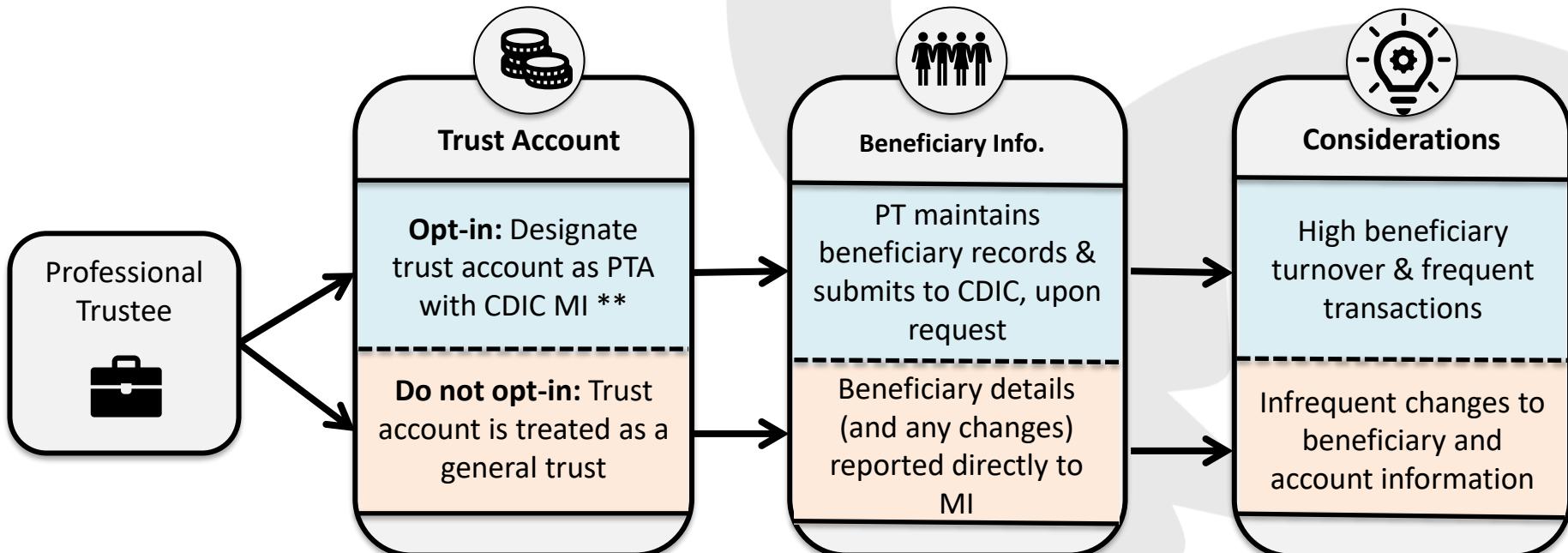
- Public Trustee?
- Federal, Provincial, or Municipal government, department or agency?
- Lawyer, or Notary?
- Trust Company?
- Payment Service Providers?

Do you hold deposits in trust at a CDIC Member Institution?



Qualifying as a Professional Trustee

An individual or entity who meets the definition of a PT is not automatically considered or required to be a PT. PTs must opt-in to the framework by designating one or more eligible account(s) as a Professional Trustee Account (PTA) with their member institution. If the trust account is not designated as a PTA, it will be subject to the general trust rules. For more information please visit: [What you Need to Know - Trustees](#)



**To receive a Professional Trustee Account designation, PTs must provide their MI an initial attestation that confirms they qualify as a PT under the *CDIC Act*, key contact information and a formal request to designate the specific account(s) as a PTA.

