Index

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

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 Generally, **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 to 337**, **865** Directors' liabilities, **207 to 210**, **794 to 797** 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

ADMINISTRATION—Cont'd

Certificates, 969 Constructive notice, 19, 668 Entry in securities register, 970 Execution of documents, 964.1 Notices, 965, 967 Orders and directives, 974 to 975 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, unauthorized, **117**, **724** Endorsement in bearer form, **116**, **724** Inquiry into, **129**, **130**, **724** Notice after delivery, **120(3)**, **724**

ADVERTISEMENT

Calculation of interest disclosure, SOR/2021-181, 627.71, 627.78(b)(ii) Meetings of shareholders, 137(7)(a)

ADVERTISEMENT—Cont'd

Sale of special security held, **426(6)(b)**, **428(8)(a)(ii)**, **428(8)(b)(i)**, **433(c)**, **555** Subordinated indebtedness, **80(2)** Use of name, **983**

ADVISORY COMMITTEE

Generally, 623, 653

ADVISORY SERVICES

Power to provide, **410**(1)(c)(ii), (1)(c)(iv), **410**(1)(c.2), (1)(b.1)(b.3), (1)(b.1)(ii), (1)(b.1)(iv), **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**

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** AGENT-Cont'd 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 to 230**, **853 to 855** Matters for consideration, **228(4)** Objections to, **26**, **228(3)** Short form, **227 to 228**, **807 to 808** Termination of, **226(5)**, **806(5)** Transitional provisions, **231**, **812**

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 to 236 Taking control of by Superintendent, 619 to 626, 648 to 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)

ASSOCIATED WITH A FOREIGN BANK

Defined, 507(2), 507(3)

ASSOCIATE OF THE OFFEROR Defined, 283(1)

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) to (5)**, **782(3) to (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)** AUDIT COMMITTEE—Cont'd 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 to 156, 744 to 745 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 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) to (2.1), 585(2) to (3.1), 847(1) to (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 to 595 Report to principal officer, 595

INDEX

AUDITORS—Cont'd 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) to (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 policies and procedures - integrity or security, 524.3 prohibitions of, 524.1 to 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)

AUTHORIZED FOREIGN BANK -Cont'd Lending branch-Cont'd 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, (3), 535(2) defined, 2 establishment of, 535(1) Principal officer appointment of, 536(1) defined, 2 disgualification of, 617.1 removal of, 617.2 reports to, 595 Records, 597 to 598 Remedial powers over asset maintenance, 617 directions of compliance, 615 to 616 Termination of business, 599 Transfer of liabilities, 537 **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**

BANK—Cont'd

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 to 436 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 Policies and procedures - integrity or security, 664.1 Proposal of fundamental change, 678 Restrictions, 923 to 924 Shareholders calling meeting of, 701 not personally liable, 667 subsidiary, 716.1 voting, 740 Transfer of business, 813

BANKING

See also Business powers Business of, **409**, **538**, **922**

BANKING ARRANGEMENTS Approval of, 45(1)(f), 700(1)(f)

BANK OF CANADA Advances, 419 to 419.2 Disclosure of information, 636(2), 955(2) Payment of unclaimed money to, 293, 366(3), 438, 557 Retention of signature cards, (3), 246(2) Security interest in favour of, 419(1)(a)

BANK RECORDS See Records

BANKRUPTCY AND INSOLVENCY ACT Loans under, 430, 555 Priority order, 427(7), 555

BANK SERVICE ENTITIES See Service entities

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 to 439, 557 to 558**

BILL OF LADING

As security for debt or liability, **435**, **555**

Index-5

INDEX

BILL OF LADING—Cont'd 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 to 38, 682 to 687 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) BRANCH OF ACCOUNT—Cont'd 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) to (4.4), 510.02(1) to (4) Limit, 465.1(1), 510.01(1), 927.1(1)

BUSINESS MANAGEMENT See Managing business

BUSINESS POWERS See also Restrictions on business powers Advisory services, 410(1)(c)(ii), 410(1)(c)(iv), 410(1)(c.2),410(3), 539(1)(b.1)(ii), 539(1)(b.1)(iv), 539(1)(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, (iv), 410(1)(c)(iii), 410(3), 539(1)(b.1)(iii), 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),

