

## INDEX

*References are to section numbers except regulations, which are referenced to by citation number.*

### A

**Accountability statements,** *see* Public accountability statements

**Accounts,** *see also* Disclosure of charges, Disclosure of information, Disclosure of interest, Low-fee retail deposit account, No-cost accounts, Personal deposit account and Retail deposit account

- charges on, SOR/2021-181
- disclosure on opening, 627.55, SOR/2021-181
- foreign banks
- • accessing accounts, 511

**Acting in concert**

- defined, 9

**Actions and Applications,** *see also* Orders

- continuation of, 362, 871
- derivative, 334–7, 865
- directors' liabilities, 207–10, 794–97
- limitation period, 76(3), 209, 272(3), 363(2), 719(3), 796, 834, 871
- proof in action on security, 98
- recovery for reduction in capital, 76, 719
- rectify records, 338, 865
- reliance on information, 406, 920
- rights preserved, 222, 362, 802, 871

### Administration

- appeals, 977
- certificates, 969
- constructive notice, 19, 668
- entry in securities register, 970
- execution of documents, 964.1
- notices, 965, 967
- orders
  - • and directives, 974-5
  - • short-term, 973.1
  - • to exempt or adapt, 973.2
- presumption
  - • from return, 966
  - • of receipt, 967
- regulations, 978
- service on a bank or authorized foreign bank, 968

### Adverse claim

- breach of fiduciary duty, 106, 724
- deemed notice, 105, 724
- defined, 81, 724
- dissenting offerees of a takeover bid, 285(2), 836
- duration of notice, 131, 724
- endorsement in bearer form, 116, 724
- endorsement, unauthorized, 117, 724
- inquiry into, 129, 130, 724
- notice after delivery, 120(3), 724

## Index

### **Advertisement**

- calculation of interest disclosure, 627.71, 627.78(b)(ii), SOR/2021-181
- meetings of shareholders, 137(7)(a)
- sale of special security held, 426(6)(b), 428(8)(a)(ii), (b)(i), 433(c), 555
- subordinated indebtedness, 80(2)
- use of name, 983

### **Advisory committee**, 623, 653

### **Advisory services**

- power to provide, 410(1)(c)(ii), (iv), (c.2), 539(1)(b.1)(ii), (iv), (b.3), 922(1)(b)
- regulations, 410(3), 539(3)

### **Affairs**

- defined, 2

### **Affiliate**, *see also* Non-bank affiliate of a foreign bank

- arrangement with, 627.15
- corporate names, 41, 694
- defined, 2, 6, 265(1), 283(1), 834, 836

### **Affiliated entities**

- defined, 6

### **Affiliated person**

- regulations, 162
- restriction on, 163
- Superintendent's discretionary power to designate, 162.1

### **Agency**, *see also* Commissioner and Financial Consumer Agency of Canada Act

- defined, 2, 427(5)
- information on contacting, SOR/2021-181

### **Agent**

- bill of lading, 436(1), 555
- defined, 370(1), 427(5), 555
- duties, 134, 724
- financial, power to act as, 409(2)(b)
- liability of, 986
- networking authority, 411, 543
- notice to, 135, 724
- offences of, 986
- previous holder, 436, 555
- reliance on information, 406, 920
- restriction on acting as insurance, 416(2), 549(2)
- restriction on registration or voting, 401.2, 401.3
- securities register, 250, 827
- warehouse receipt, 436(1), 555
- warranties of, 103, 724

### **Aggregate Financial Exposure**

- regulations, 495.2

### **Amalgamation**, *see also* Merger Review

- agreement, 224, 804
- application for, 223, 228, 803, 808
- approval of Minister, 223, 225, 373(2), 803, 805, 875(2)
- approval of shareholders, 226, 806
- court enforcement, 229.1, 810
- issue of letters patent, 229-30, 853-5
- matters for consideration, 228(4)
- objections to, 26, 228(3)
- short form, 227-8, 807-8
- termination of, 226(5), 806(5)
- transitional provisions, 231, 812

## Index

### **Annual statement, *see also* Financial statements**

- approval by directors, 309, 841
- contents of, 308(2), 840(2)
- copy to superintendent, 312, 844
- defined, 2
- distribution to shareholders, 311, 843
- of foreign banks, 522.27(a)

### **Appropriate agency**

- defined, 427(5)

### **Appropriate person**

- defined, 110, 724
- endorsement by, 111, 724

### **Assets**

- approval of series of transactions, 482(1.1)
- limit on growth in, 386, 388
- meaning of, 618
- protection of, 978(i)
- related party sale of, 494
- retention of, 978(g)
- sale of all or substantially all, 232–6
- taking control of by Superintendent, 619–626, 648–656
- total, 54.1(4), 386(3), 482, 895(3), 944
- transactions limitation, 482, 495.3, 944
- valuation by Superintendent, 485(5)
- value of, 978(h)

### **Associate of the offeror**

- defined, 283(1)

### **Associated with a foreign bank**

- defined, 507(2)-(3)

### **Associates**

- deemed to be single person, 371, 371.1, 873

### **Audit committee**

- auditors' attendance, 330, 861
- calling of meeting, 331(1), 862(1)
- duties, 194(3)–(5), 782(3)–(5)
- established by directors, 157(2)(a), 747(2)(a)
- exemption from requirement, 157(3), 747(3)
- membership, 194(2), 782(2)
- minimum number, 194(1), 782(1)
- notification of errors by directors, 332(1), 863(1)
- valuation of assets by Superintendent, 485(5)
- written resolutions of, 184.1(3), 774(3)

### **Auditors**

- appointment of, 314, 585(1), 846
- appointment of first, 45(1)(e), 46(2)(c), 700(1)(e), 701(2)(c)
- calling audit committee meeting, 331(1), 862(1)
- ceasing to hold office, 318, 588, 850
- court to resolve dispute in appointment, 155-6, 744-5
- definitions, 313, 584, 845
- disqualification of, 586
- duty to resign, 316, 586, 848
- entitlement to attend meetings, 330, 861
- errors in financial statements, 332, 863
- examination, 323(1), 325, 592(1), 592(4), 592(7), 855(1), 857

## Index

- Auditors (*cont'd*)
- meeting with chief internal auditor, 331(2), 862(2)
  - notice of shareholders' meeting to, 138(1)(c), 727(1)(c)
  - notice to Superintendent, 632
  - qualification of, 315(1)–(2.1), 585(2)–(3.1), 847(1)–(2.1)
  - qualified privilege, 333, 596, 864
  - remuneration of, 314(3), 846(2)
  - replacement, duties of, 322, 591, 854
  - report, directors statement on, 327, 859
  - report on subsidiaries, 329, 860
  - report on transactions affecting well being, 328
  - report to officers, 328, 594-5
  - report to principal officer, 595
  - report to shareholders, 308(1)(b), 326, 840(1)(b), 858
  - revocation of appointment, 317, 587, 849
  - right to attend meeting, 320, 852
  - right to information, 324, 593, 856
  - special audit, 592(6)–(7)
  - special examination, 325(2), 592(5), 857(2)
  - standards, 323(2), 592(2), 855(2)
  - statement re termination, 321, 590, 853
  - vacancy, filling of, 319, 589, 851
  - valuation of assets by Superintendent, 485(5)
- Authorized foreign bank**, *see also* specific subject relating to the authorized foreign bank
- assets
  - defined, 618
  - maintenance requirement, 582(1), 617
  - authorization process of
    - application procedure, 525
    - name, other, 533
    - name, publication of, 531
    - order permitting carrying on of business in Canada, 524, 527, 528
    - prohibitions of, 524.1-524.2
    - transition, 529
  - defined, 2
  - deposit requirements, 582
  - financial year, 583
  - full-service branch
    - order establishing, 524(1)
    - power to guarantee securities, 541.1
  - lending branch
    - application of certain provisions, 541(1)
    - non-application of certain provisions, 541(2)
    - order establishing, 524(2)
    - restriction on accepting bills of exchange, 540(1)(c), 540(5)
    - restriction on accepting depository bills, 540(1)(c), 540(5)
    - restriction on acting as agent, 540(1)(b)
    - restriction on acting as guarantor, 540(1)(c), 540(5)
    - restriction on taking deposits, 540(1)(a), 540(4)
  - payment system, participant in, 542
  - principal office
    - change of, 535(2), (3)
    - defined, 2
    - establishment of, 535(1)
  - principal officer

## Index

### Authorized foreign bank (*cont'd*)

- • appointment of, 536(1)
- • defined, 2
- • disqualification of, 617.1
- • removal of, 617.2
- • reports to, 595
- records, 597-8
- remedial powers over
  - • asset maintenance, 617
  - • directions of compliance, 615-6
- termination of business, 599
- transfer of liabilities, 537

## B

### **Bail-in**, *see also* Capital, capacity to absorb losses

- designation of bank as domestic systemically important, 484.1
- regulations, 485, 485.01, 978
- TLAC, 485

### **Bank**, *see also* specific subject relating to the bank

- capacity of, 15
- charter of, 13
- defined, 2
- incorporation guide, 25, 27, 48, 228, 370, 395, 396
- invalidity of acts, 16
- shareholders not personally liable for, 18

### **Bank Act**

- application, 13
- duration, 21, 670
- security, 425-36, *see also* Special security
- summary of reporting and notice requirements, 308

### **Bank debenture**, *see* Subordinated indebtedness

### **Bank holding company**, *see also* specific subject relating to the bank holding company

- authority of directors, officers, representatives, 669
- capacity of, 664
- defined, 2
- interpretation, 2.4
- invalidity of acts, 665
- investments, 926
- national treatment, 673
- proposal of fundamental change, 678
- restrictions, 923-4
- shareholders
  - • calling meeting of, 701
  - • not personally liable, 667
  - • subsidiary, 716.1
  - • voting, 740
- transfer of business, 813

### **Bank of Canada**

- advances, 419-419.2
- disclosure of information, 636(2), 955(2)
- payment of unclaimed money to, 293, 366(3), 438, 557
- retention of signature cards, 246(2), (3)
- security interest in favour of, 419(1)(a)

### **Bank records**, *see* Records

### **Bank service entities**, *see* Service entities

### **Banking**, *see also* Business powers

- business of, 409, 538, 922

## Index

### **Banking arrangements**

- approval of, 45(1)(f), 700(1)(f)

### ***Bankruptcy and Insolvency Act***

- loans under, 430, 555
- priority order, 427(7), 555

### **Bearer**

- defined, 2

### **Bearer form**

- defined, 2
- endorsement of security in, 116, 724
- fractional certificates, 90, 724
- security in, 83(2), 724

### **Benchmarks**

- regulations, 415.3

### **Beneficial ownership**

- declaration of, 405(1), 919(1)
- defined, 2

### **Bill of exchange**

- deemed loan, 463, 580
- unpaid, transferred to Bank of Canada, 438-9, 557-8

### **Bill of lading**

- as security for debt or liability, 435, 555
- conditions for accepting, 429(1), 555
- defined, 425, 555
- false statement in, 984
- rights acquired, 427(2)(c), 428(1), 555
- surrender and exchange, 429(2), 555
- taking from agent, 436, 555

### ***Bills of Exchange Act***

- application to securities, 83(1), 724

### **Board of directors, *see* Directors**

### **Body corporate**

- continuance of, 33-8, 682-7
- control of, 3, 265(2), 283(2), 834, 836
- defined, 2
- holding body corporate, 4
- major shareholder of, 2.2
- substantial investment in, 10

### **Bona fide purchaser**

- compelling endorsement, 109
- defined, 81, 724
- duty to register transfer, 126(1)(e), 133(3), 724
- title of, 104(2), 122, 724

### **Borrowing costs, *see* Cost of borrowing**

### **Branch, *see also* Authorized Foreign Bank**

- commercial, 522.05, 522.19
- defined, 2
- insurance, of foreign bank, 522.17
- leasing, of foreign bank, 522.06
- records of foreign, 239(3)

### **Branch of account**

- defined, 461(1), 578(1)
- effect of writ, 462(1), 579(1)
- notice to, 462(2), 579(2)

### **Business combination**

- defined, 265(1)

### **Business growth fund**

- application, 465.1(2), 510.01(2)
- defined, 464(1), 507(1), 927.1(2)
- exception, 466(4.1)-(4.4), 510.02(1)-(4)
- limit, 465.1(1), 510.01(1), 927.1(1)