Module 3: PT Reporting and Information Requirements

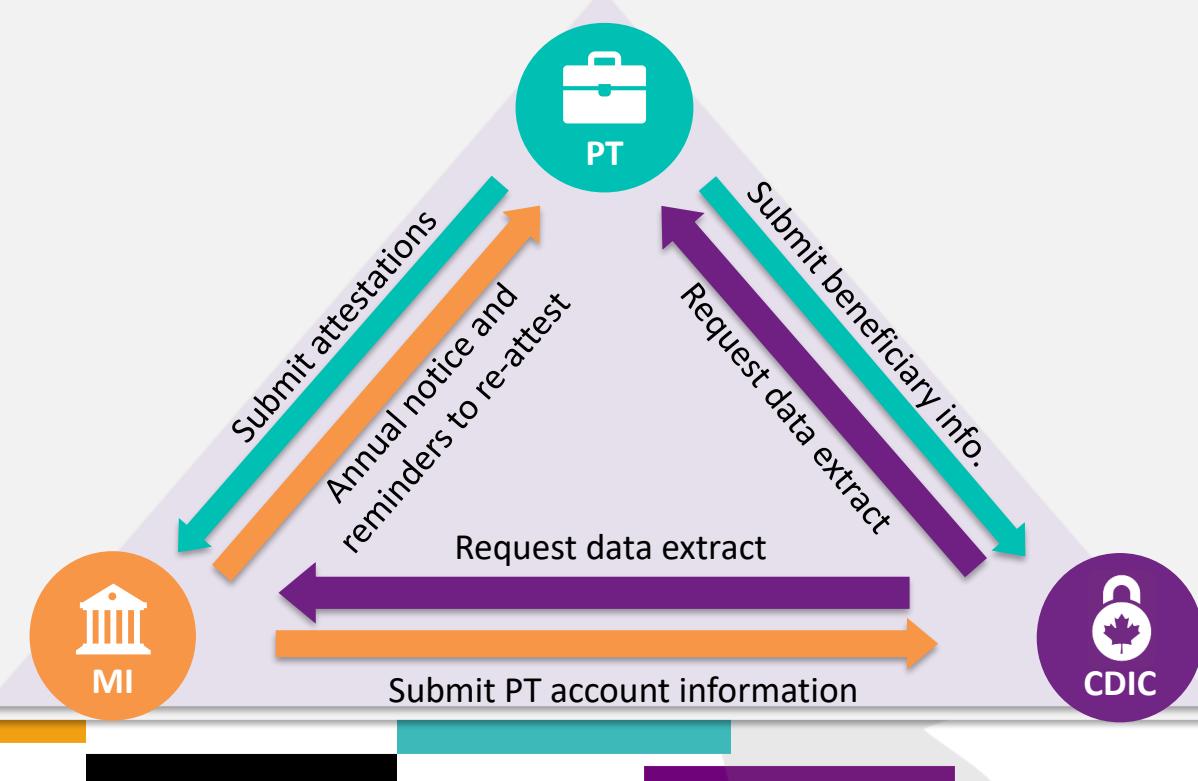


Understand the specific data collection and reporting requirements PTs need to know, should CDIC request beneficiary information.

- An overview of the information flowing between PTs, MIs, and CDIC.
- The type of data PTs must report to MIs and CDIC under the *CDIC Act*.

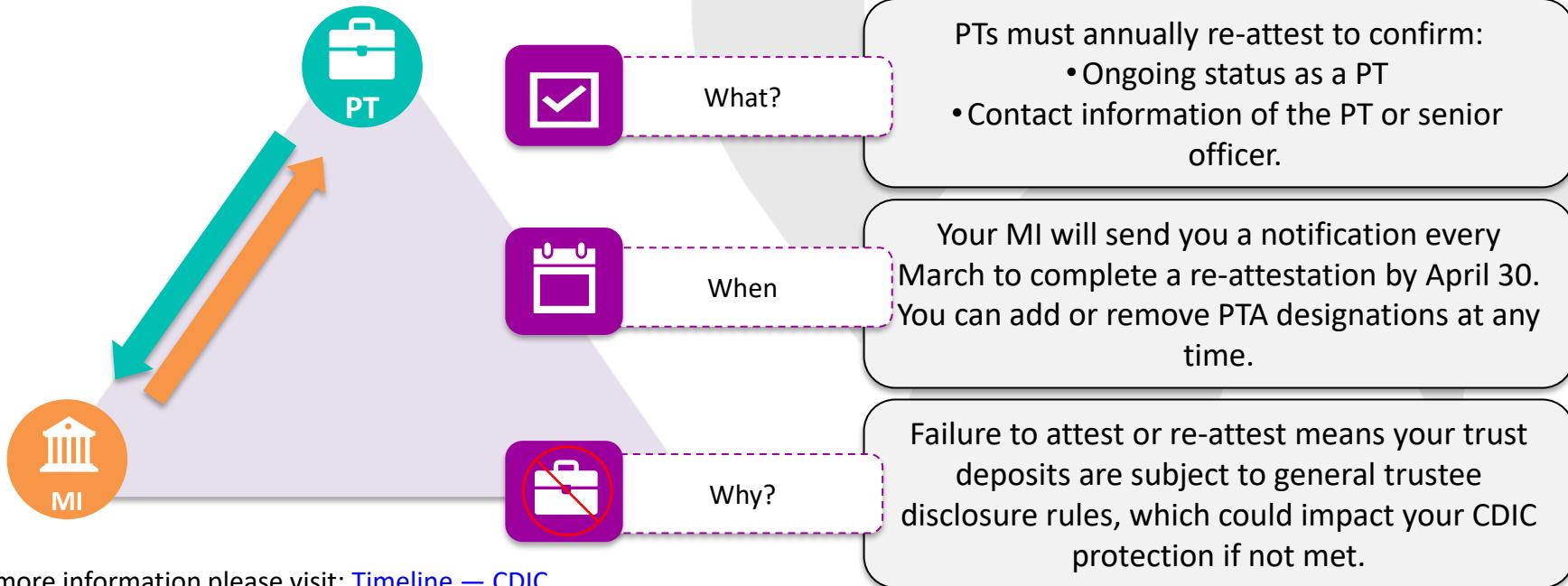
PT Reporting and Information Requirements