410(1)(c.1), 410(3)(c)539(1)(b.2), 539(3)

BUSINESS POWERS—Cont'd Deposit-taking, 437, 545 to 546 Financial agent, acting as, 409(2)(b), 538(2)(b) Financial services, (b), 409(2)(a), 410(3)(b), 538(2)(a), 539(3)(b), 922(1)(a) Policies and procedures - integrity or security, 15.1 **BY-LAWS** Adjourned shareholders meeting, 140,729 Amendments to, 217 to 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 to 192, 217 to 222, 778 to 780, 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 CALL Defined, **265(1)** Insider prohibited from selling, 270(4), 834 CANADA DEPOSIT INSURANCE CORPORATION Insurance required, 413

CANADA DEPOSIT INSURANCE CORPORATION—Cont'd Opt out, **413 CANADA GAZETTE** Alternative to, 972 Amalgamation, 228(2), 229(3), 808(2), 809(3) Amendments to Schedule III, 14.1(3)Amendments to Schedule I or II, 14(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

CAPACITY—Cont'd Corporate powers, 15, 664 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, 76, 207(2), 211**, **718, 719, 794(2), 798** Stated, **66, 67, 710, 711**

CARRYING ON BUSINESS

Authorized foreign bank, **534** Commencement of, **48 to 58, 524 to 528, 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)**

CDIC COVERAGE

Generally, 413 Complaint handling, SOR/2021-181 Disclosure of charges, SOR/2021-181 Interest rate disclosure, SOR/2021-181, 627.6(2) Less than 150,000 dollars, 413.2, 413(3), 545, 546, 639 Location of deposit, 461, 578 Meaning of, 413.2(2), 413(5), 545(3) Of government of Canada, **627.26(2)** Payment systems, 492, 542 Prescribed, 413, 545

CDIC COVERAGE—Cont'd Priority on insolvency, 369 Requirement to maintain assets on, 582 Transmission in case of death, 460, 577 Unclaimed balances, 438, 439, 557, 558 **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, SOR/2021-181, 627.89(3) Handling complaints, SOR/2021-181, (f), 157(2)(e) 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 Generally, 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 Generally, 238, 597

COMMENCE BUSINESS

Application for, **49** Authorized foreign bank, **534** Cessation of existence, **57 to 58** 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 to 51** 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** COMMISSIONER—Cont'd 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 to 661 **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 to 338**, **865**

COMPLAINTS

See also Agency Body, **627.49 to 627.52** Contacting Agency, **627.65** Procedures, **SOR/2021-181**, (f), **157(2)(e)**

COMPULSORY ACQUISITION

Dissenting offeree shares, **283 to 293, 836, 837**

COMPUTER SOFTWARE

Power to design, develop and market, (iv), 410(1)(c)(iii), 539(1)(b.1)(iii) Regulations, 410(3), 539(3)

CONDUCT REVIEW COMMITTEE

Approval of preferred loans to officers, **496(4)** to (6) Auditor's attendance, **330(1)** Duties of, **195(3)** to (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)

CONFLICT OF INTEREST

Director, or officer, duties, **202 to 206, 789 to 793** 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 to 35.1, 682 to 683** As a trust or loan company, **402.1** Central securities register, **248(2)**, **825(2)** Disclosure, **SOR/2012-267** Effect on issued shares, (4), (5), **59(4), 60(4), 88(3), 703(3)**, **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)**

CONTINUANCE—Cont'd 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) to 468(6), 469, 930(5) to 930(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) to 468(11), 930(9) to 930(11) In fact, 3(1)(d), 377(1) Loan workout/realizations, 472, 473, 522.15, 934, 935 Loss of, 393 to 393.1, 902, 903 Not required, 468(8), 930(8) Permitted, 468(1), 468(2), 930(1), 930(2) Restrictions on, 466, 468(3), 468(4), 928, 930(3), 930(4) Temporary, 471, 933 deemed, 481, 943 Undertakings, 470, 932

