

## **NOTICE REGARDING CIPF COVERAGE DATED SEPTEMBER 22, 2015**

Over the last 12 months, a significant number of CIPF Appeal Committee decisions have been issued, interpreting the scope of coverage under the CIPF Coverage Policy dated September 30, 2010. Redacted versions of these decisions are posted to the CIPF website and can be accessed [here](#).

Summarized below are several key statements and findings arising from those decisions. Please refer to the decisions for the factual context and complete statements and findings.

- CIPF coverage is custodial in nature. It provides custodial protection for property (which includes securities and cash) held by a Member at the Member's insolvency date, and which the Member is obliged to return to its customers.
- CIPF's purpose and role is to ensure that property belonging to customers is returned to them according to the obligations of the Member, in the event that a Member has become insolvent.
- CIPF's mandate neither guarantees nor protects the value of a security. Rather, it is to ensure that the customers of an insolvent Member receive their property held by the Member at the date of insolvency.
- CIPF coverage does not include coverage for losses arising from investments made in circumstances of fraud, material non-disclosure and/or misrepresentation.
- CIPF's Coverage Policy provides some discretion in its application. The discretion must be exercised within the limits of CIPF's mandate, which is to return property to customers in the event of a Member insolvency.

For more information about the CIPF Coverage Policy, Claims Procedures and guidelines relating to appeal hearings, you may contact CIPF at 416.866.8366 or toll-free at 1.866.243.6981, or visit CIPF's website at [www.cipf.ca](http://www.cipf.ca).