PTs are required to collect & share key information with MIs and CDIC. The *CDIC Act and By-laws* identifies data that must be maintained and reported by PTs who designate one or more accounts held with an MI.



PT Reporting and Information Requirements

After designating a PTA and completing a required initial attestation with your MI, PTs must maintain this designation on an ongoing basis. PTs should contact their MI directly to determine how to do this.



For more information please visit: [Timeline — CDIC](#)

PT Reporting and Information Requirements

The *CDIC Act* requires that PTs must submit beneficiary information as soon as possible, upon CDIC's request. CDIC would only request this information in specific circumstances (i.e., MI failure).

Info. submitted to CDIC (for each deposit in PTA):

- Name and address of each beneficiary.
- Deposit type (e.g., SIAs like RRSP, RRIF, etc.).
- The value (\$ or %) for each beneficiary

What?



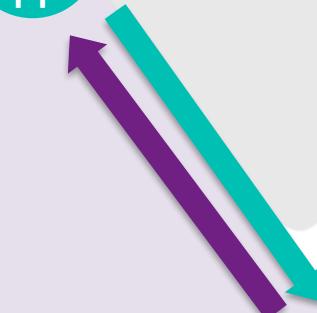
In the unlikely event of an MI failure, CDIC will contact PTs on the MIs records via email with request to submit beneficiary data.

When?



CDIC uses beneficiary data submitted by the PT to calculate deposit insurance for the impacted PT – up to \$100,000 per beneficiary.

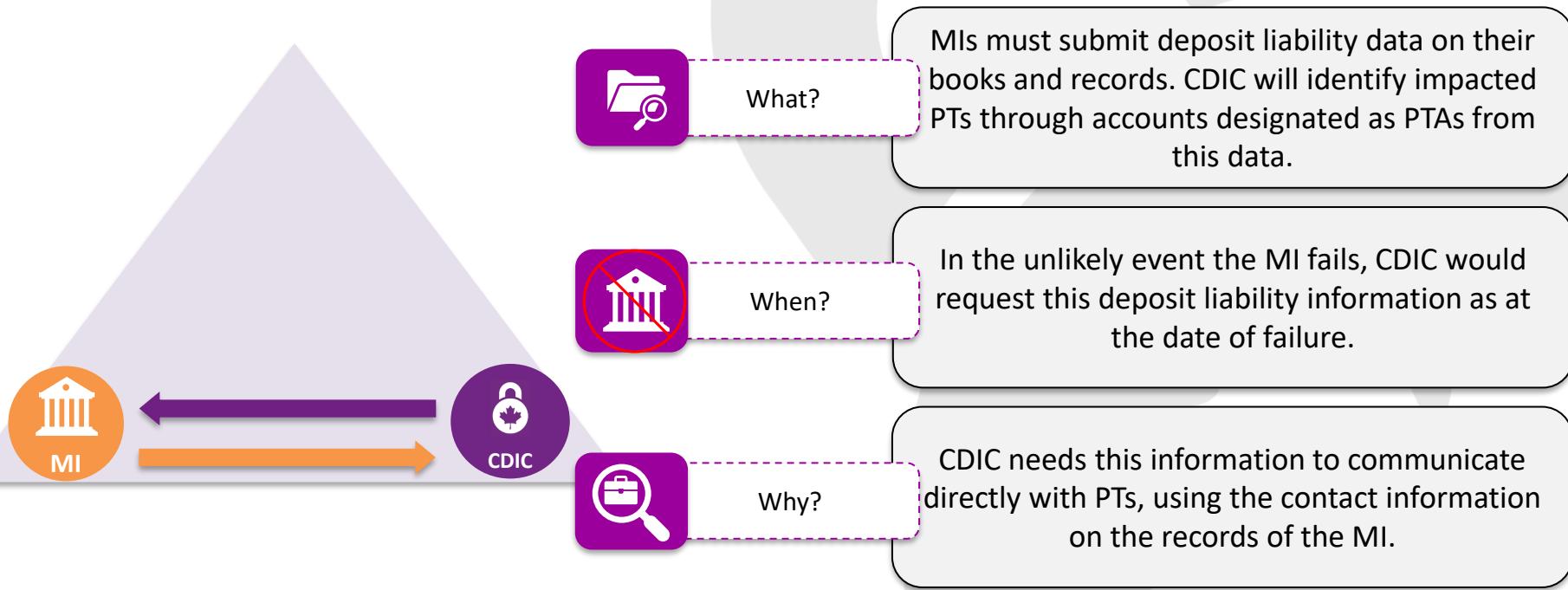
Why?