CONVERSION INTO SHARES See Shares

CORPORATE GOVERNANCE

Corporate records, 237 to 306, 814 to 838 civil remedies, 271, 272, 834 compulsory acquisitions, 283 to 293, 836 corporate name and seal, 255, 256, 832, 833

CORPORATE GOVERNANCE

-Cont'd Corporate records, 237 to 306, 814 to 838—Cont'd head office and corporate records, 237 to 247, 814 to 824 insider reporting, 265 to 269, 834 insiders, 265, 834 insider trading, 270, 834 proxies, 156.01 to 156.08 securities registers, 248 to 254, 825 to 831 trust indentures, 294 to 306, 838 Directors and officers, 157 to 214, 747 to 801 authority, 196 to 201, 783 to 788 by-laws, 188 to 192, 778 to 780 committees of the board, 193 to 195, 781, 782 conflicts of interest, 202 to 206, 789 to 793 duties, 157, 158, 747, 748 election and tenure, 165 to 169, 753 to 757 election or appointment, 165.1 incomplete elections and director vacancies, 170 to 179.1, 758 to 768 liability, exculpation and indemnification, 207 to 214, 794 to 801 meeting of the board, 180 to 187, 769 to 777 qualification and number, 159 to 164, 749 to 752 Financial statements and auditors, 307 to 369, 839 to 871 annual financial statement, 307 to 312, 839 to 844 auditors, 313 to 333, 845 to 864 court-supervised liquidation, 347 to 360, 870 general, 361 to 369, 871 liquidation and dissolution, 339 to 341, 866 to 868 remedial actions, 334 to 338, 865

CORPORATE GOVERNANCE -Cont'd Financial statements and auditors, 307 to 369, 839 to 871 -Cont'd simple liquidation, 342 to 346, 869 Fundamental changes, 215 to 236, 802 to 813 amalgamation, 223 to 231, 803 to 812 amendments, 215 to 222, 802 transfer of business, 232 to 236, 813 Shareholders, 136 to 156, 725 to 745 proxies, 156.01 to 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, SOR/2021-181, 627.9 Complaint handling, SOR/2021-181 Deposit accounts, SOR/2021-181 Disclosure of, SOR/2021-181, 627.89(1) COURT See also Orders Action for recovery of capital, 76, 719 Appeals to, 977, 990 refusal of shareholder proposal, 144,733

remedial action, 334 to 338, 865

COURT-Cont'd

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 to 338, 865

COURT OF APPEAL Defined, 2

COVERED BOND Generally, 415.1

CREDIT CARD

Cheques, **627.21** Disclosures in application, **SOR**/ **2021-181**, **627.89(3)** Disclosures of charges, **SOR**/2021-**181** Handling complaints, **SOR**/2021-**181**, **157(2)(e)**, **157(2)(f)** 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 Generally, 167, 168, 755, 756

CUSTODIAN OF PROPERTY Generally, 410(1)(f), 539(1)(e) 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) to 471(3),

471(1) to 471(3), 471(5), 933(1), 933(2), 933(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

DEEMED APPROVALS—Cont'd 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 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 to 121, 724 Right to compel endorsement, 109, 724 DEPOSITS See also Accounts, Personal deposit account and Service charges Acceptance of, 437, 556 Agreement, 582(2) 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**

DIRECTORS—Cont'd Affiliated restriction, 162 to 163 Appointment of officers, 196, 197, 783, 784 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 to 192, 778 to 780 proposal to amend, 221, 802 Ceasing to hold office, 172, 174, 760, 762 Committees, 193, 781 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, 156, 744, 745 Cumulative voting for, 167, 168, 755, 756 Defences, due diligence and good faith, 211, 798 Defined. 2 Delegation, limitation of, 198, 785 Disclosure of interests, 202 to 206, 789 to 793 Disgualification 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

DIRECTORS—Cont'd Election court review, 155, 744 cumulative voting for, 168, 756 incomplete, 170 to 171, 758 to 759 re-election, 169, 757 void, 170 to 171, 758 to 759 Election of, 46(2)(b), 167 to 169, 755 to 757 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 to 214, 799 to 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 to 211, 748, 794 to 798, 986 List to Superintendent, 951 Margin loans, 498 Minimum number, 159, 217(1)(i), 749,802 Nominations, 143(4), 732(4) No shareholder requirement, 161, 751 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 to 175, 647.1, 761 to 763 Remuneration of, 191, 199, 786 Residency requirement, 159(2), 749(2) Resignation of, 172, 760

