



MFDA Investor Protection Corporation

**CIPF AND MFDA IPC PUBLISH FAQs REGARDING THE NEW IPF DISCLOSURE POLICY,  
EFFECTIVE JANUARY 1, 2023  
November 24, 2022**

The Canadian Securities Administrators (CSA) published today [notices](#) regarding the New Self-Regulatory Organization of Canada (New SRO) and the new Canadian Investor Protection Fund (CIPF) (referred to herein as the New IPF), effective January 1, 2023.

Today's publication includes the New IPF Disclosure Policy, effective January 1, 2023, which describes the requirements, prescribed formats, and acceptable practices for disclosure of New IPF coverage for customers of New IPF member firms. New IPF member firms are required to comply with the New IPF Disclosure Policy no later than December 31, 2024. Until then, each New IPF member firm must continue to comply with the disclosure policy or requirements that were applicable to the New IPF member firm immediately prior to January 1, 2023.

For more information on the New IPF Disclosure Policy, effective January 1, 2023, please see the FAQs attached to this news release.

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## FAQs regarding the New IPF Disclosure Policy, effective January 1, 2023

References to the New IPF (New Investor Protection Fund) refer to the Canadian Investor Protection Fund (CIPF) formed under the *Canada Not-for-profit Corporations Act* by the amalgamation of the former Canadian Investor Protection Fund (Former CIPF) and the MFDA Investor Protection Corporation (MFDA IPC), effective January 1, 2023.

### FAQs applicable to all New IPF Member Firms

#### 1. What is the name of the New IPF?

The Boards of Directors of the Former CIPF and the MFDA IPC approved the name of the New IPF as: (i) “Canadian Investor Protection Fund” and “CIPF” as the acronym, in English, and (ii) “Fonds canadien de protection des investisseurs” and “FCPI” as the acronym, in French.

#### 2. Will the New IPF have requirements relating to disclosure of New IPF membership and coverage?

The New IPF will have a Disclosure Policy, effective January 1, 2023. The New IPF Disclosure Policy generally maintains the *status quo* of current disclosure requirements for investment dealers and mutual fund dealers.

A two-year transition period will be set for the changes required by the New IPF Disclosure Policy.

#### 3. Where can I find a copy of the New IPF Disclosure Policy, effective January 1, 2023?

A copy of the New IPF Disclosure Policy is available on the Canadian Securities Administrators’ (CSA) [website](#) as part of the application for approval and acceptance of the New IPF.

#### 4. When are New IPF member firms required to comply with the New IPF Disclosure Policy, effective January 1, 2023?

New IPF Member firms are required to comply with the New IPF Disclosure Policy no later than December 31, 2024. Until then, each New IPF member firm must continue to comply with the disclosure requirements that were applicable to the New IPF member firm immediately prior to January 1, 2023 namely, the Former CIPF Disclosure Policy, effective February 10, 2021, or MFDA Rule 5.3.2(e) and MSN-0083. All references in a New IPF member firm’s disclosure, website and documentation to a predecessor of the New IPF will be deemed to be a reference to the New IPF.

Firms granted New SRO membership on or after January 1, 2023, will be required to comply with the New IPF Disclosure Policy, effective January 1, 2023 on the earlier of: (a) the date the membership is granted, or (b) June 30, 2023.

#### 5. Which parts of the New IPF Disclosure Policy, effective January 1, 2023 apply to my firm?

Parts A and C apply to New SRO member firms registered under Canadian securities legislation in the category of “investment dealer” or in the categories of both “investment dealer” and “mutual fund dealer”.

Parts B and C apply to New SRO member firms registered under Canadian securities legislation in the category of “mutual fund dealer” only.

## **FAQs applicable to Former CIPF Investment Dealer Member Firms**

### **6. What Former CIPF disclosure materials will the New IPF be replacing, to reflect the New IPF French name and rebranding?**

New IPF will be replacing the following Former CIPF disclosure materials with New IPF disclosure materials:

- Former CIPF Membership Identifier (graphic versions - English, French, and bilingual);
- Former CIPF Membership Identifier (text versions - French and bilingual only);
- Former CIPF Official Brochure; and
- Former CIPF Decal.