How the PT will submit this information and communicate with CDIC is outlined in Module 4: Submitting Beneficiary Information.

PT Reporting and Information Requirements

If an MI should fail, CDIC may make payments to depositors (i.e., PTs) in accordance with deposit insurance rules. To determine the amounts to be reimbursed, CDIC would request deposit liability information from the failed MI.



Module 4: Submitting Beneficiary Information

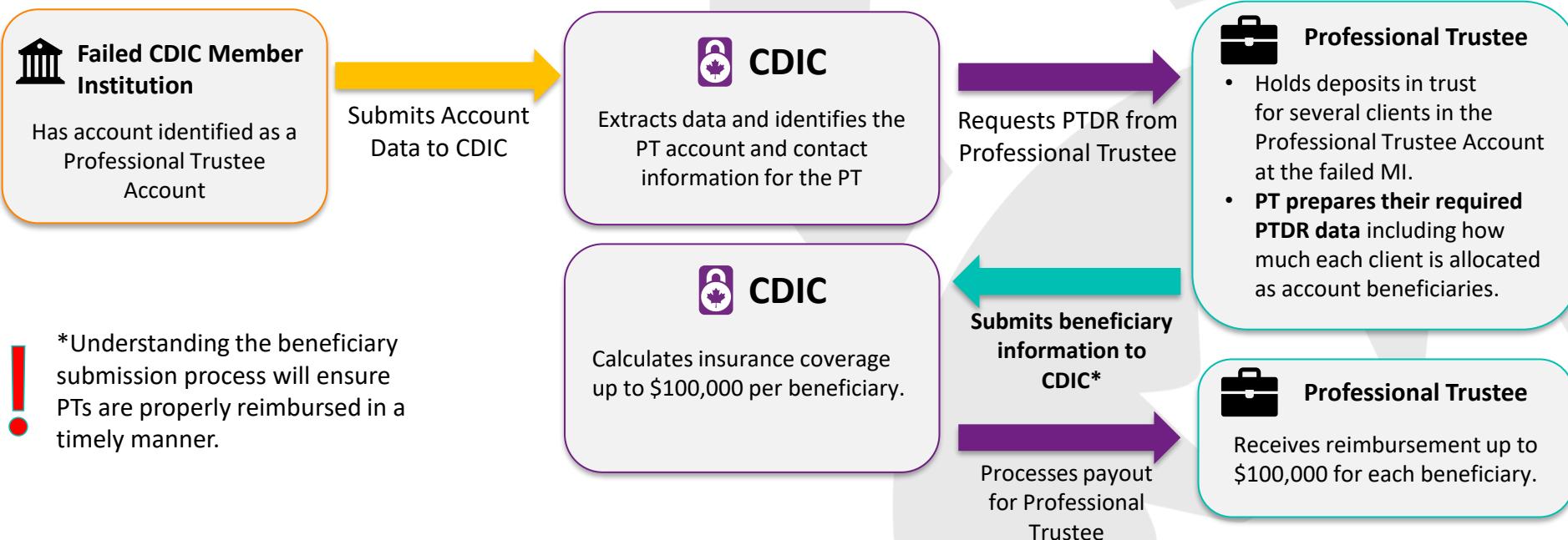


Familiarize PTs with the requirements to securely submit beneficiary data to CDIC.

