

# CIPF

Canadian Investor Protection Fund

# Canadian Investor Protection Fund



## **WHAT DOES THE CANADIAN INVESTOR PROTECTION FUND DO FOR INVESTORS?**

If you have an account with a member firm, and that firm fails, CIPF works to ensure that any property being held for you by the firm at that time is given back to you, within certain limits. Property can include cash and securities.

To help you get started, a list of the initial steps that you may wish to take if your firm fails is available on CIPF's website at [www.cipf.ca](http://www.cipf.ca).

# What does CIPF cover?

## **CIPF COVERS:**

Missing property – This is property held by a member firm on your behalf that is not returned to you following the firm’s insolvency. Missing property can include:

- cash
- securities
- other property described in CIPF’s Coverage Policy

A “security” is a type of financial instrument. Some examples of securities are: bonds, GICs (guaranteed investment certificates) and shares or stock of a company. A share or stock is an ownership interest in a company issued by that company. The company or other legal entity that issues the securities is often called the “issuer” of the securities.

## **CIPF DOES NOT COVER:**

Not all losses that may arise are covered by CIPF. For example, CIPF does not cover losses resulting from any of the following:

- a drop in the value of your investments for any reason
- investments that were not suitable for you
- fraudulent or other misrepresentations that were made to you
- misleading information that was given to you
- important information that was not disclosed to you
- poor investment advice
- the insolvency or default of the company or organization that issued your security (the entity that you invested in)
- other exclusions identified in the CIPF Coverage Policy



## **DOES CIPF GUARANTEE THE VALUE OF YOUR INVESTMENT?**

No. CIPF does not guarantee the value of your property.

## **EXAMPLE OF HOW CIPF COVERAGE WORKS**

If you bought one hundred shares of Company X at \$50 per share through a member firm, and the share value on the day of the member firm's insolvency was \$30, CIPF's objective would be to ensure the return of the one hundred shares to you because that's the property in your account at the date of insolvency. If the one hundred shares are not returned to you, CIPF would provide compensation based on the value of the missing shares on the day of the member firm's insolvency. In this example, that's \$30 per share.

## **WHO PAYS FOR THIS COVERAGE AND HOW DO I GET IT?**

You're automatically eligible for coverage if you have an account with a member firm that is used solely for investing in securities or in futures contracts. And because CIPF is funded by its member firms, you do not pay a fee for CIPF protection. Non-residents and non-citizens are eligible for coverage.



## **WHO ARE CIPF MEMBER FIRMS?**

Member firms are investment dealers that are members of IIROC (Investment Industry Regulatory Organization of Canada). Approximately 170 investment dealers across Canada are CIPF members. Please see CIPF's website for a list.

## **WHAT ARE THE COVERAGE LIMITS?**

CIPF will provide compensation for the value of the missing property as at the date of insolvency, up to the limits prescribed in the CIPF Coverage Policy.

For an individual holding one or more accounts with a member firm, the limits on CIPF protection are as follows:

- \$1 million for all general accounts combined, plus
- \$1 million for all registered retirement accounts combined, plus
- \$1 million for all registered education savings plans (RESPs) combined.

The limits of coverage for other types of clients are outlined on CIPF's website.

All coverage by CIPF is subject to the terms and conditions of the CIPF Coverage Policy and Claims Procedures.

**Get CIPF  
Protection –  
Invest with  
an IIROC  
Regulated  
Member**

 **Manulife Securities**  
**MANULIFE SECURITIES**  
**INCORPORATED**

1235 NORTH SERVICE ROAD WEST  
SUITE 500  
OAKVILLE, ON L6M 2W2

MAILING ADDRESS:  
P.O. BOX 1700 RPO LAKESHORE WEST  
OAKVILLE, ON L6K 0G7

[manulifesecurities.ca](http://manulifesecurities.ca)

Check the Member Directory on CIPF's website to confirm you are dealing with a member of the Canadian Investor Protection Fund.

**CIPF**

Canadian Investor Protection Fund

Canadian Investor Protection Fund  
100 King Street West, Suite 2610, Box 481  
Toronto, Ontario, Canada M5X 1E5

For more information on CIPF, please visit [www.cipf.ca](http://www.cipf.ca) or call toll-free at 1.866.243.6981 or 416.866.8366 or e-mail: [info@cipf.ca](mailto:info@cipf.ca).

Cette publication est disponible en français.  
© December 2016