## Index

- Business management**, *see* Managing business
- Business powers**, *see also* Restrictions on business powers
- advisory services, 410(1)(c)(ii), (iv), (c.2), 410(3), 539(1)(b.1)(ii), (iv), (b.3), 539(3), 922(1)(b)
  - authentication services, 410(1)(g), 539(1)(g)
  - business of banking, 409(1), 538(1), 922(1)
  - cards
    - payment, credit, charge, issuing of, 409(2)(d), 538(2)(d)
    - promoting merchandise and services to holders of, 410(1)(d), 539(1)(c)
  - communication devices, 410(1)(c.1), 410(3), 539(1)(b.2), 539(3)
  - computer software, 410(1)(c)(iii), (iv), 410(3), 539(1)(b.1)(iii), (iv), 539(3)
  - corporate, 15
  - custodian of property, 410(1)(f), 539(1)(e)
  - data processing services, 410(1)(b), 539(1)(b)
  - data transmission services, 410(1)(c.1), 410(3)(c), 539(1)(b.2), 539(3)
  - deposit-taking, 437, 545-546
  - financial agent, acting as, 409(2)(b), 538(2)(b)
  - financial services, 409(2)(a), 410(3)(b), 538(2)(a), 539(3)(b), 922(1)(a), (b)
  - Fintech, 410, 411, 543
  - guarantees, 541.1
  - identification services, 410(1)(g), 539(1)(g)
  - information
    - collecting, manipulating and transmitting, 410(1)(c)(i), (iv), 410(3), 539(1)(b.1)(i), (iv), 539(3), 922(1)(b)
    - management systems, 410(1)(c)(ii), (iv), 410(3), 539(1)(b.1)(ii), (iv), 539(3), 922(1)(b)
    - platforms, portals and sites, 410(1)(c.1), 410(3)(c), 539(1)(b.2), 539(3)
    - interest and charges
      - accounts, SOR/2021-181
      - borrowing costs, 627.89(1)(a), SOR/2021-181
      - complaints, SOR/2021-181
    - investment
      - acquiring, holding and administering, 922(1)(a)
      - counselling services, 409(2)(c), 410(3)(b), 538(2)(c), 539(3)(b)
      - portfolio management services, 409(2)(c), 410(3)(b), 538(2)(c), 539(3)(b), 922(1)
    - liquidator, 410(1)(g), 539(1)(f)
    - main, 409
    - managing business, 410(1)(c.2), 410(3), 539(1)(b.3), 539(3), 922(1)(b)
    - networking, 411, 543
    - real property, holding or managing, 410(1)(a), 539(1)(a)
    - receiver, 410(1)(g), 539(1)(f)
    - sequestrator, 410(1)(g), 539(1)(f)
    - special security, 425–36.1, 555
    - ticket sales, 410(1)(e), 539(1)(d)
    - verification services, 410(1)(g), 539(1)(g)

## Index

### By-laws

- adjourned shareholders meeting, 140, 729
- amendments to, 217–222, 802
- certificate of, 969(1)
- copy to Superintendent, 633
- deemed, 192, 780
- directors proposal to amend, 221, 802
- duty to comply with, 158(2), 748(2)
- effective date of, 778(3)
- existing, 38, 191(2), 192, 687
- first meeting of directors, 45(1)(a)
- first meeting of shareholders, 46(2)(a), 701(2)(a)
- making, repealing, amending of, 188–92, 217–222, 778–80, 802
- not necessary for additional powers, 17, 666
- place of meetings, 136, 725
- remuneration, 191, 199, 786
- shareholder approval, 188(2), 191(3), 778(2)
- shareholder proposal, 189, 779
- shares, classes and designations, 61, 705
- verification by Superintendent, 971

## C

### Call

- defined, 265(1)
- insider prohibited from selling, 270(4), 834

### Canada Deposit Insurance Corporation

- insurance required, 413
- opt out, 413

### Canada Gazette

- alternative to, 972
- amalgamation, 228(2), 229(3), 808(2), 809(3)
- amendments to Schedule I or II, 14(3)
- amendments to Schedule III, 14.1(3)
- amendments to Schedule IV, 14.11
- application
  - for incorporation, 25(2)
- appointment of liquidator, 353(1)(b), 870
- approval of application for dissolution, 345(4), 869
- approval of application for transfer of liabilities, 537(3)(a)
- commencement of business, 56(2), 534(8)
- exemption from foreign bank status, 12(3)
- issuance of letters patent, 30, 37(2), 679, 686(2)
- notification of final accounts, 357(4), 870
- reduction in stated capital, 75(5), 718(5)
- sale of assets, 236(2)
- termination of business in Canada, 599(2)(b)

### Canadian Dollar Offered Rate

(CDOR), *see* Financial Benchmarks

### Canadian entity

- defined, 2

### Canadian financial institution

- defined, 2

### Capacity

- by-laws unnecessary, 17, 666
- corporate powers, 15, 664



## Index

- Capacity (*cont'd*)
- duration of business, 21, 670
- Capital**, *see also* Common shares, General market risk, Preferred shares, Shares, Subordinated indebtedness
- additions to, 78, 721
  - adequacy of, 485, 949
  - adjustments to, 77, 720
  - capacity to absorb losses, 485
  - director liability, 207(2), 794(2)
  - equivalency deposit guideline, 534, 582, 617
  - reduction of, 75-6, 207(2), 211, 718-9, 794(2), 798
  - stated, 66-7, 710-1
- Carrying on business**
- authorized foreign bank, 534
  - commencement of, 48-58, 524-8, 534
  - compliance with Act, 15(2), 664(2)
  - guide to, 228
  - management functions, 495(2)
  - name, 42, 696, 983
  - outside of Canada, 15(4), 664(4)
- Central cooperative credit society**
- defined, 2
- Central securities register**
- appointment of agents, 250, 827
  - branch registers, 249, 253(1), 826, 830(1)
  - constraint on registration in, 379, 887
  - defined, 2
  - destruction of certificates, 254, 831
  - effect of registration, 252, 829
  - entry in, 970
  - location of, 251, 828
  - maintenance of, 248, 253(2), 825, 830(2)
  - required form, 248, 825
- Certificates**
- adoption of, 45(1)(b), 700(1)(b)
  - confirming corporate existence of bank, 634.1
  - destruction of, 254, 831
- Charge card**
- disclosure of charges, 627.89(3), SOR/2021-181
  - handling complaints, 157(2)(e), (f), SOR/2021-181
  - power to issue, 409(2)(d), 538(2)(d)
  - promotion of merchandise and services to, 410(1)(d), 539(1)(c)
- Charges**, *see* Security interest and Service charges
- Cheque holding policy disclosure**, 627.68
- regulations, SOR/2012-24
- Chief executive officer**
- annual statement, 309(1)(a), 841(1)(a)
  - appointment of, 196(1), 783
  - transactions affecting well-being, 328
- Clearing agency**
- defined, 81, 724
  - delivery through, 121(4), 724
  - deposits to, 492
  - errors in records, 121(10), 724
- Closed-end fund**
- defined, 464
- Cloud computing**, 238, 597
- Commence business**
- application for, 49

## Index

- Commence business (*cont'd*)
- authorized foreign bank, 534
  - cessation of existence, 57-8
  - conditions of approval, 53, 58
    - variation, 54
  - conditions to issue approval, 52
  - guide to, 228
  - limit on assets, 54.1
  - notice of, 56
  - order to, 48, 524, 534
    - capital equivalency deposits, 534, 582, 617
  - restrictions until issuance, 50-1
  - variations of order of approval, 54
- Commissioner**, *see also* Agency and Financial Consumer Agency of Canada
- access to records, 659(2)
  - complaint re banks, 627.43
  - compliance agreement with, 661
  - confidential information, 658(1)
  - defined, 2
  - disclosure of information by, 658(2)
  - examination of banks, 659(1)
  - information, required to be filed, 657
  - inquiry by, 660
  - powers of, 660
  - regulation of banks, 657-61
- Committee of board of directors**, *see also* Audit committee and Conduct review committee
- appointment of, 193, 781
  - required to constitute, 157(2), 747(2)
  - written resolutions of, 184.1, 774
- Common-law partner**
- defined, 2
- Common shares**
- prohibition of non-voting, 60(1), 704(1)
  - rights of holders, 60(1), 704(1)
- Complainant**
- defined, 2, 663
  - remedial actions of, 334-8, 865
- Complaints**, *see also* Agency
- body, 627.49-627.52
  - contacting Agency, 627.65
  - procedures, 157(2)(e), (f), SOR/2021-181
- Compulsory acquisition**
- dissenting offeree shares, 283-93, 836, 837
- Computer software**
- power to design, develop and market, 410(1)(c)(iii), (iv), 539(1)(b.1)(iii), (iv)
  - regulations, 410(3), 539(3)
- Conduct review committee**
- approval of preferred loans to officers, 496(4)-(6)
  - auditor's attendance, 330(1)
  - duties of, 195(3)-(6)
  - established by directors, 157(2)(b)
  - exemption from requirement, 157(3)
  - membership, 195(2)
  - minimum number of members, 195(1)
  - written resolutions of, 184.1
- Confidentiality**, *see also* Disclosure of information
- monitoring procedure, 157(2)(d), 747(2)(c)
  - procedures to protect, 157(2)(c), 747(2)(b)

## Index

### **Conflict of interest**

- director, or officer, duties, 202–6, 789–93
- monitoring of, 157(2)(d), 747(2)(c)
- procedures for identification, 157(2)(c), 747(2)(b)
- trustee's, 297(1), 838

### **Constructive notice**

- limited effect of, 19, 668

### **Continuance**

- application, 33–35.1, 682-3
- as a trust or loan company, 402.1
- central securities register, 248(2), 825(2)
- disclosure, SOR/2012-267
- effect on issued shares, 59(4), (5), 60(4), 88(3), 703(3), (4), 704(3), 724
- effects of, 36, 38, 685, 687
- eligibility, 33, 682
- issue of letters patent, 35, 684
- notice of issue of letters patent, 37(2), 686(2)
- objections to, 34(1)
- records of, 88(3), 238(3), 724
- stated capital account, 67, 711
- transitional provision, 39, 688

### **Contracts**

- effect of contravention of Act, 16, 665, 677, 988
- name set out in, 255
- order to void, 506

### **Control**

- approvals, 468(5)–(6), 469, 930(5)–(7.1), 931
- deemed for
- • associated entity, 507(7)

- • foreign bank, 507(6)
- defined, 3, 265(2), 283(2), 486(8)
- divestiture of, 480, 942
- exception, 468(7)
- • no exception, 468(7.1)
- giving up, 468(9)–(11), 930(9)–(11)
- in fact, 3(1)(d), 377(1)
- loan workout/realizations, 472-3, 522.15, 934-5
- loss of, 393-393.1, 902-3
- not required, 468(8), 930(8)
- permitted, 468(1), (2), 930(1), (2)
- restrictions on, 466, 468(3), (4), 928, 930(3), (4)
- temporary, 471, 933
- • deemed, 481, 943
- undertakings, 470, 932

### **Conversion into shares, see Shares**

### **Corporate governance**

- corporate records, 237–306, 814–38
- • civil remedies, 271-2, 834
- • compulsory acquisitions, 283–93, 836
- • corporate name and seal, 255-6, 832-3
- • head office and corporate records, 237–47, 814–24
- • insider reporting, 265–9, 834
- • insider trading, 270, 834
- • insiders, 265, 834
- • proxies, 156.01–156.08
- • securities registers, 248–54, 825–31
- • trust indentures, 294–306, 838
- directors and officers, 157–214, 747–801
- • authority, 196–201, 783–8
- • by-laws, 188–92, 778–80

## Index

### Corporate governance (*cont'd*)

- • committees of the board, 193–5, 781–2
- • conflicts of interest, 202–6, 789–93
- • duties, 157–8, 747–8
- • election and tenure, 165–9, 753–57
- • election or appointment, 165.1
- • incomplete elections and director vacancies, 170–9.1, 758–68
- • liability, exculpation and indemnification, 207–14, 794–801
- • meeting of the board, 180–7, 769–77
- • qualification and number, 159–64, 749–52
- financial statements and auditors, 307–69, 839–71
  - • annual financial statement, 307–12, 839–44
  - • auditors, 313–33, 845–64
  - • court-supervised liquidation, 347–60, 870
  - • general, 361–9, 871
  - • liquidation and dissolution, 339–41, 866–8
  - • remedial actions, 334–8, 865
  - • simple liquidation, 342–6, 869
- fundamental changes, 215–36, 802–13
  - • amalgamation, 223–31, 803–12
  - • amendments, 215–22, 802
  - • transfer of business, 232–6, 813
- shareholders, 136–56, 725–45
- • proxies, 156.01–156.08, 746

**Corporate name**, *see* Name

**Corporate records**, *see* Records

### Corporate seal

- necessity, 256, 833

### Cost of borrowing

- additional disclosure, SOR/2021-181
- calculation of, 627.9, SOR/2021-181
- complaint handling, SOR/2021-181
- deposit accounts, SOR/2021-181
- disclosure of, 627.89(1), SOR/2021-181

### Court, *see also* Orders

- action for recovery of capital, 76, 719
- appeals to, 977, 990
- • refusal of shareholder proposal, 144, 733
- • remedial action, 334–8, 865
- application for
  - • disqualifying auditor, 316(2), 848(2)
  - • dissenting offeree, 289, 836
  - • failure to disclose interest, 206, 793
  - • indemnity, 214, 801
  - • proxy or proxy circulars, 156.08
  - • settle disbursements, 58(2)
  - • subsidiary statements, 310(4), 842(4)
  - • termination of material contract, 206, 793
  - • trustee removal, 299, 838
  - • winding-up, 651
- defined, 2, 339, 866
- derivative actions, 334–8, 865
- Federal
  - • appeal to, 977
  - • powers of, 977(2)
- jurisdiction, 335(2), 865

## Index

### Court (*cont'd*)

- powers of, 208, 291, 335, 338, 349, 359, 795, 836, 865, 870
- review
- • election of director or auditor, 155-6, 744-5
- shareholder meetings
- • calling of, 154(1), 156, 743(1), 745
- • vary quorum, 154(2), 743(2)
- winding-up, 347-60, 870

### Court of Appeal

- defined, 2

### Covered bond, 415.1

### Credit card

- cheques, 627.21
- disclosures in application, 627.89(3), SOR/2021-181
- disclosures of charges, SOR/2021-181
- handling complaints, 157(2)(e), (f), SOR/2021-181
- power to issue, 409(2)(d), 538(2)(d)
- promotion of merchandises or services to, 410(1)(d), 539(1)(c)