- Process flow illustrating how CDIC will work with PTs in the rare event of a MI failure.
- Overview of submitting beneficiary information in accordance with the Professional Trustee Data Requirements (PTDR).
- An important reminder related to the safe and secure transmission of personal information.

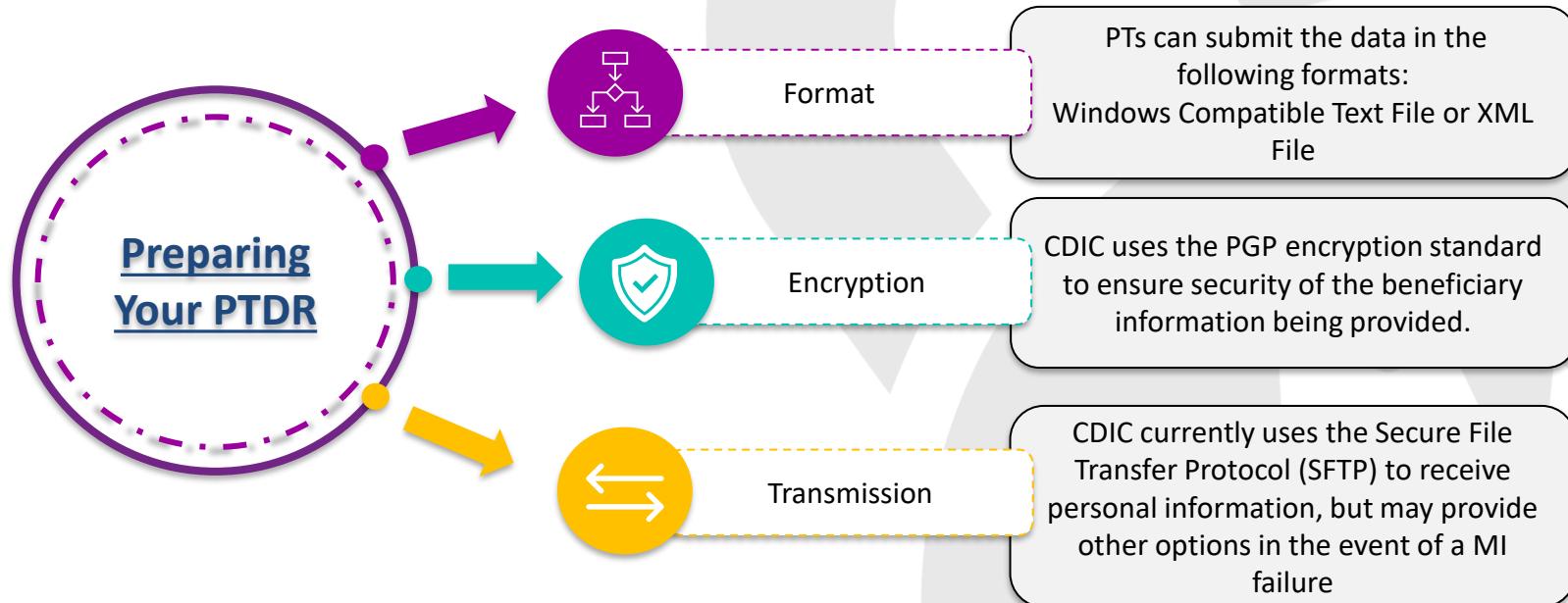
Submitting Beneficiary Information

In the rare event of a MI failure, CDIC has various tools to resolve an MI and protect depositors, including reimbursing depositors through a payout process. For PTs, CDIC accesses deposit information from the failed MI and requests beneficiary information from the PT as at the failure date.



Submitting Beneficiary Information

Upon request of beneficiary information, Professional Trustees must submit the data promptly to CDIC to avoid delay in reimbursement. The **Professional Trustee Data Requirements (PTDR)** outlines the requirements for successfully and securely providing information to CDIC.



For more information on PTDR requirements please visit: [Professional Trustee Data Requirements \(PTDR\) — CDIC](https://www.cdic.ca/en/professional-trustee-data-requirements-ptdr)

Submitting Beneficiary Information



PT beneficiary personal information will only be accessible to authorized employees who require it to fulfill their duties. CDIC will not share beneficiary personal information with other government departments or third parties without the beneficiary's consent, unless required by law.

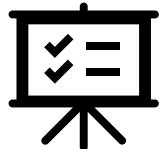
For more information on how CDIC collects, uses, retains and disposes of PT beneficiary personal information please visit CDIC's website: [Info Source — CDIC](#).

