

CIBC PHISA – FREQUENTLY ASKED QUESTIONS

Setting up an account

- How do we apply for an account?
 - Send an email to finance@mfa.bc.ca and request an application for the CIBC PHISA.
- If we already have existing Pooled Investment Funds (i.e.: Bond, Intermediate or Money Market) do we still have to apply for this new fund?
 - Yes, unlike the MFA's existing Pooled Fund products, the PHISA is a bank account and requires the local government to sign documentation that is appropriate to access this type of investment.
- Does the MFA require a Resolution from the Council or Board to apply for a CIBC – Pooled High Interest Savings Account?
 - No, we do not require a resolution to establish the account. We are relying on your confirmation during enrollment that you have an Investment Policy in place and are using a diversification strategy appropriate to your local government.
- How long does it take to get my PHISA account open and accessible?
 - Once your application is received and processed by MFA it will take approximately 12 business days for the account to be set up. Please allow up to two business days for processing and approximately 10 business days for your account to be accessible.
- How will I know when I can start depositing funds into the account?
 - Once your account is set up, MFA will email the contact identified on the application and advise them of their account number. At that time your contact will also be receiving a welcome package that gives instructions on how to fund the account using an Electronic Funds Transfer (EFT) and how to set up EFT templates, an information reporting step by step guide, and an overview of the Cash Management Online (CMO) platform.

Security Tokens

- Can our organization have more than 2 security tokens and can we choose what access the extra token holders will have?
 - At the time of enrollment, you will receive 2 Security Tokens, free of charge. Both users must have full access (PART 1 - creating, approving, e-statements and information reporting). Additional token users can either have full access PART 1 access or PART 2 access - e-statements and information reporting only. Additional tokens are \$30 each.
- How do we pay for additional tokens?
 - You will be required to complete a payment request form that can be found on our [website](#) under the Forms and Documents section, return it with the request for additional tokens form by emailing finance@mfa.bc.ca.

- How long does a token last?
 - The expiry date is located on the back of the token. It will expire 5 years from the original issue date. The token will shut off on approximately that date and will no longer authenticate past the specified date. You will receive notification of expiry when you log into your CMO, as well as by email. The email will contain the token's serial number and expiry date to help you identify the correct token. You should renew hardware tokens at least 1 week before the expiry date to avoid any risk of shipping delays due to high volumes of renewals. You may dispose of expired tokens. There is no charge for replacing an expired token.
 - If someone leaves my workplace can they transfer their security token to someone else? How is this done and is there a cost?
 - A token holder can transfer the use of their token to another employee by completing the [Token Transfer and Replacement Request Form](#) specifying what functions/access should be copied from an existing user. This form is to be emailed to finance@mfa.bc.ca. There is no charge for transferring a user.
 - What happens if I lose my token?

If a token holder has lost their token you can apply to receive a replacement by completing Section 2 of the [Token Transfer and Replacement Request Form](#). [There is a \\$30 charge for a replacement token. Please complete the Payment Request form and send that with your request for a replacement token to \[finance@mfa.bc.ca\]\(mailto:finance@mfa.bc.ca\).](#)

Deposits, Rates, and Transactions

- Where do we find the posted rate and how often will the rate change?
 - The interest rate is based on CIBC's Prime Rate. When there is a change in CIBC's Prime Rate the new rate and its effective date will be posted on the Home page of MFA's website.
- What if the rate changes during the month? How will it effect the interest paid?
 - The interest is calculated based on the Average Monthly Credit Balance (AMCB). The AMCB is the average of each day's final balance for the month.
 - The interest is based on the Monthly Average Prime Rate (MAP). As such you need to consider the number of days in the month before the prime rate changes versus the number of days based on the new prime rate. For example, if the prime rate was 3.20% on January 1st and the prime rate increased to 3.45% January 18th the MAP would be based on 17 days 3.20% and 14 days at 3.45% for a MAP of 3.31%. Your interest will be based on 3.31% – 1.49% = 1.82% on the AMCB.

- We see that there is no charge for using Electronic Funds Transfer (EFT) to move funds in and out of the account using the CIBC Cash Management Online (CMO) platform. We've never used EFT's before is it difficult to set up?
 - Once you have set up the EFT templates it is easy to move funds. The Welcome Package you receive when the account is open gives step by step instructions on how to use the CMO platform.

- What is the minimum amount we can have on deposit to keep the account open?
 - The minimum that must be maintained in the account is \$10,000. If the balance drops below this amount for a period that exceeds 3 months, you will be asked to either top up the account or close it.

- What is the maximum we can have on deposit at any given time?
 - While there is no maximum amount that you can have on deposit it is the responsibility of the local government to adhere to its Investment Policy and a prudent diversification strategy.

- Are funds on deposit covered by the Canadian Deposit Insurance Corporation (CDIC)?
 - Up to \$100,000 is covered under the CDIC insurance for each account held in trust. There can only be one account per local government in this program.

- Do I need to provide notice of deposits or withdrawals?
 - Withdrawals of \$50 to \$100 million require same day notice by 8:00 am PST. Withdrawals over \$100 million require 2 business days notice by 1:00 pm PST. Notice is to be given directly to CIBC Treasury 416-594-8318 or by email globalcashmgmt@cibc.com.

- How long does the money have to stay on deposit before we can withdraw it?
 - The funds you have on deposit are meant to be a source of liquidity and can be withdrawn or deposited when it suits your cash flow requirements.

- If we choose to wire funds in from our regular bank will there be a charge?
 - Yes, there is a \$15.00 charge per wire. This fee is deducted directly from the wired amount. Note that your own bank may also levy a fee for outgoing wires.

- Can we wire funds from our MFA PHISA account to our regular bank account?
 - No, there are no outgoing wire capabilities on the PHISA accounts. You can use an EFT 'push' transaction using the CMO platform or you can use a EFT pull transaction using your own financial institution platform.

- Can I transfer funds from our existing Pooled Fund accounts directly to the new PHISA?
 - No, the two types of MFA Pooled Funds operate on distinct platforms. Each of our Pooled Funds is designed to meet unique investment needs, so it is the responsibility of the local government to adhere to its Investment Policy and a prudent diversification strategy. Note that investment decisions of this nature must be made with caution.

Inquiries and Audit Confirmations

- Who is authorized to contact the MFA if they have questions regarding the account and who should we contact?
 - You must be a CMO token holder to be authorized to contact the MFA regarding questions on the account. Please complete the Information Request [Form](#) and submit it via email to finance@mfa.bc.ca. The use of such a form to facilitate inquiries is to maintain security of the program. If your questions are related to CMO token issues, or notifications of withdrawal of sums greater than \$50 million please refer to the contact information contained in Terms and Conditions – Schedule B of the Enrollment Package.
- Does our Auditor send the Bank Confirmation request to the MFA?
 - Audit requests will be handled by CIBC, who is working with Confirmation.Com (<http://www.Confirmation.com>) to simplify audit confirmation requests for its Commercial Banking businesses. This new service will streamline the audit process, facilitate faster more accurate responses and secure client information. Your Auditor's are encouraged to sign up with Confirmation.Com if they haven't already done so.
- How do I register with Confirmation.com?
 - Auditors will need to register directly at confirmation.com. The registration process takes approximately 5 to 10 minutes and your account will be activated within 24 hours. Should you have any questions relating to your confirmations customer support will be available to assist with all questions (setup, access, training and billing). To learn more, please visit Confirmation.com, call (866) 325-7201 or email customer.support@confirmation.com