### Creditor

- recovery of reduction in capital, 76, 719

### Cumulative voting, 167-8, 755-6

### Custodian of property, 410(1)(f), 539(1)(e)

## D

### Data processing services, *see also* Information services entities

- power to provide, 410(1)(b), 539(1)(b)

### Debentures of a bank, *see* Subordinated indebtedness

### Debit card, *see* Payment card

### Debt obligation

- defined, 2
- foreign government, 472(5), 934(4)

### Deemed approvals

- asset transactions, 482(1), 494(3), 976
- change of name — by-law, 217(3), 802, 976
- control of entity, giving up, 468(11), 930(11), 976
- directors, rectification of void appointment, 170(1), 758(1), 976
- dividend (large), 976
- extension of period
- • for divestiture of control or substantial investment, 472(4), 473(4), 934(3), 935(3), 976
- • for holding of temporary investment, 471(1)-(3), (5), 933(1), (2), (4), 976
- non-cash consideration
- • for shares, 65(1), 709(1), 976
- • issuance of subordinated debt in consideration of property, 80(1), 723(1), 976
- partnership restrictions, exemption from, 421(1), 553.1(1), 924(1), 976
- processing information or data outside Canada, 245(1), 598, 822(1), 976
- reductions in capital, 75(4), 718(4), 976
- related party transactions
- • acquisition or disposal of assets, restriction on, 495.3, 976
- • in restructuring, 494(4), 976

## Index

- Deemed approvals (*cont'd*)
- • of nominal value, 490, 976
  - • with financial institutions, 494(3), 976
  - security interest, 72(2), 716(2), 976
  - self dealing, exemption from, 487(2)(a)(vi), 976
  - shares
    - • purchase of, 71(1), 715(1), 976
    - • redemption of, 71(1), 715(1), 976
  - solicitation of proxies by dissidents, exemption from, 156.05(3), 746, 976
  - substantial investment, 468(6), 930(6), 976
- Delegate**
- defined, 2
- Delivery**
- constructive, 119, 724
  - defined, 81, 724
  - general, 119–21, 724
  - right to compel endorsement, 109, 724
- Deposits**, *see also* Accounts, Personal deposit account and Service charges
- acceptance of, 437, 556
  - agreement, 582(2)
  - CDIC coverage, 413
  - complaint handling, SOR/2021-181
  - disclosure of charges, SOR/2021-181
  - interest rate disclosure, 627.6(2), SOR/2021-181
  - less than \$150,000, 413(3), 413.2, 545, 546, 639
  - location of deposit, 461, 578
  - meaning of, 413(5), 413.2(2), 545(3)
  - of government of Canada, 627.26(2)
  - payment systems, 492, 542
  - prescribed, 413, 545
  - priority on insolvency, 369
  - requirement to maintain assets on, 582
  - transmission in case of death, 460, 577
  - unclaimed balances, 438-9, 557-8
- Derivatives**
- disclosure requirement, 157, 415.2, 465, 465.1, 536
  - regulations, 415.2
  - sound practices, 157, 415.2, 465, 465.1, 536
- Directors**, *see also* Directors' meeting
- additional, 179.1, 768
  - affiliated restriction, 162-3
  - appointment of officers, 196-7, 783-4
  - approval, annual statement, 309
  - approval of certain transactions, 497
  - attendance, statement of, 186(2), 776(2)
  - audit committee, 194, 782
  - auditor
    - • filling vacancy, 317(3), 319, 849(3), 851
    - • notice of errors, 332, 863
    - • providing information to, 324(2), 856(2)
  - authority of, 20, 669
  - by-laws
    - • general, 188–92, 778–80
    - • proposal to amend, 221, 802
  - ceasing to hold office, 172, 174, 760, 762
  - committees, 193, 781

## Index

- Directors (*cont'd*)
- conduct review committee, 195
  - conflict of interest
    - application to court, 206, 793
    - avoidance standards, 205, 792
    - disclosure of, 202, 204, 789, 791
    - voting rights, 203, 790
  - court to resolve dispute in election, 155-6, 744-5
  - cumulative voting for, 167-8, 755-6
  - defences, due diligence and good faith, 211, 798
  - defined, 2
  - delegation, limitation of, 198, 785
  - disclosure of interests, 202-6, 789-93
  - disqualification or removal, 647.1
  - disqualified person, 160, 172, 750, 760
  - due diligence defence, 211, 798
  - duty of care, 158, 748
  - duty to manage, 157, 747
  - election
    - court review, 155, 744
    - cumulative voting for, 168, 756
    - incomplete, 170-1, 758-9
    - re-election, 169, 757
    - void, 170-1, 758-9
  - election of, 46(2)(b), 167-9, 755-7
  - election or appointment, 16.5
  - employee restriction, 164, 752
  - first, 31, 47, 680, 702
    - included in application for incorporation, 25(1), 674
  - indemnification of, 212-4, 799-801
  - insurance, 213, 800
  - investment standards, 465, 927
    - application, 465.1(2), 927.1(2)
    - limit, 465.1(1), 927.1(1)
    - liability, 158, 207-11, 748, 794-8, 986
    - list to Superintendent, 951
    - margin loans, 498
    - minimum number, 159, 217(1)(i), 749, 802
    - no shareholder requirement, 161, 751
    - nominations, 143(4), 732(4)
    - notice to, 965
    - notification to Superintendent, 632, 951
    - number of, 159(1), 165, 168, 217(1)(i), 749(1), 753, 756, 802
    - powers suspended, 649
    - related party, 496
    - reliance on information, 406, 920
    - removal of, 173-5, 647.1, 761-3
    - remuneration of, 191, 199, 786
    - residency requirement, 159(2), 749(2)
    - resignation of, 172, 760
    - share certificate, signature on, 86(1)(a), 724
    - shareholder meetings
      - calling of, 137, 153, 726, 742
      - right to attend, 201, 788
    - statement by, 174-5, 762-3
      - auditor's report, 327, 859
    - statement of attendance, 186(2), 776(2)
    - term of, 47, 166, 172-3, 179.1(2), 754, 760-1
    - unaffiliated, 163
    - undue preference to creditor, 981
    - vacancies, 176-9, 764-7
    - validity of acts, 200, 203(3), 787

## Index

- Directors (*cont'd*)
- void election, 159(2), 163(1), 164, 170-1, 749(2), 752, 758-9
  - winding-up proposal, 343, 869
  - written resolutions, 184.1, 774
- Directors' meeting**
- adjourned, 181(3), 770(3)
  - attendance, statement of, 186(2), 776(2)
  - conflicts of interest, 202-6, 789-93
  - dissent of director, 185, 775
  - dividend declaration, 79, 722
  - electronic meeting, 184, 773
  - first meeting, 45, 700
  - meeting required by Superintendent, 187, 777
  - minimum number of meetings, 180, 769
  - notice of, 180(3), 181, 770
  - place of, 180, 769
  - quorum, 182, 771
  - record of attendance, 186, 776
  - required, 180(1)
  - resident Canadian majority, 183, 772
  - resolutions
    - outside of meeting, 184.1, 774
  - right to attend, 201, 788
  - statement of attendance, 186(2), 776(2)
  - unaffiliated director, 183.1
  - validity of acts, 200, 203(3), 787
- Disclosure of charges**
- applicable to accounts, 446-7
  - generally, 446-7
- Disclosure of information**
- accountability statements, 627.996, SOR/2021-181
  - by authorized foreign bank, 610
  - by bank, 640
  - by Superintendent, 609, 636, 639, 955
  - cost of borrowing, 627.89(1), SOR/2021-181
  - credit card application, SOR/2021-181
  - IFRS 9 Financial Instruments and Disclosures, 307
  - in advertisements, SOR/2021-181
  - joint and trust account
  - material contracts, 202-4, 789-91
  - monitoring of, 157(2)(e)
  - networking, 411, 543
  - opening account, 627.69, SOR/2021-181
  - Pillar 3 disclosure requirements, 307
  - procedures for, 157(2)(e)
  - regulations, 627.998
  - related party transaction, 504
  - report on, 612, 642
  - status, 948(2)-(6)
- Disclosure of interest**
- in advertisements, SOR/2021-181
  - regulations, 627.998
- Discontinuance**
- by bank holding company, 689-92
  - when continuing as trust or loan company, 39.1, 39.2, 402.1
- Dissenting offeree**
- defined, 283(1)
  - right to acquire shares of, 284-93, 836
- Dissident's proxy circular**
- solicitation of proxies, 156.05, 746
  - untrue statement, 156.08, 746



## Index

### **Dissolution, *see also* Liquidation**

- continuation of actions, 362–4, 871
- creditor, where cannot be found, 364
- custody of records after, 368, 871
- procedures for, 339–60, 866–70
- unclaimed money on winding up, 366-7
- undisposed property, 365, 871

### **Distributing bank, Bank holding company**

- interpretation, 2.4
- insider reporting form, 266
- insider trading, 270–272
- restriction on transfer of shares, 88

### **Dividend**

- declaration of, 79(1), 722(1)
- director liability, 207(2)(c), 794(2)(c)
- in shares, 79(3), 722(3)
- notice to Superintendent, 79(2), 722(2)
- prohibition on declaration, 79(4), 722(4)
- related party exemption, 487(2)

### **Domestic systemically important bank**

- defined, 2
- designation, 484.1
- minimum capacity to absorb losses, 485

## **E**

### **Eligible agent**

- defined, 370(1), 873
- ownership of bank holding company, 913, 914
- ownership of banks, 401.2, 401.3

### **Eligible Canadian financial institution**

- defined, 370(1), 873
- ownership of banks, 374, 376, 876, 879

### **Eligible financial contracts, *see* Derivatives**

### **Eligible financial institution**

- defined, 370(1), 873
- ownership of banks, 374, 376, 876, 879

### **Eligible foreign institution**

- defined, 370(1), 873
- ownership of banks, 375, 399(2), 878, 909(2)

### **Employees**

- committee membership, 194(2), 195(2), 782(2)
- directors liable for wages, 210, 797
- duty to comply with Act, 158(2), 748(2)
- handling complaints, SOR/2021-181
- material contracts with bank, 202–6, 789–93
- reliance on information, 406, 504(2), 920
- remuneration, 199, 786
- restrictions on acting as directors, 160(f), 750(f)
- signature on securities, 101(b), 724

### **Enforcement, *see also* Financial Consumer Agency of Canada Act**

- directions of compliance, 615-6, 645-6, 960-1
- taking control of assets, 619, 648

### **Entity**

- defined, 2

## Index

### **Entity Associated with a foreign bank**

- approval by Minister, 522.22
- as major owner, 507(10)
- borrowing from public, 520.1
- branch
  - commercial, 522.05, 522.19
  - insurance, 522.17
  - leasing, 522.06
- change of status, 517
- deemed
  - control by, 507(7)
  - entity associated, 507(3)
  - major owner, 507(13)
  - substantial investment by, 507(5)
- defined, 507(2)
- financial establishment in Canada, 507(16)
- grandfathered, 522.29–522.33
- investments
  - approval by Minister, 522.22
  - divestiture, 522.25
  - indirect, 522.11–522.13
  - limited commercial entity, 522.09(2)
  - permitted, 522.04(2), 522.07–522.1
  - temporary, 522.14
- obligation to be designated, 522.211
- prohibitions, 510, 519, 520(1)
  - exceptions, 510(4), (5), 510.1, 511–5, 519.1, 520.1
- regulations, 521, 522.23–522.24
- statements and returns, 522.27

### **Equity value**

- combined limit with real estate, 478, 940
- exclusions from, 475, 937

- limits on, 477, 939

### **Event of default**

- defined, 294, 838
- notice from trustee, 304, 838

### **Evidence**

- entry in securities register, 970
- of compliance with trust indenture, 302-3, 838
- power of Superintendent, 614, 644, 958, 971
- registration of security interest, 427(4)(b)
- transmission on death, 460

### **Evidence of appointment or incumbency**

- defined, 127(4)

### **Exempt**

- classes of foreign banks, regulations, 14.2
- debt obligation transactions, regulations, 482, 944

### **External complaints body**

- approved by the Minister, 627.48
- defined, 2
- designated by the Minister, 627.51

## **F**

### **Factoring entity**

- defined, 464(1), 925(1), 645
- restricted investment in, 468(4)(c), (5)(b), (6), (7), 522.22(1), 930(4)(e), (5)(b), (6), (7)
- undertakings, 470, 932