Important Reminder:



DO NOT send beneficiary data or any other personal information to CDIC via email or any other method that has not been approved by CDIC. CDIC will communicate directly with the PT contact/Senior Officer identified on the MIs records to share instructions for securely uploading and submitting data through our systems. CDIC will delete any personal information from its systems that it receives outside of the approved channels.

Module 5: Application of CDIC Coverage

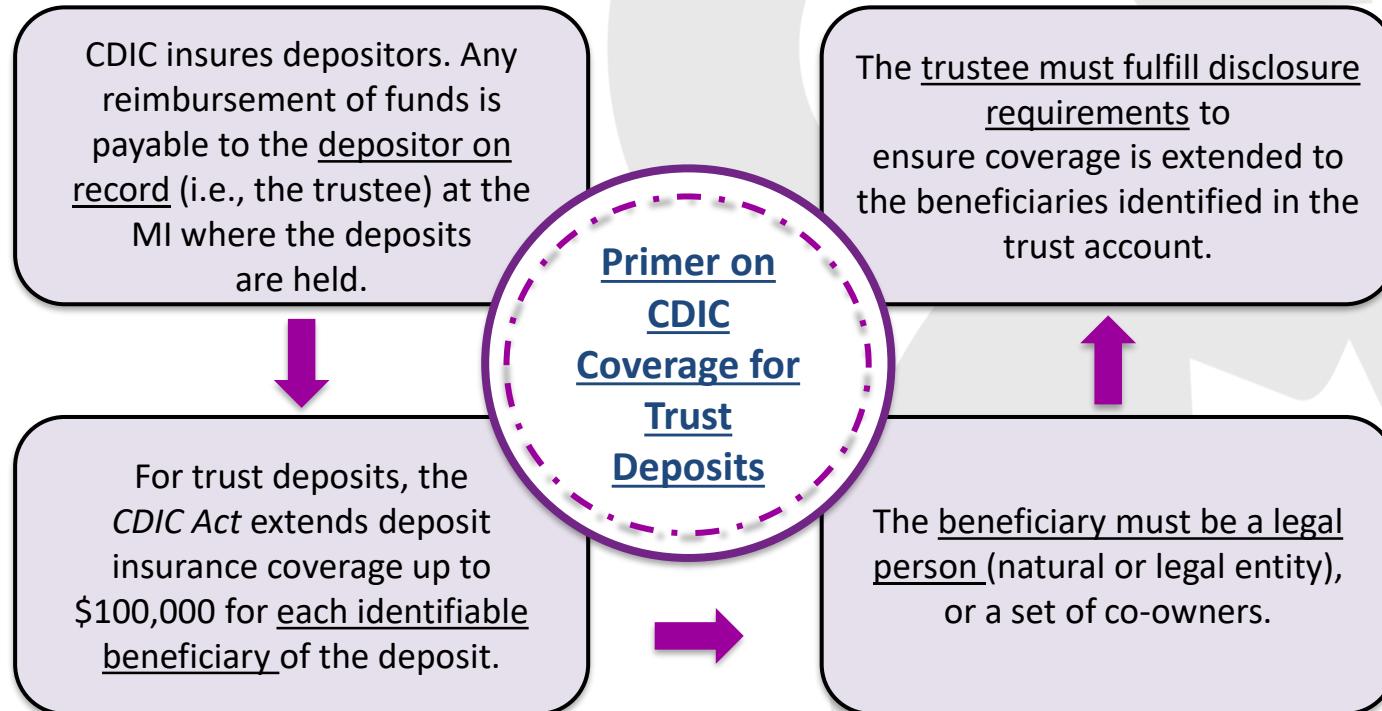


Understand how CDIC coverage may apply to the deposits you hold in trust in the unlikely event your CDIC member institution should fail.

- A primer on CDIC coverage for the trust deposit category.
- Case studies illustrating CDIC's calculation of deposit insurance for Professional Trustees.

Application of CDIC Coverage

In the event of a MI failure, CDIC's core mandate is to protect depositors, including trustees and by extension their beneficiaries provided key disclosure requirements are met.



Application of CDIC Coverage

EXAMPLE #1: The Professional Trustee holds a \$500,000 deposit with a MI in trust for 5 beneficiaries, where each beneficiary holds a 20% share of total deposit (i.e., \$100,000 each).

