

Frequently asked questions

A. How is deposit insurance calculated for deposits held in trust?

Eligible deposits¹ held in trust for another person are insured by CDIC separately from all the other deposits that the trustee or beneficiary holds in their own name at the same member institution. Each beneficiary's portion is insurable up to \$100,000 (total principal and interest). All eligible deposits held in trust by the same trustee for the same beneficiary at the same financial institution are combined, and the total is covered up to \$100,000 if there is only one beneficiary or up to \$100,000 multiplied by the number of beneficiaries if there is more than one beneficiary.

B. Is it mandatory to disclose the name and address information?

Under CDIC by-laws, funds held in trust for the benefit of another person are eligible for separate coverage up to \$100,000 only if certain disclosure is made. If no disclosure is made, the deposit held in trust will be treated as if the funds are in your name and will be included with your other deposits, which means that coverage will be up to \$100,000 in total. On the other hand, if disclosure is made, the deposits held in trust will be eligible for separate coverage up to \$100,000 per beneficiary. In order for the beneficiaries of a multi-beneficiary trust account to be eligible for up to \$100,000 per beneficiary of CDIC insurance coverage, you must report beneficiary information to us as at April 30 each year, no later than May 30 of that year. That information must be updated annually.

C. If I hold a deposit in trust for only one beneficiary, do I have to provide the requested information?

If the designated account is held in trust for only one beneficiary and you have already provided the beneficiary's name and address, you do not have to provide that information again.

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1. Eligible deposits include Canadian-dollar chequing accounts, savings accounts and guaranteed investment certificates (GICs) with a term to maturity of five years or less. Accounts in U.S. dollars, shares and mutual funds are not covered by CDIC deposit insurance.