### **Federal Credit Union**

- amalgamation, 223(1.1)-(1.3), 224, 226
  - member approval, 234, 235

## Index

- Federal Credit Union (*cont'd*)
  - • members, 226.1
  - • notice, 228(4)
  - • special resolution, 234(4)
  - auditors
    - • appointment, 314
    - • examination by, 323
    - • notice of errors, 332(3)(b)
    - • report by, 326, 327
    - • revocation of appointment, 317, 318(1)(b)
    - • right to attend meetings, 320
    - • special examination, 323
  - by-laws
    - • amendments, 192.04
    - • deemed, 192.08
    - • effective date, 192.05
    - • mandatory provisions, 192.01, 192.02, 192.03
  - central securities register
    - • access to, 248(3)
  - conflict of interest
    - • director, duties, 205
  - control, 3
    - • definitions, 2
    - • guidelines, 3
    - • prohibition, 377.2
  - conversion to bank with common shares, 216.08–216.14
    - • continuance, 33(3)-(4), 34(1)-(1.1), 35(1), 35.1, 38
  - conversion to federal credit union, 216.01–216.14
  - co-operative, 12.1, 12.2, 27(h), 27(i), 53(2)
  - court
    - • derivative action, 335(1)(c)
  - defined, 2
    - • director meeting, 183.01
    - • first, 47.01, 47.02
  - directors
    - • annual financial statement, 308, 311, 332(3)(b)
    - • as members, 159.1
      - • • minimum number, 159.1
    - • cumulative voting, 168.1
    - • disqualified person, 160
    - • limits on power to delegate, 198.1
    - • nomination, 141.1
    - • number of, 165(2)
    - • removal of, 173(1.1), (2.1)
    - • statement by, 175(2)
    - • vacancy, 176(2)
  - discontinuance, 39.2, 39.3
  - financial statements
    - • annual, 308
    - • general provisions, 47.11–47.19
    - • holding membership share, 7.1
    - • incorporation, 22(2), 31.1
    - • letters patent, 28(1)(a.1), 35.1
    - • transitional exception, 231
  - liability, members, 18(2)
  - liquidation
    - • distribution of money, 359
    - • final accounts, 357
    - • simple, 342–346
  - major shareholder, 2.2
  - meetings, shareholders, 46
    - • notice, 138, 141.1
    - • proposal, 143(1), 144.1, 144.2
  - member
    - • appointment of auditors, 314
    - • definition, 2
    - • list, 145(1.1), 145(2.1)
    - • powers suspended, 649(1)

## Index

- Federal Credit Union (*cont'd*)
  - • quorum, 146(2)
  - • register, 2, 254.1–254.6, 970(2)
  - • register location, 254.4
  - • voting rights, 47.13
  - member right to vote, 9.1, 9.2
  - membership, 47.03–47.19
    - • expulsion, 47.06
    - • first meeting, 47.02, 52(1)(a)
    - • first members, 31.1
    - • withdrawal and termination, 47.05
  - membership capital, 79.1–79.6
  - membership share, 8(1.1), 8(3)
    - • definition, 2
  - name, 40, 40.1
    - • use of, 983
  - networking
    - • transitional exception, 231(2)
  - organizational meeting, 47.01
  - patronage allocation
    - • definition, 2
  - regulations, voting by mail, 151(6)
  - requisitioned meeting, 153(1.1)
  - shares, 60.1, 401.11
    - • cancellation, 73(1)
    - • conversion, 77(5)
    - • conversion regulations, SOR/2012-268
    - • designation, 60.2
    - • effective date, 62(1.1)
    - • membership, 79.1
    - • personal representative, 72(1)
    - • purchase and redemption, 71
    - • restriction on voting rights, 392(1)(a.1)
  - • significant interest, ministerial approval not required, 382.1
  - • stated capital account, 66(1.1), 66(3.1), 75(1.1)
  - substantial investment, 10(1), 10(3.1), 10(3.2), 10(4.1)
  - superintendent
    - • control of federal credit union, 649
- Federation of cooperative credit societies**
  - defined, 2
- Fee**
  - access to bank records, 239(5), 816(4)
  - copies of securityholders list, 301(1), 838
  - copies of shareholders list, 240(1), 817(1)
  - issuance of security certificate, 85(2), 126(1), 724, 1861
  - regulation making authority, 978(e)
  - special security, 427(4), (6)(b)
- Fiduciary**
  - defined, 2
  - endorsement of security, 114, 724
  - notice of, 106, 724
  - prohibition on acting as, 412, 544
- Finance entity**
  - defined, 464(1), 507(1), 925(1)
  - exception, 468(7)
    - • no exception, 468(7.1)
  - restricted investments in, 468(3)(c), (4)(c), (5)(b), (6), (7), 522.22(1)(a), 930(3)(c), (4)(c), (5)(b), (6), (7)
  - undertakings, 470, 932
- Financial agent**
  - power to act as, 409(2)(b), 538(2)(b)

## Index

### **Financial benchmarks**

- regulations, 415.3

**Financial Consumer Agency**, *see* Agency, Commissioner and Financial Consumer Agency of Canada Act

### **Financial institution**

- defined, 2
- letters patent and share for share exchange with, 29, 677
- permitted investment in, 468, 930

### **Financial leasing**

- restriction on, 417, 550

### **Financial leasing entity**

- defined, 464(1), 507(1), 925(1)
- prohibition on foreign bank, 524.1, 524.2
- restricted investment in, 468(4)(c), (5)(b), (6), (7), 522.22(1)(a), 930(4)(c), (5)(b), (6), (7)
- undertakings, 470, 932

### **Financial planning**

- power to provide, 409(2)(a), (c), 538(2)(a), (c), 922(1)(b)
- regulation of, 410(3)(b)

### **Financial services**

- power to provide, 409(2)(a), 538(2)(a), 922(1)(a), (b)
- regulations, 410(3)(b), 539(3)(b)

### **Financial services entity**

- defined, 507(1)

**Financial statements**, *see also* Annual statements

- accounting principles, 308(4), 840(4)
- approval by directors, 309, 841
- contents of, 308, 840

- copy to Superintendent, 312, 844
- distribution to shareholders, 311, 843
- errors discovered in, 332, 863
- financial year, 307, 839
- IFRS 9 Financial Instruments and Disclosures, 307
- Pillar 3 disclosure requirements, 307
- subsidiaries, 310, 842

### **Financial year**

- date of, 307(1), 583(1), 839(1)
- first, 307(2), 583(2), 839(2)
- shareholders' meeting within 6 months of, 137(1)(a), 726(1)(a)

### **Fintech**

- business powers, 410, 411, 543
- investments, 468, 522.08

### **Firm of accountants**

- defined, 313, 584, 845

**Foreign Bank**, *see also* Authorized Foreign Bank, Entity associated with a foreign bank and Non-bank affiliate of a foreign bank

- application of Part XII, 508
- approval by Minister, 522.22
- approval requirement, 522.21
- as major owner, 507(9), (12)
- associated with, 507(2)-(3)
- branch
  - bank, 522.16, *see also* Authorized foreign bank
  - commercial, 522.05, 522.19, 522.22(1)(h)
  - insurance, 522.17
  - leasing, 522.06
  - carrying on business in Canada, prohibition, 510
  - deemed to, 510(2)

## Index

- Foreign Bank (*cont'd*)
- • exceptions to, 510(4), (5), 510.1, 511–4
  - change of status, 516
  - deemed to
  - • control by, 507(6)
  - • major owner, 507(12)
  - • substantial investment by, 507(4)
  - defined, 2, 507(1.1)
  - entity associated with, 507(2)-(3)
  - exempt classes of, 14.2
  - financial establishment in Canada, 507(15), (16), 522.21
  - financial establishment in Canada, having or resulting in
  - • obligation to be approved, 522.21
  - • permitted activities when approved
    - • • branch operations, 516–17.1, 522.16–522.19, 522.22(1)(h)
    - • • cooperative credit society, 522.18, 522.22(1)(f)
    - • • dealing in securities, 522.18, 522.21(2)(b), 522.22(1)(f)
  - • permitted investments when approved
    - • • financial intermediary, 522.08(1)(a), 522.22(1)(b), 507(14)
    - • • information technology services entity, 522.08(1)(f)
    - • • investment holding entity, 522.08(1)(b)
    - • • investment in trustee of a trust, 522.08(2.1)
    - • • limited commercial entity, 522.09, 522.22(1)(g)
    - • • non-financial institution providing financial services, 522.08(1)(a), (c), (d), 522.22(1)(c), (d)
  - • • prescribed Canadian entity, 522.08(1)(f), 522.22(1)(e)
  - • • prescribed financial services entity, 522.08(1)(f), 522.22(1)(e)
  - • • provincially regulated financial institution, 468(g)–(i), 522.07, 522.22(1)(a), 507(14)
  - • • specialized financing entity, 522.11(1)
  - • • temporary investment in Canadian entity, 522.1(b), 522.14
  - • • temporary investment in financial services entity, 522.1(b), 522.14
  - financial establishment in Canada, having or resulting in, (regardless of designatability)
  - permitted investments
    - • • Canadian entity of a FRFI or its holding company, 468(1)(a)–(f), 522.11
    - • • FRFI or its holding company, 468(1)(a)–(f), 522.07
    - • • indirect investment, 522.11–522.13
    - • • loan workout, as a result of, 522.15
    - • • security interest, as a result of realization, 522.15
    - • • temporary investment in other than financial services entity, 522.1(b), 522.14
  - grandfathered, 522.29–522.33
  - head office in Canada
  - business conducted from, 522.03
  - permitted, 522(b)
  - Minister’s approval, 522.22, 522.27

## Index

- Foreign Bank (*cont'd*)
- no financial establishment in Canada, and avoiding to have, (regardless of approval)
    - permitted activities
      - branch, 522.05, 522.2
      - carrying on limited commercial business, 522.05, 522.2
      - leasing, 522.06, 522.2
    - permitted investments
      - financial services entity, not a major owner of, 522.04, 522.2
      - FRFI or its holding company, not a major owner of, 522.04, 522.2
      - non-financial services entity, 522.04, 522.2
      - provincially regulated financial institution, not a major owner of, 522.04, 522.2
    - non-bank affiliate
    - borrowing from public, 519.1, 520.1
    - prohibited activities, 519
    - order exempting, 12
    - permitted activities (regardless of financial establishment and approval)
      - automatic teller machine, use of, 510(1)(c), 511, 513, 522.22(1)(i)
      - head office, 522(b), 522.03
      - private telephone services, 512
      - quotes, 512
      - real property, hold, manage or deal with, 510.1
      - representative office, maintenance of, 522(a)
    - prohibitions on, 510, 518(1), 520(1)
    - representative office in Canada
      - cancellation of registration, 522.02
      - examination of, 522.01
      - operating, 522
      - permitted, 522(a)
    - statements and returns, 522.27
    - subsidiary of, 24
    - permission to, 55
- Foreign bank branch**, *see* Authorized Foreign Bank
- Foreign cooperative credit society**
- defined, 507(1)
- Foreign Institution**
- defined, 2, 370(1), 873
- Foreign insurance company**
- defined, 507(1)
- Foreign securities dealer**
- defined, 507(1)
- Form of proxy**
- defined, 2
- Fractional certificate**
- certificates for, 90, 724
  - conditions on, 91, 724
  - rights of holder, 92(1), 724
  - signature on, 86(2), 724
- Full-service branch**, *see* Authorized Foreign Bank
- Fundamental changes**, *see* Amalgamation, Assets and Incorporating instruments
- Fungible**
- defined, 81, 724
  - securities as, 99, 724

## Index

### G

#### **Genuine**

- defined, 81, 724
- security not, 100(3), 724
- unauthorized signature, 101, 724

#### **Going-private transaction**

- permitted, 275, 835.1
- right to dissent, 276, 835.1

#### **Good faith**

- defined, 81, 724

#### **Goods, wares and merchandise**

- defined, 425
- restriction on dealing in, 410(2)

#### **Government of Canada**

- cashing cheques of, 627.25
- deposits of, 627.26(2)
- Government ownership of shares, 370(1), 401.2, 401.3

#### **Government of foreign country**

- eligible agent, 370(1)
- ownership of shares, 401.2, 401.3
- restrictions on incorporation, 23

#### **Guarantee**

- defined, 2
- issuer of security, 84, 724
- of loan by parent, 485
- power to, 541.1
- related party transaction, 488(1)(a)
- restrictions on, 414, 540(1)(c), 923

#### **Guarantee of signature**

- defined, 127(2), 724
- warranty of guarantor, 118, 724

### H

#### **Head office**

- change in, 217(1)(j), 237(2), (3), 802, 814(2), (3)
- defined, 2
- place of, 237, 814

#### **Holder**

- defined, 2

#### **Holding body corporate**

- defined, 2, 4
- related party exemption, 487(4)-(5)
- short form amalgamation with, 227-8, 807-8
- transactions involving, 495.1
- • restriction on, 495.2

### I

#### **Incorporated**

- defined, 2

#### **Incorporating instruments**

- amendments to, 215-22, 802
- defined, 2

#### **Incorporation, *see also* Ownership of banks**

- application for, 22, 25, 671, 674
- cessation of existence, 57
- contents of letter patent, 28, 676
- effective date, 32, 681
- first directors, 31, 680
- matters for consideration, 27, 675
- minimum capitalization, 46(1), 52(1)(b)
- notice of issue of letters patent, 30, 679
- objections to, 26
- organization and commencement, 45-58, 700-2



## Index

### Incorporation (*cont'd*)

- public inquiry on objection, 26(3)
- publication of notice of intent, 25(2)
- restrictions on, 23, 672
- share for share exchange, 29, 677
- subsidiary of a foreign bank, 24

### Incorporator

- action against, 361–7, 871
- calling first meeting of directors, 45(2), 700(2)
- defined, 2, 361, 871

### Indemnity

- application for approval, 214, 801
- for directors and officers, 212, 799
- insurance, 213, 800

### Indoor Management Rule

- application, 20, 669

### Information, *see also* Disclosure of information

- auditor's right to, 324, 856
- proxy, 156.04, 156.05, 746
- regulations on use of, 627.998
- to Superintendent, 600–12, 628–42, 978(k)

### Information services

- power to provide
- • collecting, manipulating and transmitting, 410(1)(c)(i), (iv), 539(1)(b.1)(i), (iv), 922(1)(b)
- • management systems, 410(1)(c)(ii), (iv), 539(1)(b.1)(ii), (iv), 922(1)(b)
- • platforms, portals and sites, 410(1)(c.1), 539(1)(b.2)
- regulations on, 410(3), 539(3)
- undertakings, 470