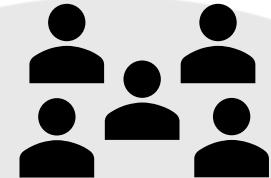
If the beneficiary data submitted by the PT is complete, CDIC will be able to extend deposit insurance coverage up to \$100,000 per beneficiary, for a total of \$500,000 payable to the PT on behalf of the beneficiaries.



MI records the deposit for:



PT holds deposit in trust for:



Failed MI

PT is the depositor on record and the account is designated as a PTA

PT (Depositor on Record)

PT holds a \$500K trust deposit with the MI and maintains record of beneficiaries

5x Beneficiaries

Each beneficiary share is 20% (i.e., \$100,000)



The link between the depositor on record (i.e., the PT) and the ultimate beneficiaries is clear and maintained which would allow CDIC to extend protection to all beneficiaries up to \$100,000.

Application of CDIC Coverage

EXAMPLE #2: In this example, for the initial deposit of \$500,000, the PT has only provided CDIC with information for three of the five beneficiaries.

As beneficiary information is incomplete, CDIC cannot extend deposit insurance coverage up to \$100,000 to all beneficiaries, but only to the three identifiable beneficiaries. In this case, only \$300,000 is payable to the PT and \$200,000 would remain uninsured.



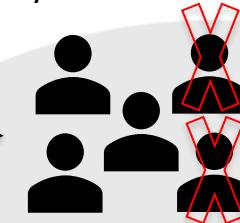
Failed MI

PT is the depositor on record and the account is designated as a PTA



Professional Trustee

PT deposits \$500K with the member institution but does not maintain complete records of beneficiary information.



Beneficiaries

Required information missing for two of the five beneficiaries.

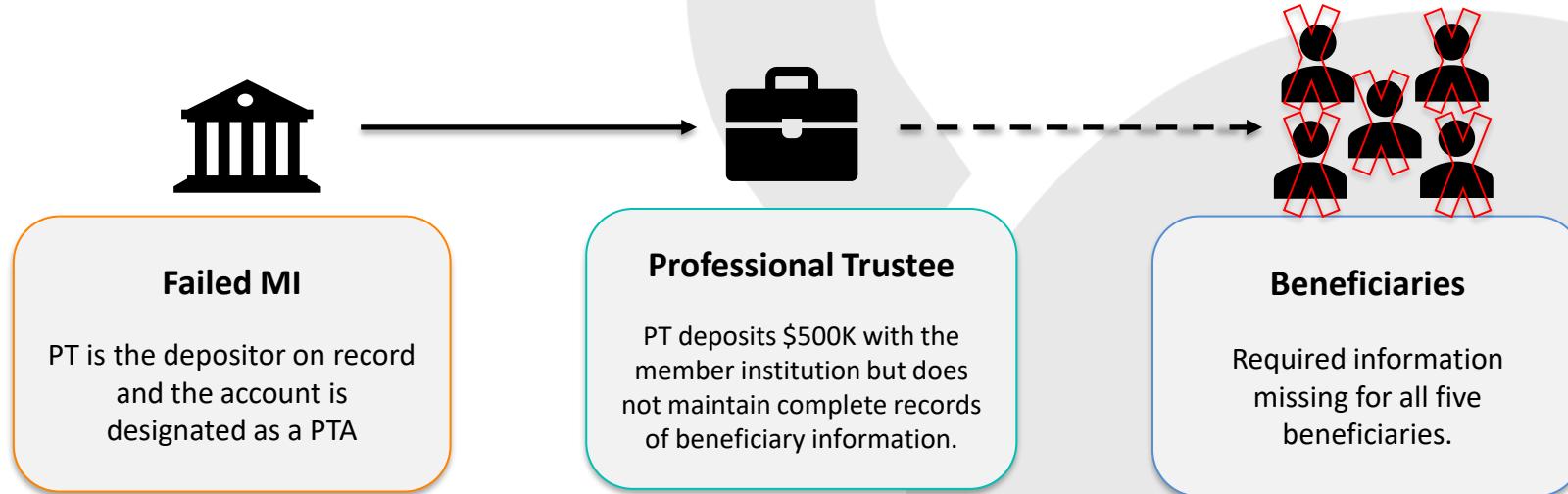


The link between the Professional Trustee and the ultimate beneficiaries is broken impacting CDIC coverage for individual beneficiaries.

Application of CDIC Coverage

EXAMPLE #3: In this example, for the initial deposit of \$500,000, the PT has not provided any information for the beneficiaries.