New IPF member firms can choose to use the New IPF disclosure materials either: (a) when the New IPF materials are available, or (b) no later than December 31, 2024.

### **7. What Former CIPF disclosures are New IPF member firms required to change with respect to the New IPF French name and rebranding?**

New IPF member firms must change the following disclosures no later than December 31, 2024:

- replace the Former CIPF Decals with the New IPF Decal;
- replace the Former CIPF Official Brochure with the New IPF Official Brochure;
- replace the graphic versions of the Former CIPF Membership Identifier on the New IPF member firm’s website, account statements, and confirmations with the New IPF Membership Identifier;
- replace the French and bilingual text versions of the Former CIPF Membership Identifier on the New IPF member firm’s website, account statements and confirmations with the New IPF Membership Identifier;
- replace the Former CIPF Explanatory Statement with the New IPF Explanatory Statement on account statements and confirmations;
- for New IPF member firms that have a service arrangement with a registered portfolio manager to provide custodial services to the portfolio manager and its customers: ensure the additional disclosure required on account statements under section 9(b) of the New IPF Disclosure Policy, effective January 1, 2023 has been updated with the New IPF French name; and
- Any other relevant disclosures mentioning the Former CIPF.

### **8. Should New IPF member firms order more hard copy brochures at this time?**

A New IPF brochure will be available in 2023. The Former CIPF Official Brochure (version dated December 2016) can be provided to customers until: (a) a New IPF Brochure is available, or (b) no later than December 31, 2024.

It is recommended that New IPF member firms monitor their inventory of hard copy brochures and purchase hard copy brochures on an as-needed basis to reduce the possibility of excess inventory being held on December 31, 2024. Alternatively, New IPF

member firms can purchase an electronic version of the Former CIPF Official Brochure directly from the Former CIPF's designated printer using the order form located [here](#).

The electronic version of the Former CIPF Official Brochure may be included in a customer application, provided that no aspect of the PDF is changed. In addition, a print-out of the PDF version of the Former CIPF Official Brochure can be provided to customers and is considered to be an official version of the Former CIPF Official Brochure.

**9. Should New IPF member firms still order Former CIPF Decals for business locations?**

New IPF member firms are still required to display a decal at each business location to which customers, or potential customers, have access. New IPF member firms can choose to use the Former CIPF Decal until either: (a) a New IPF Decal is available, or (b) no later than December 31, 2024.

**FAQs applicable to MFDA IPC Mutual Fund Dealer Member Firms**

**10. What disclosures are New IPF Mutual Fund Dealer member firms required to change no later than December 31, 2024?**

New IPF Mutual Fund Dealer member firms must update the MFDA IPC disclosure on account statements with the New IPF disclosure, as set out in Part B, Section 10 of the New IPF Disclosure Policy.

**11. What new key requirements does the New IPF Disclosure Policy, effective January 1, 2023 place on New IPF Mutual Fund Dealer member firms?**

After the completion of the two-year transition period ending December 31, 2024, New IPF Mutual Fund Dealer member firms must:

- be informed by the General Principles, as set out in Section 2 of the New IPF Disclosure Policy, in their reasonable efforts to comply with Parts B and C of the New IPF Disclosure Policy;
- get prior New IPF approval for any disclosures about the New IPF created by a New IPF member firm for broad distribution. This means that prior approval from New IPF is required for any disclosure that: (1) was not created by New IPF, (2) contains disclosure about New IPF other than what is permitted under the New IPF Disclosure Policy (i.e. disclosure other than the New IPF Membership Identifier, New IPF Explanatory Statement, or the disclosure described in s. 5(b)(i) of the New IPF Disclosure Policy), and (3) will be broadly distributed; and
- notify the New IPF if it discovers that any non-New SRO member with which it has a relationship is making any false, misleading or deceptive statements about the nature or scope of coverage, or the limitations and exclusions from coverage, provided by the New IPF, including New IPF membership.