### Inquiry, *see* Public Inquiry

### Insider

- becoming, 834
- deemed, 271(4), 834
- defined, 265(1), 270, 271, 834
- reporting, 266–9, 834
- reporting exemptions, 267, 834, 978(a)

### Insider trading

- civil liability, 272, 834
- compensation, 271(6)–(7)
- prohibited activities, 270, 834

### Insolvency

- claims of Superintendent, 625, 655
- priorities, 369

### Inspection of banks, *see* Superintendent

### Insurance

- annuities, 416(6), 549(5)
- as security, 416(4)(a), 549(4)(a)
- company, *see* Financial Institution
- for directors and officers, 213, 800
- for employees, 416(4)(b), 549(4)(b)
- restriction on acting as agent, 416(2), 549(2)
- restrictions on activities, 416, 549

### Insurance business

- regulations, 416(3), 549(3)

### Interest, *see* Deposits

### Intermediary

- default, 156.07(7), 746
- defined, 156.01, 746
- duties, 156.07, 746
- duty to beneficial holder, 156.07(1), 746
- instructions to, 156.07(5), 746
- rights of, 156.07(8), 746

## Index

- Internet related services**, *see*  
Information services
- Investment Canada Act**
- investments by a foreign bank, 522.07–522.2
  - non-application, 522.34
- Investment services**
- power to
  - • acquire, hold and administer investments, 922(1)(a)
  - • provide counselling services, 409(2)(c), 538(2)(c)
  - • provide portfolio management services, 409(2)(c), 538(2)(c), 922(1)
  - regulations on, 410(3)(b), 539(3)(b)
- Investments**, *see also* Substantial investments and Control
- approval for foreign banks, 522.22, 534
  - approval for large foreign acquisitions, 468(5), 930(5)
  - asset transactions, 482, 944
  - by a bank holding company, 926
  - combined real property and equity limit, 478, 940
  - constraints on, 465–7, 927–9
  - deemed temporary, 481, 943
  - divestiture by foreign bank, 522.25
  - divestiture order from Superintendent, 480, 942
  - exemptions and exclusions, 466(2)–(5), 471–4, 928(2)–(4), 933–6, *see also* Regulatory approvals
  - exemptions from approval for and restrictions on, regulations, 474(a), (b), 522.23(b), 936(a), (b)
  - Fintech, 468, 522.08
  - grandfathered, 483, 945
  - indirect by foreign bank, 522.11–522.13
  - limits
    - • aggregate, 478, 940
    - • on equity acquisitions, 477, 939
    - • on portfolio limits, exclusion from, 475, 937
    - • on real property interests, 476, 938
  - permitted, 468–9, 522.04, 522.07–522.09, 930–1
  - • undertakings, 470, 932
  - prudent person standard, 157(2)(g), 465, 581, 465.1, 747(2)(d), 927, 927.1
  - related party transaction, 488(1)(b)
  - restriction on control and substantial, 466, 468(3)(d), 928, 930(3)(d)
  - standards, 157(2)(g), 465, 465.1, 581, 747(2)(d), 927, 927.1
  - subsidiaries permitted, 468, 930
  - temporary, 471, 481, 522.14, 933, 943
- Issuer**
- adverse claim, 129–31, 724
  - defined, 2, 294, 838
  - duties, 129–33, 301, 724, 838
  - endorsement, assurance of, 127, 724
  - includes guarantor, 84, 724
  - liability, 126(2), 724
  - • limitation on, 132, 724
  - notice to agent, 135, 724
  - right to recover, 133(4), 724
  - security holders, 301(2), 838
  - transfer, duty to register, 126, 724
  - trust indenture, compliance with, 302, 838

## Index

- Issuer (*cont'd*)
- warranties, 108, 724

## L

**Leasing**, *see* Financial leasing

**Leasing entity**

- defined, 507(1)
- engaging in activities of, 522.06

**Lending branch**, *see* Authorized foreign bank

**Letters patent**, *see also* Continuance and Incorporation

- contents of, 28, 676
- continuance, 34-5, 683-4
- copies, 37, 686
- defined, 2
- effect of, 32, 36, 230, 681, 685, 811
- first directors, 31, 680
- incorporation, 22-3, 671-2
- issue of, 22, 35(2), 229, 671, 684(2), 809
- publication of notice of insurance, 30, 679
- share for share exchange, 29, 677
- to amend, 216, 802
- transitional, 231
- winding-up, 342, 360, 869-70

**Leverage ratio**

- public capital disclosure requirements, 308, 840

**Liabilities**

- transfer of, 236, 537

**Limitation period**

- director liabilities, 209, 210(3), 796, 797(3)
- dissolved bank, 363(2), 871
- insider trading, 272(3), 834

- recovery for reduction in stated capital, 76(3), 719(3)
- • summary conviction, 987(1)

**Limited commercial entity**

- defined, 507(1)

**Liquidation**, *see also* Dissolution and Winding-up

- court supervised, 347-60, 870
- general, 339-46, 866-69
- priority of claim, 625
- shareholder approval, 344, 869
- simple, 342-6, 869

**Liquidator**

- appointment, 351, 870
- as auditor, 315(2), 847(2)
- constructive registered holder, 93(2), 724
- delegation of powers, 350(2), 870
- due diligence, 354, 870
- duties, 353(1), 870
- examination of others, 355, 870
- loans to, 430
- power to act as, 410(1)(g), 539(1)(f)
- powers of, 353(2), 870
- report to superintendent, 341, 868
- unclaimed money on winding up, 366
- vacancy, 352, 870

**Liquidity**, *see also* Capital

- adequacy of, 485, 949

**Loan workouts**

- exemptions for, 466(3), 928(3)
- permission to enter into, 472, 934

**Loans**

- certain borrowers and security, 427
- cost of borrowing, SOR/2021-181

## Index

### Loans (*cont'd*)

- deemed, 463, 580
- defined, 464(1), 488(3), 925(1)
- disclosure, SOR/2021-181
- hydrocarbons and minerals, 426
- limits on, 467(b), 929(b)
- liquidator, 430, 555
- margin, 498
- prudent person standard, 465, 465.1, 927, 927.1
- receiver, 430, 555
- related party transaction, 488(1), (3), 491
- special security, 426–8, 555
- vendor take back, 426(7), 428, 555
- work-outs, 472, 934

### Local cooperative credit society

- defined, 2

### London Interbank Offered Rate (LIBOR), *see* Financial Benchmarks

## M

### Major owner

- deemed to be, 507(11)–(13)
- defined, 2.2, 507(8)–(10)

### Major Shareholder

- interpretation, 2.2
- prohibition on being, 374, 876

### Management proxy circular

- director's statement, 175(1), 763(1)
- shareholder proposal, 143-4, 732-3
- solicitation of proxies, 156.04, 156.05, 746

### Managing business

- power relating to, 410(1)(c.2), 539(1)(b.3), 922(1)(b)
- regulations on, 410(3), 539(3)

### Margin loans

- exemptions: related party transaction, 496(3)(b)
- Superintendent conditions upon, 498

### Material contract

- disclosure of interest in, 202–6, 789–93
- review by conduct review committee, 195(3)(c)

### Material Percentage

- regulations, 508(2)

### Meetings

- auditor, 320, 852
- director, 180, 769
  - adjourned, 181(3), 770(3)
  - attendance, 186, 201, 776, 788
  - calling of, 45(2), 700(2)
  - dissent, 185, 775
  - electronic, 184, 773
  - first, 45, 700
  - minimum number of, 180, 769
  - notice, 181, 770
  - place of, 180(2), 769(2)
  - quorum, 182, 771
  - required by audit committee, 194, 782
  - resident Canadian majority, 183, 772
  - resolution, 184.1, 774
  - right of Superintendent to call, 187, 777
  - validity of acts, 200, 787
  - waiver of notice, 181(2), 770(2)
- shareholder
  - approve bylaws, 46(2)(a), 701(2)(a)
  - auditor attendance, 320, 852

## Index

### Meetings (*cont'd*)

- • auditors' appointment, 46(2)(c), 701(2)(c)
- • calling of, 46, 137, 153(3), 154, 171(4), 701, 726, 742(3), 743, 759(4)
- • cumulative voting, 167-8, 755-6
- • directors' election, 46(2)(b), 170-1, 758-9
- • location, 136, 725
- • notice, 138-41, 727-30
- • order to delay calling, 726(2)
- • participation by electronic means, 725(2)
- • proposal, 143-4, 732-3
- • quorum, 146-7, 735-6
- • request for, 153, 742
- • resolution in lieu of, 152, 741
- • right of directors to attend, 201, 788
- • single shareholder, 147, 736
- • special business, 141, 730
- • superintendent attendance, 320(4), 852(4)
- • voting, 148-51, 737-40
- • waiver of notice, 142, 731

### Member

- defined, 2, 313, 464(2), 584, 845, 925(2)

### Members register

- defined, 2

### Membership share

- defined, 2

### Minimum balance, 627.17(4)

### Minister

- agreement
- • significant interest, 393, 393.1, 902, 903

- appeal to dissolve, 345, 869
- approval, *see* Regulatory approvals
- defined, 2
- delegation of power, 979
- directions, 402-3, 915-7, 977
- incorporation
  - • factors considered, 27, 526, 675
  - • minimum capitalization, 46(1)
  - • objections, 26(2)
  - • subsidiary of a foreign bank, 24, 55(1)
- issue of letters patent, 22, 28(3), 35, 39, 46(1), 229, 231, 671, 676(3), 684, 688, 809, 812
- order
  - • disposition of shareholdings, 402, 915
  - • exempt or adapt, to, 973.2
  - • exemption from foreign bank status, 12(1)
  - • limitation on assets, 54.1, 382-8, 890-7
  - • record, 597
  - • short term, 973.1
- ownership of bank holding companies, 875-918
- ownership of banks, 372-401.3
- powers of, 231, 812
- • delegation, 979
- Report of public inquiry, 525(4)-(6)

### Minority Interest Investments

- *Minority Investment (Bank Holding Companies) Regulations*, SOR/2001-402, 930, 936
- *Minority Investment (Banks) Regulations*, SOR/2001-402, 468, 474
- permitted types, 468(4), (11), 474, 930(4), (11), 936

## Index

- Minority Interest Investments (*cont'd*)
- restriction, 468(4), 930(4)
- Mortgage**
- exemption from related party transactions, 491(b)
  - OSFI Guideline B-20, 418
  - regulations, SOR/2010-68, SOR/2010-69
  - restriction on residential, 418, 551
- Motor vehicle**
- defined, 464(1), 925(1)
- Mutual fund distribution entity**
- defined, 464(1), 925(1)
  - permitted investment, 468(2)(e), (3)(b), 522.08(1), 930(2)(e), (3)(b)
  - undertakings, 470, 932
- Mutual fund entity**
- defined, 464(1), 925(1)
  - permitted investment, 468(2)(e), (3)(b), 522.08(1), 930(2)(e), (3)(b)
  - undertakings, 470, 932
- N**
- Name**
- affiliated entities, 41, 694
  - change of, 217(1)(i.1), 217(3), 802
  - • letters patent, 215, 216
  - corporate seal for, 256, 833
  - direction to change, 44, 532, 698
  - domain name, 983(2)
  - English and French form, 42, 696
  - improper use of, 983
  - offence for wrongful use, 983
  - prohibited, 40, 530, 693
  - publication, 531, 832
  - punishment, 985
  - reserved, 43, 697
  - restriction on, 695
  - revoking, 44(2)
  - set out in contracts, 255, 531, 832
  - unauthorized, 983(2)-(2.04), 989.1
  - use of, 983
- National treatment, see** Reciprocity with foreign applicants
- Negative option billing**
- regulations, SOR/2012-23
- Networking**
- power to engage, 411, 543
  - restriction on insurance, 416, 549
  - • transitional exception, 231
- Non-bank affiliate of a foreign bank**
- annual returns, 522.27
  - borrowing from public, 519.1, 520.1
  - defined, 507(1)
  - grandfathered, 522.3(1)
  - prohibited activities, 519(1)
- Non-bank entity**
- defined, 947
  - prohibited activities of, 948
- Non-WTO member authorized foreign bank**
- defined, 554
- Non-WTO member bank subsidiary**
- branches
  - • restriction on, 422.2
  - defined, 422.1
- Notice**
- branch closure, 627.993, SOR/2021-181
  - constructive, 19, 668
  - of intention, 427(4), (5)
  - service on a bank, 968
  - to bank, 462(2)

## Index

### Notice (*cont'd*)

- • Minister of National Revenue, 462(2.1), 579(2.1)

### Notice to directors and shareholders, 965, 967

## O

### Offences and penalties

- appeals, 990
- disposing of or withholding goods, 984(2)
- effect on contracts, 988
- failure to provide information, 982
- false or misleading information, 980.1
- false statements, 984(1)
- generally, 980–91
- liability of directors and officers, 986
- limitation period, 987
- punishment, 985(1), (3)
- recovery of fines, 991
- restraining or compliance order
  - • authorized foreign bank, 989(2)
  - • bank, 989(1)
  - • consumer provisions, 989(3)
- undue preference to creditor, 981
- use of name, 983