As beneficiary information is incomplete, CDIC **cannot** extend deposit insurance coverage up to \$100,000 to any of the beneficiaries. In this case, only \$100,000 is payable to the PT and \$400,000 would remain uninsured.



The link between the Professional Trustee and the ultimate beneficiaries is broken impacting CDIC coverage for individual beneficiaries.

Key Takeaways

The PT Framework was designed to better align beneficiary reporting obligations for deposits held in trust in a professional capacity. To continue benefitting, PTs need to remember:



Understand and fulfill all obligations as a Professional Trustee i.e., completing annual attestations and keeping contact information up to date with MI.



Always maintain accurate and complete records of deposit and beneficiary information should CDIC request it.



Know how to format, encrypt and transmit beneficiary information to CDIC as per the PTDR requirements.



Expect that in the rare event of a MI failure, CDIC will contact PTs directly to facilitate reimbursement of your deposits.

Staying Informed

To stay up-to-date on information related to the Professional Trustee Framework please visit CDIC's website.



www.cdic.ca/financial-professionals/trustees/professional-trustees/

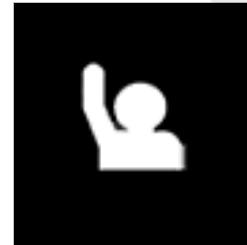
Questions? If you wish to connect after this session, do not hesitate to reach out through:



trustees@cdic.ca

Q & A Session

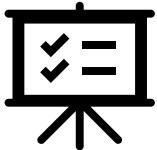
At this time, we are happy to address any questions you may have about CDIC's Professional Trustee Framework. Please use the chat function to ask your question.



**Thank you for attending CDIC's Professional Trustee Framework
Webinar.**

**Webinar content, including responses to any of the questions
asked today, will be circulated in both official languages to
participants in the coming weeks.**

ANNEX



Additional materials to support PTs in fulfilling their roles and responsibilities to ensure that their trust deposits remain well protected by CDIC.

- Third-Party Aggregation Agent Scenario: Ensuring the depositor on record of the MI is the PT.
- Key Resources for submitting beneficiary information in accordance with the PTDR

Third-Party Aggregation Agent Scenario

To ensure the extension of coverage to your beneficiaries, as a PT it is critical that the books and records of the MI reflect that the deposits are held in a designated PTA and the PT is the depositor on record. In this example, the depositor on record placed the \$500,000 deposit on behalf of the PT (not the ultimate beneficiaries).

If the trust relationship between the PT and their beneficiaries is not clear on the MI books and records, CDIC may not be able to extend deposit insurance coverage to the full extent under the framework.



Failed MI

For CDIC's coverage to apply, PTs are expected to be the depositor on record. In this case, CDIC coverage is limited to a total of \$100,000.



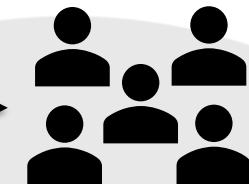
Third-party Aggregation Agent (Depositor on Record)

Deposits \$500k in a pooled cash account, co-mingled with other deposits.



Professional Trustee

PT deposits \$500K with third party aggregation entity but maintains record of beneficiaries.



5x Beneficiaries

Each beneficiary share is \$100,000.



The link between the depositor on record and the ultimate beneficiaries is broken impacting CDIC coverage for individual beneficiaries.

Key Resources for PTDR

To further assist PTs in understanding and implementing PTDR requirements, CDIC has developed and published relevant material on our website. PTs should regularly review our [PTDR webpage](#) for the latest versions. These include the following:

1. ***Professional Trustee Data Requirements.*** This document outlines the format and structure required for PTs to report Professional Trustee Account beneficiary information to CDIC.
2. ***PTDR XML Schema Definition.*** PTs that submit their data to CDIC in XML format should ensure that their submission meets the latest published XML Schema Definition. This will ensure a higher quality extract and a potentially faster payout in the event of an MI failure.
3. ***PTDR XML Example File.*** A downloadable example of the PTDR XML file.
4. ***Text Conversion Guide.*** For PTs that choose to submit their beneficiary information to CDIC using the Window-compatible text file option, this guide provides instructions to convert a Microsoft Excel file to a pipe delimited .txt file.
5. ***Data Extract Template.*** A downloadable template for the flat file and examples of a filled-out template.

CDIC strongly recommends that PTs proactively download and review these documents to ensure they meet CDIC data requirements.