DIRECTORS—Cont'd Share certificate, signature on, 86(1)(a), 724 Shareholder meetings calling of, 137, 153, 726, 742 right to attend, 201, 788 Statement by, 174, 175, 762, 763 auditor's report, 327, 859 Statement of attendance, 186(2), 776(2) Term of, 47, 166, 172, 173, 179.1(2), 754, 760, 761 Unaffiliated, 163 Undue preference to creditor, 981 Vacancies, 176 to 179, 764 to 767 Validity of acts, 200, 203(3), 787 Void election, 159(2), 163(1), 164, 170, 171, 749(2), 752, 758, 759 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 to 206, 789 to 793 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

DIRECTORS' MEETING—Cont'd Statement of attendance, 186(2), 776(2) Unaffiliated director, 183.1 Validity of acts, 200, 203(3), 787

DISCLOSURE OF CHARGES Generally, 446, 447 Applicable to accounts, 446, 447

DISCLOSURE OF INFORMATION Accountability statements, SOR/ 2021-181, 627.996 By authorized foreign bank, 610 By bank, 640 By Superintendent, 609, 636, 639, 955

Cost of borrowing, **SOR/2021-181**, 627.89(1) Credit card application, **SOR/2021-**181

DISCLOSURE OF INTEREST In advertisements, SOR/2021-181 Regulations, 627.998

DISCONTINUANCE By bank holding company, 689 to 692 When continuing as trust or loan company, 39.1, 39.2, 402.1

DISSENTING OFFEREE Defined, 283(1) Right to acquire shares of, 284 to 293, 836

DISSIDENT'S PROXY CIRCULAR Solicitation of proxies, 156.05, 746 Untrue statement, 156.08, 746

DISSOLUTION

See also Liquidation Continuation of actions, **362 to 364**, **871** Creditor, where cannot be found, **364**

DISSOLUTION—Cont'd Custody of records after, 368, 871 Procedures for, 339 to 360, 866 to 870 Unclaimed money on winding up, 366, 367 Undisposed property, 365, 871 **DISTRIBUTING BANK, BANK** HOLDING COMPANY Insider reporting form, 266 Insider trading, 270 to 272 Interpretation, 2.4 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**

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 to 206, 789 to 793 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**, **616**, **645**, **646**, **960** to **961** Taking control of assets, **619**, **648**

ENTITY

Defined, 2

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**

ENTITY ASSOCIATED WITH A FOREIGN BANK—Cont'd 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 to 522.33 Investments

approval by Minister, **522.22** divestiture, **522.25** indirect, **522.11 to 522.13** limited commercial entity, **522.09(2)** permitted, **522.04(2)**, **522.07 to 522.1** temporary, **522.14** Obligation to be designated, **522.211** Prohibitions, **510**, **519**, **520(1)** exceptions, **510.1**, **510(4)**, **510(5)**, **511 to 515**, **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, 303, 838** Power of Superintendent, **614, 644, 958, 971**

EVIDENCE—Cont'd 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**

FACTORING ENTITY

Defined, 464(1), 645, 925(1) Restricted investment in, 468(4)(c), 468(5)(b), 468(6), 468(7), 522.22(1), 930(4)(e), 930(5)(b), 930(6), 930(7) Undertakings, 470, 932

FEDERAL

Appeal to, 977 powers of, 977(2) Jurisdiction, 335(2), 865 Powers of, 208, 291, 335, 338, 349, 359, 795, 836, 865, 870 Review election of director or auditor, 155 to 156, 744 to 745 Shareholder meetings calling of, 154(1), 156, 743(1), 745 vary quorum, 154(2), 743(2) Winding-up, 347 to 360, 870