### Offeree

- defined, 283(1), 836

### Offeree bank

- defined, 283(1), 836

### Offeror

- defined, 283(1), 836

### Officer, *see also* Senior officer

- appointment of, 196-7, 783-4

- appointment of first, 45(1)(d), 700(1)(d)
- auditor, notice of errors, 332, 863
- auditor, report to, 328
- authority, 20, 669
- chief executive, 196, 783
- conflict of interest
  - • application to court, 206, 793
  - • avoidance standards, 205, 792
  - • disclosure, 202–6, 789–93
- defined, 2, 265(1), (2), 834
- director as, 197(2), 784(2)
- disclosure of compensation, 639
- indemnity, 212–4, 799–801
- insurance, 213, 800
- liability, 986
- margin loans, 498
- powers of
  - • suspended, 649
- related party, 496
- reliance on information, 406, 920
- remuneration, 199, 786
- share certificate, signature on, 86(1)(a), 724
- undue preference to creditor, 981
- validity of acts, 200(1), 787(1)

### Options

- as dividend, 79, 722
- call, 265(1), 834
- list of holders, 241, 818
- put, 265(1), 834
- signature on, 86(2), 724
- to purchase shares, 69, 713

### Order form

- defined, 2
- security in, 83(3), 724

## Index

### Orders

- adequacy of capital and liquidity, 484.1, 485(3), (4), 949(3), (4)
- aggrieved by refusal of proposal, 144(2), (3), 733(2), (3)
- appeal of, 990
- approving application for dissolution, 345(2), 869
- approving indemnity of directors and officers, 214, 801
- authorizing carrying on of business
  - • application for, 525
  - • contents of order permitting, 527
  - • matter for consideration, 526
- commencement of business, 48–58, 534
- compliance with Act, 985(2), 989
- compulsory acquisitions, 291, 836
- contribution, 208(3), 795(3)
- court enforcement, 646, 961
- court-supervised liquidation, 347–52, 355, 357–9, 870
- derivative action, 335-6, 865
- disposition of shareholdings, 402-3, 915–7
- disqualification of auditor, 316(2), 848(2)
- divestment, 480, 942
- domestic systemically important bank
  - • designation, 484.1
  - • minimum capacity to absorb losses, 485(1.1)-(1.4)
- effect, 462(1)
- election of director or auditor, 155, 744
- evidence of appointment or incumbency, 127(4), 724
- exempt or adapt, to, 973.2
  - exemption from
    - • barring examination, 310(4), 842(4)
    - • foreign bank status, 12
    - • prohibited transactions, 499
    - • public holding requirement, 383-4, 891-2
  - extension of period, 29(8)
  - liability action against class, 363(3), 871
  - limit on assets, 386, 388(3), 895, 897(3)
  - limit or prohibit growth or acquisition of assets, payments or purchases, 485(3.1), (3.2)
  - location and processing of information, 245(1), 822(1)
  - management by employees, 495(2)
  - meeting of shareholders, 154, 743
  - not effected by
    - • amalgamation, 230(1)(f), 811(1)(f)
    - • continuance, 38(e), 687(e)
  - not statutory instruments, 974
  - obtain information on shareholders, 405(2), 919(2)
  - permission to foreign bank subsidiary, 55
  - production of information and documents, 635, 954
  - prohibited names, 42(4), 44, 696(5), 698
  - prohibited transactions, remedial actions, 506
  - proxy, 156.08, 156.09(8), 746
  - recovery of reduction of capital, 76(1), 719(1)
  - rectify records, 338, 865
  - removal of trustee, 299, 838



## Index

- Orders (*cont'd*)**
- representative office registration cancellation, 522.02
  - security interests, exceptions to restrictions, 419(3)
  - self-dealing, 499
  - short-term, 973.1
  - • permitted, 469, 471, 931, 933
  - transitional, regarding
  - • amalgamation, 231, 812
  - • continuance, 39, 688
  - winding-up, 651
- Ordinary resolution**
- amendments to by-laws, 188, 778
  - defined, 2
  - in lieu of meeting, 152, 741
  - removal of auditor, 317, 849
- Organization and commencement**
- commencement of business, 48–58
  - first directors' meeting, 45, 700
  - first shareholders' meeting, 46, 701
- Over-issue**
- defined, 81, 724
  - securities not to be issued, 97, 724
- Ownership of banks and bank holding companies**
- application for approval, 395–401.1, 905–21
  - *Competition Act* applies, 408, 921
  - constraints on acquisitions, 373–380, 875–88
  - constraints on registration, 379–84, 887–92
  - crown and foreign governments, 401.2-401.3, 913-4
  - cumulative ownership rule, 376.1, 376.2, 880, 881
  - exceptions, 374(2)–374.1, 381–3, 389, 876(2)–(6), 877, 889–91, 898
  - exemptions, 380, 388, 888, 897
  - “flutter rule”, 382
  - “grow-through” exception, 375, 878
  - interest of securities underwriter, 404, 918
  - limitations on shareholdings, 374-5, 876–8
  - loss of control, 393-393.1, 902-3
  - ministerial direction, 402-3, 915–7
  - obligation of widely held, 376-376.01, 879-879.1
  - prohibitions
  - • against control, 377, 377.1, 378.1, 378.2, 882-83, 885-86
  - • against significant interest, 376.1-376.2, 880-81
  - public holding requirement, 372, 385–92, 874, 893–901
  - regulations restricting, 474, 936
  - Schedule I bank, former, 378
  - significant interest in, 372-3, 380–4, 874-5, 888–92
  - • prohibitions, 376.1-376.2, 880-1
  - tainting rule, 376, 876
- P**
- Paid-in capital**
- deposit of, 51
  - minimum amount, 29(1), 52(1)(b)
- Participating share**
- defined, 464(1), 925(1)
- Partnership**
- restriction on being general partner, 421, 553.1
- Patronage allocation**
- defined, 2

## Index

### **Payment card**

- disclosure of charges, 627.89(3), SOR/2021-181
- handling complaints, 157(2)(e), (f), SOR/2021-181
- power to issue, 409(2)(d), 538(2)(d)
- promotion of merchandise and services to, 410(1)(d), 539(1)(c)

### **Permitted Canadian entity**

- approval required, 522.21
- defined, 507(1)
- investment in, 522.08

### **Person**

- as major owner, 507(8), (11)
- defined, 2, 110
- prudent standard, 157(2)(g), 465, 465.1, 747(2)(d), 927, 927.1

### **Personal deposit account**

- access to, 549–554
- defined, 627.01
- disclosure of charges, 1244–1247

### **Personal representative**

- defined, 2

### **Pledging, *see* Security interest**

### **Portfolio limits on investments, 475–9, 937–41**

### **Portfolio management services, *see* Investment services**

### **Powers, preamble, *see also* Business powers**

### **Preferred shares, *see also* Shares**

- authority to issue, 61, 705

### **Prescribed**

- defined, 2
- regulation making authority, 978(a)

### **Principal office**

- change of, 535(2), (3)
- defined, 2
- establishment of, 535(1)

### **Principal officer**

- appointment of, 536(1)
- audit reports for, 595
- defined, 2
- disqualification of, 617.1(4)–(7)
- power of attorney of, 536(2)
- removal of, 617.2
- reports to, 595
- vacancy of, 536(3)

### **Priority**

- insolvency, 369
- of Superintendent's claim, 655

### **Processing of records, 245, 822**

### **Property, *see* Real property**

### **Prospectus**

- distribution, 273, 835
- federal credit union, 273.1
- order of exemption, 274, 835
- requirements, 273
- use of name in, 983

### **Proxy**

- appointment of proxyholders, 156.02, 746
- contents of, 156.04(1), 156.05(1)(a), (b), 746
- defined, 2
- deposit of, 156.03, 746
- duty of intermediary, 156.07, 746
- general, 156.02, 746
- mandatory solicitation, 156.04, 156.05, 746
- restraining order, 156.08, 746

## Index

### Proxy (*cont'd*)

- restrictions on voting, 156.09, 746
- revocation of, 156.02(6), 746
- right of beneficial owners, 156.07, 746
- rights of holder, 156.06, 746
- soliciting of, 156.04, 156.05, 746

### Proxyholder

- appointment of, 156.02(1), 746
- attendance at meeting, 156.06, 746
- authority, 156.02(3), 746
- defined, 2
- exemption, 156.071
- restriction on, 156.09(3), 746
- rights of, 156.06, 746

### Prudent person standard

- general requirements, 157(2)(g), 465, 465.1, 747(2)(d), 927, 927.1

### Public accountability statements

- statements, 627.996, SOR/2021-181

### Public inquiry

- on establishing an authorized foreign bank, 525(5)
- on incorporation of bank, 26(3)
- rules, 26(5), 525(5)

### Publication, *see* Canada Gazette

### Purchaser

- adverse claim notice, 105, 724
- *bona fide*, defined, 81, 724
- defined, 81, 724
- fiduciary duty notice, 106, 724
- security
  - delivery, 119, 724
  - ownership, 120, 724
  - title of, 104, 724
  - warranty, 108, 724

### Put

- defined, 265(1), 834
- insider trading of, 270(4), 834

## R

### Real property, *see also* Real property brokerage entity

- absolute title to, 434, 555
- combined limit with equity, 478, 940
- defined, 2
- limit of, 475-6, 478, 937-8, 940
- power to hold, manage and deal with, 410(1)(a), 510.1, 539(1)(a)
- prohibited activities respecting, regulations, 510.1

### Real property brokerage entity

- defined, 464(1), 925(1)
- permitted investment, 468(2)(e), (3)(b), 522.08(1), 930(2)(e), (3)(b)
- undertakings, 470, 932

### Real Property Interests Valuation

- investment limits, 476, 478, 938, 940

### Realizations

- acquisition through, 473, 935
- exception to, 466(3), 928(3)

### Receiver

- power to act as, 410(1)(g), 539(1)(f)
- prohibition on appointment of, 420, 553

### Reciprocity with foreign applicants, 24, 396(3), 673, 906(3)

### Recorded address

- defined, 2

### Records

- access to

## Index

### Records (*cont'd*)

- • creditors, 597(6)
- • directors, 239(4), 240, 816(3), 817
- • shareholder, 239(5), 240, 816(4), 817
- • subsidiaries, 470(4), 932(4)
- • substantial investment, 470(4) 932(4)
- • Superintendent, 643, 957
- contents of, 238, 597(1), 815
- copies of forms, 245, 598, 822
- custody after dissolution, 368, 871
- form of, 45(1)(b), 243, 597(4)-(5), 700(1)(b), 820
- location, 237, 239, 245, 597(2)-(3), 598, 814, 816, 822
- processing of, 245, 598, 822
- protection of, 244, 598, 821
- regulations, 247, 598, 824
- retention of, 246, 598, 823
- sent to Minister, 366(2)
- shareholder list, 240–2, 817–9

### Redemption

- adjustment to capital, 77, 720
- director liability for, 207(2)(a), 211, 794(2)(a), 798
- of shares, 71, 715

### Registered form

- defined, 2
- security in, 83(4), 724

### Registered holder

- treatment of, 93, 724

### Regulation

- commissioner, 657–61
- prudential agreements, 614.1, 644.1, 959

- remedial powers, 615–26, 645–56, 960–64
- • asset maintenance, 617
- • directions of compliance, 615-6, 645-6, 960-1
- • supervisory intervention, 618–627, 648–56
- Superintendent, 600–26, 628–56
- supervision, 600–14, 628–44, 950–8
- • inspection, 613-14, 643-4, 957-8
- • returns, 600–12, 628–42, 950–6

### Regulations

- access to basic banking services, 627.17, SOR/2021-181
- access to funds, SOR/2012-24
- activities
- • banks, 627.998
- adequate capital and liquidity, 485(2), 949(2)
- affiliated persons, 162, SOR/92-325
- aggregate financial exposure, 495.2, SOR/2001-363
- aircraft objects, 436.1
- bank holding company proposal, 678(1), SOR/2004-199
- bank recapitalization (bail-in) issuance, 485(1.21), 485.01, SOR/2018-58
- business powers, 410(3), 539(3)
- civil remedies, SOR/2006-299
- consumer protection, SOR/2021-181
- control in fact, SOR/2012-278
- corporate interrelationships, SOR/2008-57
- credit business practices, SOR/2009-257
- deposit type instruments, SOR/2001-98
- disclosure, SOR/2012-267

## Index

- Regulations (*cont'd*)
- disclosure of cheque holding policy, SOR/2012-24
  - disclosure of information re capacity of domestic systemically important bank to absorb losses, 485.02
  - distributing bank or bank holding company, SOR/2006-303
  - electronic documents, 1003, SOR/2010-239
  - entity associated with a foreign bank, 507(17), 521, 522.23, SOR/2001-376
  - entity member of group, SOR/2002-132
  - equity limits, 467, 477-8, 929, 939-40
  - equity of a bank or a bank holding company, 978, SOR/2001-377
  - exchange rate, SOR/99-273
  - exempt classes of foreign banks, 14.2, SOR/2001-381
  - exempt debt obligation transactions (banks and bank holding companies), 482(2), 944(2), SOR/2001-382
  - exemption from approval for certain investments in intragroup service entities, 468(5)-(6), 522.22, 930(5)-(6), SOR/2010-238
  - exemption from restrictions on investments, 474(a) and (b), 522.23(b), SOR/2001-383
  - factoring entity, 464(1), 925(1), SOR/2001-387
  - federal credit union conversion, SOR/2012-268
  - finance entity, 464(1), 507(1), 925(1), SOR/2001-388
  - financial leasing entity, 464(1), 507(1), 925(1), SOR/2001-389
  - financial planning, 410(3)(b)
  - foreign banks, 14.2, 522.23-522.24
  - form of proxy (banks and bank holding companies), 156.04(1), 746, 978, SOR/2001-390
  - going-private transactions, SOR/2006-307
  - guarantees, 414(3)
  - holding own shares, 70, 714, 716.1
  - information processing activities, 410(3), 539(3), SOR/2001-391
  - information services, 410(3), 539(3)
  - information technology activities, SOR/2003-62, SOR/2008-168, SOR/2008-161
  - insider reports, 834, SOR/2006-310
  - insider reports exemptions, 834
  - insurance business, 416(3), SOR/99-270
  - investment counselling and portfolio management services, 410(3)(b), 539(3)(b)
  - investment limits (bank holding companies), 929, 941, 978, SOR/2001-392
  - investment limits (banks), 467, 479, 978, SOR/2001-393
  - manner of calculation (foreign banks), 978, SOR/2001-399
  - material banking group percentages, 508(2), SOR/2008-163
  - meetings and proposals, SOR/2006-314
  - minority investment, 468(5), 474, 930(5), 936, SOR/2001-401, SOR/2001-402
  - mortgage insurance business, SOR/2010-68
  - mortgage insurance disclosure, SOR/2010-69

