



Sample Section 8(2) Notification

The sample notification, as developed by the BDAG, is provided for informational purposes.

Each CDIC Member Institution must review the requirements of the amended CDIC Act and By-laws to ensure their compliance. Member institutions must also ensure their compliance with the CDIC Act and By-laws regardless of whether they use, or adapt for their purposes in any fashion, the sample notice as provided.

RE: IMPORTANT REMINDER TO UPDATE TRUST DEPOSIT INFORMATION BY MAY 30, 202X TO ENSURE DEPOSIT INSURANCE COVERAGE OF BENEFICIARIES

[Nominee Broker Contact Information],

As a member of the Canada Deposit Insurance Corporation (“CDIC”), (INSTITUTION X) is required under the CDIC Act to notify brokers/dealers who hold deposits for their clients in-nominee-name (i.e. a nominee broker), of important disclosure obligations to ensure the correct application of deposit insurance.

You are receiving this notification as our records indicate that you are party to an agreement or arrangement with (INSTITUTION X) to make deposits as a nominee on behalf of your clients.

(INSTITUTION X) is required¹ to remind you of your obligations² to provide the following to CDIC:

- 1) An updated attestation indicating whether your organization is capable of meeting the obligations set out in section 7(1)(b) of the Schedule to the CDIC Act; and
- 2) Updated contact information of the nominee broker, if an individual, or of two senior officers if the nominee broker is not an individual (e.g. a corporate entity), in accordance with paragraph 8(1)(c) of the schedule to the CDIC Act and section 12 of the Co-owned and Trust Deposit Disclosure By-law.

(INSTITUTION X) asks that you, as the Nominee Broker, provide the above noted information to CDIC through the Nominee Broker Portal [Note: Official Name TDB] no later than May 31st each year. You are required to update the above information within 10 days after any change to the Nominee Broker’s legal name or its capability to fulfill the obligations set out in paragraph 7(1)(b) of the schedule to the CDIC Act.

¹ <https://laws-lois.justice.gc.ca/eng/acts/c-3/>;

² <https://laws-lois.justice.gc.ca/eng/acts/c-3/nifnev.html>



You are also required to provide to (INSTITUTION X), any updates to the nominee broker's name, mailing address, email address and telephone number within 10 days of this information changing. Where the nominee broker is not an individual (e.g. a corporate entity) they must provide any updates to the above information concerning either of their two senior officers within 10 days of this information changing.

IMPORTANT NOTICE TO NOMINEE BROKERS: Please note that important changes to the CDIC Act affecting deposits held by broker in nominee name took effect on April 30, 2022. For more information about the deposit insurance coverage framework regarding nominee broker deposits visit the CDIC website at <http://www.cdic.ca/en/about-di/how-it-works/trusts/Pages/default.aspx> or direct your question to Brokers@cdic.ca. We strongly encourage all trustees to review the information on the Canada Deposit Insurance Corporation's website (www.cdic.ca) for more information on these changes.