## Index

### Regulations (*cont'd*)

- name use, 983, SOR/2008-156, SOR/2008-158, SOR/2001-409, SOR/2001-408
- negative option billing, SOR/2012-23
- networking, 411(2), 543(2)
- notice of branch closure, SOR/2002-104
- notices of uninsured deposits, 545(6)
- power to make, 978
- prepaid payment products, SOR/2013-209
- prescribed deposits, 413(5), (6), 545(3), SOR/2000-53, SOR/2000-54
- prescribed products, SOR/2011-100
- principal protected notes, SOR/2008-180
- prohibited activities respecting real property, 510.1, SOR/2001-411
- protection of assets, 978(g)
- proxy, SOR/2001-390
- public accountability statements, SOR/2002-133
- public inquiry, SOR/99-276
- registered products, 427(6), SOR/2011-99
- registration of security, 427(6), SOR/92-301
- regulatory capital, 2, 938-940, SOR/92-531
- related party transactions, SOR/92-309
- representative office, 978
- resident Canadian, SOR/92-282
- retention of records, 247, 824
- sales or trades, 540(6), SOR/2000-52
- securities dealing restrictions, 415, SOR/99-275, SOR/92-364
- security certificate transfer fee, SOR/2001-426
- service charges, 627.998
- shared premises, 413.3(4)(a), SOR/2002-339
- special security, 426-7, SOR/92-301
- specialized financing entity, 464(1), 507(1), 925(1), SOR/2001-477
- subsidiaries holding bank shares, 70(c), 714(c), SOR/92-313
- supervisory information, 607, 637, 956, SOR/2001-58, SOR/2001-480, SOR/2001-481
- support orders and provisions, SOR/2002-264
- total assets, 54.1(4), 386(3), 895(3), SOR/2001-436
- use of information, 627.998
- use of name, 983, SOR/2001-408, SOR/2008-158, SOR/2008-156, SOR/2001-409

### Regulatory approvals

- acquisition of control or substantial investment, 468, 522.22, 930
- acquisition of significant interest and/or acquisition of legal control of FRe, 373(1), 395(2), 875(1), 905(2)
- amalgamation
  - agreement, 225, 805
  - letters patent of, 229, 809
- assets, sale of all or substantially all, 236, 537
- continuance of body corporate, 35
- discontinuance as a bank holding company, 689
- extension of period
  - for divestiture of control or substantial investment, 472(7),

## Index

- Regulatory approvals (*cont'd*)  
473(5), 522.15(2), (3), 934(6), 935(4)
- for holding of temporary investments, 471(4), 522.14(2), (3), 933(3)
  - liabilities, transfer of all or substantially all, 236, 537
  - liquidation, simple, 343–5, 869
  - name
    - change of, 216
    - reservation of, 43, 697
    - substantially the same as affiliate, 41, 694
  - non-banking branch, foreign bank, 522.22(1)(f), (h)
  - termination of banking branch, 599
- Regulatory capital**
- defined, 2
  - equity limit, SOR/92-531, SOR/2001-420
  - loans greater than one-half of one percent, 328(1)(b)
  - real property limit, 478
  - regulation making authority, 978(f)
  - related party transactions, 497
- Related Party**
- assets transactions, 494, 495.3, 976
  - borrowing from, 493
  - defined, 486
  - deposits, 492
  - directors' interests, 496, 497(2)
  - disclosure, 504
  - holding company transaction, 495.1, 495.2, 495.3
  - margin loans, 496(3), 498
  - nominal value transactions, 490, 976
  - notice to superintendent, 505
  - officers' interests, 496, 497(2)
  - permitted transactions with, 490–500, *see also* Related party transactions permitted
  - prescribed transactions, 500
  - prohibited transactions with, 489
  - remedial actions, 506
  - restrictions, 495.2, 501
  - secured loans, 491
  - senior officer, defined, 485.1
  - services, 495
  - transactions, defined, 488
  - transactions exempted, 487
- Related party transactions**
- permitted**, *see also* Related party and Restrictions on permitted related party transactions
- acquisition or sale of certain assets, 494
  - borrowing of bank, 493
  - deposits with direct clearer, 492
  - directors' and officers' interests, 496-7
  - exemption by Superintendent, 499
  - foreign bank subsidiary and its parent, SOR/92-309
  - holding company transactions, 495.1, 495.2, 495.3, 557
  - loans secured by government, 491(a)
  - margin loan, 496(3), 498
  - nominal or immaterial transactions, 490
  - prescribed transactions, 500
  - residential mortgage, 491(b)
  - services, 495
- Remedial action**, 334–8, 865

## Index

### **Remuneration**

- auditors, 314(3), 846(2)
- before commencement of business, 50, 58
- bylaw for directors, 191
- fixed by directors, 199, 786
- not special business, 141, 730
- related party exemption, 487(2)(c)

### **Representative office**

- cancellation of registration, 522.02
- defined, 507(1)
- examination of, 522.01
- name of, 522.011
- permission for, 522(a)

### **Resident**

- WTO Member, 2, 11.1

### **Resident Canadian, *see also***

Resident

- defined, 2
- requirement for directors, 159(2), 749(2)

### **Residential property**

- defined, 2
- restriction on mortgages on, 418, 551

**Resolution, *see*** Directors' meeting, Ordinary resolution and Special resolution

### **Restrictions on business powers, *see also*** Business powers

- branches, 422.2, 554(2)
- deposit taking, 413, 540(1)(a), 546
- acting as agent in, 540(1)(b)
- fiduciary activities, 412, 544
- financial leasing, 417, 550
- foreign banks, 510

- goods, wares and merchandise, 410(2), 539(2)
- guarantees, 414, 540(1)(c), 923
- insurance business, 416, 549, SOR/92-330, SOR/99-270
- leasing, 417, 550
- partnership, 421, 553.1, 924
- receivers, 420, 553
- residential mortgage, 418, 551
- securities activities, 415, 548
- security interest, 419
- shared premises, 413.3, 547

### **Restrictions on permitted related party transactions**

- approval of board of directors, 497
- market terms and conditions, 501
- procedures of conduct review committee, 195(3)

### **Retail deposit account**

- defined, 627.01
- opening, 672.17
- regulations, 627.998

### **Returns**

- audit committee report, 194(4)
- copy of by-laws, 633, 952
- names of directors and auditors, 632, 951
- presumption from latest, 966

## **S**

### **Sale of substantially all assets**

- agreement, 232
- approval of Minister, 236
- approval of shareholders, 234
- approval of Superintendent, 233

### **Sales or trades**

- in debt securities, 540(4)(b), (5)(b)



## Index

- Sales or trades (*cont'd*)
- regulations, 540(6)
- Sanctions**, *see* Offences and penalties
- Schedule I**
- amalgamation restriction, 223(2)
  - amending, 14(2), (3)
  - contents of, 14(1)
  - financial year, 307
  - ownership, 372–401.3
- Schedule II**
- amending, 14(2), (3)
  - contents of, 14(1)
- Schedule III**
- amending, 14.1(2), (3)
  - contents of, 14.1(1)
- Schedule IV**
- amending, 14.11
- Scrip certificates**
- conditions on, 91, 724
  - rights of, 92(2), 724
- Seal**, *see* Corporate seal
- Securities**
- networking, 411, 543
  - restriction on activities, 415, 548
  - use of bank name, SOR/2001-408
- Securities broker**
- defined, 81, 724
  - security delivery, 121(3), 724
  - warranty of, 108(5), 724
- Securities register**, *see* Central securities register
- Securities underwriter**
- defined, 2
- Security**, *see also* Security certificate, Security interest, Shares and Special security
- acquisition, subsidiary, 72.1
  - adverse claim, 105, 724
  - alterations to, 102, 724
  - bearer form, 83(2), 724
  - burden of proof in action, 98, 724
  - completion, 102, 724
  - contents of, 87, 724
  - conversion, 125, 724
  - defect in transfer, 100, 724
  - defined, 2, 81, 724
  - delivery, 119, 121, 724
  - divestiture order, 480, 942
  - endorsement, 109–18, 724
  - enforceability, 102, 724
  - exchange of, 429
  - extended meaning, 271(2)
  - fiduciary duty, 106, 724
  - foreign bank guarantee, restriction on, 518
  - fractional certificates, 90, 724
  - fungible, 99, 724
  - guarantor of, 84, 724
  - holders of, 85, 301, 724, 838
  - hydrocarbon and mineral, 426
  - lost, 133, 724
  - minors, 94, 724
  - negotiable instrument, 83(1), 724
  - order form, 83(3), 724
  - over-issue, 97, 724
  - ownership, constructive, 120, 724
  - particulars of class, 89, 724
  - purchase, ownership, 120, 724
  - registered form, 83(4), 724

## Index

### Security (*cont'd*)

- restrictions and constraints on, 88, 724
- sale of, 428, 431, 555
- scrip certificates, 91, 724
- seizure of, 124, 724
- special, 426–8, 555
- stolen, 133, 724
- substitution, 426(12), 555
- taking of, 429, 555
- title of purchaser, 104, 724
- transfer of, 82, 85(2), 93(2), 96, 724
- unauthorized signature, 101, 724
- underwriter, 404, 918
- warranties, 103, 108, 724

### Security certificate

- contents of, 87, 724
- defined, 81, 724
- destruction of, 254, 831
- entitlement to receive, 85, 724
- exchange of, 29(6), 677(6)
- fee for issuance, 85(2), 724, 1861
- fractional, 90, 92(1), 724
- joint holders of, 85(3), 724
- minors, 94
- particulars of class, 89, 724
- restrictions on, 88, 724
- scrip, 91, 92(2), 724
- signature on, 86, 724

### Security interest

- defined, 2
- in shares of the bank, 72(2), 716(2)
- related party transaction, 488(1)(d), 488(4)
- restriction on, 419
- unperfected, 425

**Self dealing**, *see* Related party

### Send

- defined, 2

### Senior Officer

- defined, 485.1, 646.1, 962
- disqualification or removal of, 647.1, 964

### Sequestrator

- power to act as, 410(1)(g), 539(1)(f)

**Service charges**, *see also* Cost of borrowing

- disclosure of rate increases or new charges, 566, 627.72, 627.93
- disclosure to borrower, 627.89, 627.992
- disclosure to customers and public, Part XII.2
- handling complaints, 547–9, SOR/2021-181
- set out in agreement, 627.89, 627.99

### Service entities

- exemption from related party transactions, 495(3)
- permitted investment, 468(2)(c), (d), 468(5)(c)
- undertaking, 470

**Service on a bank, bank holding company or authorized foreign bank**, 362(2), 871, 968

**Share for share exchange**, *see* Incorporation

### Shareholder

- access to disclosure of conflict of interest, 204(2), 791(2)
- access to records, 239(5), 816(4)
- approval
  - amalgamation, 226, 806
  - by-laws, 188, 191, 217(2), 778, 802

## Index

### Shareholder (*cont'd*)

- • sale, 234, 813
- • status of, 336, 865
- attendance at directors' meeting, 186, 776
- auditor's statement, 321, 853
- by-laws
  - • amendment, 217, 802
  - • general, 188–92, 778–80
  - • proposal to amend, 221, 802
- cumulative voting, 167-8, 755-6
- defined, 7, 361, 871
- director vacancy, 176, 764
- disposition of shareholdings, 402, 915
- interpretation, 7
- joint, 150, 739
- joint holders, 95, 724
- liability, 18, 363, 871
- list, 145, 240–2, 817–9
- major, 2.2
- minor, 94, 724
- not personally liable, 18, 667
- notice, 137(3), 727(1), 965
- powers, 153, 742
- proposal, 143-4, 189, 732-3, 779
- registered holder, 93, 724
- representative, 149, 738
- requisitioned meeting, 153, 742
- statement of director, 174-5, 762-3
- voting rights, 218, 226, 234, 802, 806, 813
  - • restriction, 156.09, 392, 746, 901
- winding-up
  - • proposal, 343, 869
  - • resolution, 344, 869

### Shareholders' meeting

- approval of by-laws, 217(2), 218–22, 802
- auditor's attendance at, 320, 852
- calling of, 137(1), 171(4), 726(1), 759(4)
- cumulative voting at, 167-8, 755-6
- directors' election, 46(2)(b), 167–71, 755–9
- financial statements, 308, 840
- first meeting, 46, 701
- meeting called by court, 154–6, 743–5
- notice of, 138–40, 727–9
- place, 136, 725
- quorum, 146-7, 735-6
- record date, 137, 726
- requisitioned meeting, 153, 742
- resolutions in lieu of meeting, 152, 741
- right of director to attend, 201, 788
- shareholder list, 145, 240–2, 734, 817–9
- shareholder proposals, 143-4, 732-3
- special business, 141, 730
- Superintendent attendance, 320, 852
- voting, 148–51, 737–40
- waiver of notice, 142, 731

### Shares, *see also* Common shares, Foreign bank, Security and Security certificates

- acquisition, subsidiary, 72.1
- approval of certificate, 45(1)(b), 700(1)(b)
- authorizing issuance, 45(1)(c), 59, 207, 211, 700(1)(c), 703, 794, 798
- cancellation, 73, 717
- classes of, 61, 89, 217–22, 705, 724, 802

## Index

### Shares (*cont'd*)

- common, 60, 704
- consideration for, 65, 709
- conversion into, 69, 78, 713, 721
- cross ownership on amalgamation, 224(3), 804(3)
- defined, 2, 265(1), 283(1), 834, 836
- director liability for issuance of, 207, 794
- disposition of, 402
- dividend, 79, 722
- donated, 71(3)
- fractional, 90, 724
- holding of own shares, 70, 714, 716.1, 978(j), SOR/92-313
- • as of proclamation date by subsidiary, 74
- • as personal representative, 72(1), 716(1)
- • as security interest, 72(2), (3), 716(2)
- • by redemption, 71, 715
- • for cancellation, 73(1), 717(1)
- • upon realization, 73(2), 717(2)
- non-assessable, 64, 708
- power to issue, 59, 703
- pre-emptive right, 68, 712
- purchase of, 71, 715
- redemption, 71, 77, 715, 720
- registration constraints, 373, 401.2, 875, 913
- requirement to sell, 73-4, 717
- reserved, 69(3), 713(3)
- right to acquire, 284, 836
- series, 62, 217-22, 706, 802
- stated capital account, 66-7, 710-1
- • reduction of, 75
- voting, 63, 148, 707, 737

### Signature

- guarantee of, 127(2), 724

### Significant interest

- acquisition of, 373
- approval of the Minister to acquire, 396
- defined, 2, 8
- prohibition against, 376.1, 376.2
- related party, 486(1)

### Solicit or solicitation

- defined, 156.01, 746

### Solicitation on behalf of management

- defined, 156.01, 746

### Special resolution

- amalgamation, 226-7, 806-7
- amendments to certain bylaws, 217(2), 219-20, 802
- amendments to incorporating instruments, 215, 802
- continuance, 34(2), 683(2)
- defined, 2
- dissolution, 344, 869
- in lieu of meeting, 152, 741
- reduction of capital, 75, 718
- sale of substantially all assets, 234(4), 813(6)
- special business, 141, 730

### Special security

- assignment of rights, 428(14), 555
- conditions of, 429(1), 555
- definitions, 425, 555
- exchange of securities, 429(2), 555
- for certain borrowers, 427(1), 555
- loans on hydrocarbons and minerals, 426, 555

## Index

- Special security** (*cont'd*)
- power to take possession, 427(3), 428(11), (12), 555
  - priority of, 428(1)–(6), 555
  - registering against land, 428(3), (4), 555
  - registration of notice of intention, 427(4)–(6), 555
  - regulations, SOR/92-301
  - rights with respect to, 427(2), 428(12), 555
  - sale on non-payment, 428(7)–(10), 555
  - subordination of, 427(7), 555
  - subrogation of security, 428(13), 555
- Specialized financing entity**
- defined, 464(1), 507(1), 925(1), SOR/2001-477
  - restricted investment in, 468(4)(d), (6), (7), 928(2), 930(4)(d), (6), (7)
  - undertakings, 470, 932
- Squeeze-out transaction**
- approval of shareholders, 276, 835.1
  - defined, 2
  - right to dissent, 276, 835.1
- Subordinated indebtedness**, *see also* Capital-tier 2
- consideration for, 80, 723
  - defined, 2, 663
  - director's liability for issuance of, 207, 211, 794, 798
  - priority on insolvency, 369
  - trust indenture, 294–306, 838
- Subsidiary**, *see also* Minority interest investments and Substantial investments
- auditor, 329, 860
  - defined, 2, 5
  - foreign bank, 24
  - holding bank holding company shares, 714, 716.1, SOR/2001-433
  - holding bank shares, 70, 74, SOR/92-313
  - interpretation, 5
  - related party, 486, 487(4)
- Substantial investment**, *see also* Minority interest investments
- approvals, 468(5)–(6), 469, 930(5)–(7), 931
  - auditor's right to information on, 324(1)(a), 856(1)(a)
  - deemed by
    - entity associated with foreign bank, 507(5)
    - foreign bank, 507(4)
  - defined, 2, 10
  - divestiture of, 480, 942
  - exception, 468(7)
    - no exception, 468(7.1)
  - interpretation, 10
  - loan workout/realizations, 472-3, 522.15, 934-5
  - networking with, 411, 543
  - permitted, 468(1), (2), 930(1), (2)
  - related party, 486, 495(1)(c)
  - restrictions on, 466, 468(3), (4), 928, 930(3), (4)
  - temporary, 471, 481, 933, 943
  - undertakings, 470, 932
- Sunset clause**, 21, 670
- Superintendent**
- access to records, 470(4), 613(2), 643(2), 932(4), 957(2)
  - acting in concert, designated by, 9(4)

## Index

- Superintendent (*cont'd*)
- advisory committee, 623, 653
  - affiliated director designation, 162.1
  - agreements with, 614.1, 644.1
  - agreements with other jurisdiction, 470(3), 932(3)
  - annual returns to, 522.27, 601, 632, 951
  - annual statements filed with, 312(1), 844(1)
  - • application for certain approvals, 976.1
  - application to court, notice to, 144(4), 156, 214(2), 334(3), 338(2), 347(3), 733(4), 745, 801(2), 865, 870
  - applications to, 25, 525, 674, 976
  - approval, *see also* Deemed approvals
    - • classes of shares, 62(5), 706(5)
    - • conditions, 973
    - • investments, 468(6)-(7), 930(6)-(7)
    - • reductions in capital, 75(4), 718(4)
    - • series of transactions, 482(1.1)
    - • termination of business in Canada, 599
    - • terms, 973
    - • undertakings, 973
  - assessments by, 696-98
  - asset maintenance, 617
  - assets, taking control of, 619-26, 648-56
  - auditor, appointment of, 585
  - auditor, filling vacancy of, 319, 589, 851
  - authority, 49
  - by-laws, copy of, 633, 971
  - capital adequacy, 485, 949
  - certificate, 634.1
  - commencement of business, 48-54, 534
  - conditions on margin loans, 498
  - conduct review committee, report of, 195
  - control of authorized foreign bank, 619-24
  - control of bank, 649-652
  - defined, 2
  - direction of compliance, 615-6, 645-6, 960-1, 989.2, 989.3
  - director's meeting, 187, 777
  - directors, report of, 195(6)
  - divestment order, 480, 942
  - dividend declaration, notification of, 79(2), 722(2)
  - documents, 605, 635, 954
  - encumbered property, 419(2)
  - examination of authorized foreign banks, 613
  - examination of banks, 613, 643, 957, 982
  - examination of representative offices, 522.01
  - financial statement, copy to, 312, 844
  - foreign bank, examination of offices, 522.01
  - information
    - • confidential, 606, 636, 955
    - • direction to produce, 635, 954
    - • disclosure by, 609, 612, 636, 642, 955
    - • disclosure to, 607, 637, 956
    - • evidentiary privilege, 608, 638, 956.1

## Index

- Superintendent (*cont'd*)
- • required to be filed, 600, 628, 950
  - inquiry by, 614, 644, 958
  - insider reporting, 266–9, 834
  - intervention by, 619, 626, 648–656
  - loan workouts/realization, 472-3, 934-5
  - maintenance of bank register, 634, 953
  - margin loan conditions, 498
  - meetings, attendance, 320, 852
  - nominal or immaterial transactions, 490
  - notice of
    - • change in head office, 237(3), 814(3)
    - • change in principal office, 535(3)
    - • commencement of business, 56
    - • contesting of rejected proposals, 144(4), 733(4)
    - • establishing a foreign bank branch, 527(4)
    - • issue of letters patent, 30, 37(2), 229(3), 679, 686(2), 809(3)
    - • prohibited related party transaction, 505
  - order to change name, 44(1)
  - permission to open representative offices, 522
  - powers of, 522.01, 614, 619, 644, 648, 958
  - principal officer, 536(2), 536(3)
  - production of, 605, 635, 954
  - proxy, 156.05, 156.08, 746
  - records, 239, 245, 597(3), 614, 643(2), 816, 822, 958
  - reduction of capital, 75(4), 718(4)
  - register, 634, 953, 978(k)
    - related parties, designation of, 486(3)
    - remedial action, 334–8, 865
    - remedial powers, 614.1–627, 644.1–656, 959–64
    - report
      - • auditor's, 592(3), 595(2)
      - • disclosure, 612, 642
    - security interest, 72(2), 419(1), 716(2)
    - statement of director, 174(2), 175, 762(2), 763
    - supervisory intervention, 600, 619–26, 628, 648–56
    - temporary investments, 471, 481, 933, 943
    - undertakings, 470, 932
    - verification of documents or facts, 971
    - winding-up, report of liquidator, 341, 868
    - winding-up, request, 621-2, 624, 651-2, 654

## T

### Takeover bid

- application to court, 289–91, 836
- date of, 283(3), 836
- deemed election, 286.1
- defined, 283(1), 836
- dissenting offeree, 283(1), 285, 836
- fiduciary capacity of bank, 287.1
- obligation to acquire shares, 292.1
- right to acquire shares of, 284–92, 836
- use of bank name, SOR/2001-408

### Temporary investments

- deemed temporary, 481, 943
- exemption for, 466(3), 928(3)

## Index

- Temporary investments (*cont'd*)
- permission to hold, 471, 933
- Termination of business in Canada**
- of authorized foreign banks, 599
- Tickets**
- power to sell, 410(1)(e), 539(1)(d)
- Tipping**
- compensation, 271.1
- Trade**
- defined, 2
  - sales or trades, SOR/200-52
- Transaction**
- defined, 488
- Transfer**
- defect in, 100, 724
  - defined, 2
  - duty to register, 126-7, 724
  - fee for security certificate, 85(2), 724
  - generally, 81-135, 724
  - in case of death, 460, 577
  - liabilities, 537
  - restrictions on, 88, 724
  - right to compel endorsement, 109, 724
  - transmission of securities, 93(2), 96, 724
  - warranties, 108, 724
- Transmission of securities, see**  
Transfer
- Transmission on death, 460, 577**
- Trust and Loan Company, see**  
Financial institution
- Trust indenture**
- application of, 295, 838
  - compliance with, 302, 838
  - defined, 81, 294, 724, 838
  - exemption for, 296, 838
  - notice of default, 304, 838
  - validity despite conflict, 298, 838
- Trustee**
- compliance with trust indenture, 302, 838
  - conflict of interest of, 297-9, 838
  - defined, 294, 838
  - duty of care, 305, 838
  - evidence of compliance, 302-3, 838
  - exculpation, 306, 838
  - list of security holders, 301, 838
  - notice of default, 304, 838
  - prohibition on acting as, 412(b)
  - qualifications of, 300, 838
  - registered holder, treatment of, 93, 724
  - removal of, 299, 838
  - share certificate, signature on, 86(1)(c), 724
  - trust indenture, compliance with, 302-3, 838
- U**
- Ultra Vires**
- capacity, 15, 664
- Unauthorized**
- defined, 81, 724
  - endorsement, 117, 724
  - name, 983(2)-(2.04)
  - signature, 101, 724
  - use of “bank”, “banker” or “banking”, 983(2.1)-(2.11)
- Uncertificated security**
- defined, 81, 724



## Index

### **Unclaimed balance**

- authorized foreign bank, 557
- notice of, 558
- payment of, 438

### **Unclaimed money**, 366-7

### **Undertakings**, 470, 932

### **Unperfected**

- defined, 425

## **V**

### **Valid**

- defined, 81, 724

### **Voting**

- cumulative, 167-8, 755-6
- restriction on, 156.09, 746

### **Voting share**

- defined, 2

## **W**

### **Wages**

- director's liability for, 210-1, 797-8

### **Warehouse receipt**

- defined, 425
- false statement in, 984

### **Warranties**

- of agent, 103, 724
- of guarantor of signature, 118, 724
- of intermediary, 108(3), 724
- of pledgee, 108(4), 724
- of securities broker, 108(5), 724
- to issuer, 108(1), 724
- to purchaser, 108(2), 724

### **Whistleblowing**, 979.1–979.4

### **Widely Distributed**

- defined, 482(2)(d), SOR/2001-382

### **Widely held**

- defined, 2.3
- obligations, 376-376.01, 879-879.1

### **Winding-up**

- ceasing business and powers, 350, 870
  - costs, 356, 870
  - • final order, 358, 870
  - custody of records, 368, 871
  - final accounts, 357, 870
  - letters patent, 342, 360, 869
  - liquidator
  - • appointment, 351, 870
  - • delegation of powers, 350(2), 870
  - • duties, 353(1), 870
  - • examination, 355, 870
  - • loans, 430
  - • powers of, 353(2), 870
  - • reliance on statements, 354, 870
  - • report to superintendent, 341, 868
  - • vacancy, 352, 870
  - no liabilities, 342, 869
  - no property, 342, 869
  - priorities, 369, 625, 627, 655
  - process, 345, 869
  - proposing, 343, 869
  - resolution of shareholders, 344, 869
  - Superintendent, application to court, 651
  - unclaimed money, 366-7
- ### **WTO member resident**
- defined, 2, 11.1