FEDERAL CREDIT UNION

Amalgamation, 223(1.1) to 223(1.3), 224, 226 member approval, 234, 235 FEDERAL CREDIT UNION -Cont'd Amalgamation, 223(1.1) to 223(1.3), 224, 226—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 to 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 to 216.14 continuance, 33(3), 33(4), 34(1), 34(1.1), 35.1, 35(1), 38 Conversion to federal credit union, 216.01 to 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

FEDERAL CREDIT UNION -Cont'd 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, (2.1), 173(1.1) statement by, 175(2) vacancy, 176(2) Discontinuance, 39.2, 39.3 Financial statements annual, 308 General provisions, 47.11 to 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 to 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) quorum, **146(2)** register, 2, 254.1 to 254.6, 970(2) register location, 254.4 voting rights, 47.13 Member right to vote, 9.1, 9.2

FEDERAL CREDIT UNION -Cont'd Membership, 47.03 to 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 to 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, **(6)(b)**, **427(4)**

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, (4)(c), (5)(b), (6)-(7), 468(3)(c), 522.22(1)(a), 930(3)(c) Undertakings, 470, 932

FINANCIAL AGENT Power to act as, **409(2)(b)**, **538(2)(b)**

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, (5)(b), (6)-(7), 468(4)(c), 522.22(1)(a), 930(4)(c) Undertakings, 470, 932

FINANCIAL PLANNING

Power to provide, 409(2)(a), 409(2)(c), 538(2)(a), 538(2)(c), 922(1)(b) Regulation of, 410(3)(b)

FINANCIAL SERVICES

Power to provide, **409**(2)(**a**), **538**(2)(**a**), **922**(1)(**a**), **922**(1)(**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 Generally, 410, 411, 468, 522.08, 543 Business powers, 410, 411, 543 Grandfathered, 483, 945 Guarantees, 541.1 Identification services, 410(1)(g), 539(1)(g) Indirect by foreign bank, 522.11 to 522.13 Information collecting, manipulating and transmitting, (iv), 410(1)(c)(i), 410(3). 539(1)(b.1)(i), 539(3), 922(1)(b) management systems, (iv), 410(1)(c)(ii), 410(3), 539(1)(b.1)(ii), 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, SOR/2021-181, 627.89(1)(a) 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) Investments, 468, 522.08 Limits aggregate, **478, 940** on equity acquisitions, 477, 939 on portfolio limits, exclusion from, 475, 937 on real property interests, 476, 938 Liquidator, 410(1)(g), 539(1)(f)

FINTECH—Cont'd Main, 409 Managing business, 410(1)(c.2), 410(3), 539(1)(b.3), 539(3), 922(1)(b) Networking, 411, 543 Permitted, 468 to 469, 522.04. 522.07 to 522.09, 930 to 931 undertakings, 470, 932 Prudent person standard, 157(2)(g), 465, 465.1, 581, 747(2)(d), 927, 927.1 Real property, holding or managing, 410(1)(a), 539(1)(a) Receiver, 410(1)(g), 539(1)(f) Related party transaction, **488(1)(b)** Restriction on control and substantial, 466, 468(3)(d), 928, 930(3)(d) Sequestrator, 410(1)(g), 539(1)(f) Special security, 425 to 436.1, 555 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 Ticket sales, 410(1)(e), 539(1)(d) Verification services, 410(1)(g), 539(1)(g) 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), 507(12) Associated with, 507(2), 507(3) Branch bank, 522.16

FOREIGN BANK—Cont'd Branch—Cont'd 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)exceptions to, 510.1, 510(4), 510(5), 511 to 514 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), 507(3) Exempt classes of, 14.2 Financial establishment in Canada, (16), 507(15), 522.21 Financial establishment in Canada, having or resulting in obligation to be approved, 522.21 permitted activities when approved branch operations, 516 to 517.1, 522.16 to 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, 507(14), 522.08(1)(a), 522.22(1)(b) 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)

FOREIGN BANK—Cont'd Financial establishment in Canada, having or resulting in-Cont'd permitted investments when approved-Cont'd limited commercial entity, 522.09, 522.22(1)(g) non-financial institution providing financial services, (c), (d), 522.08(1)(a), 522.22(1)(c)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) to (i), 507(14), 522.07, 522.22(1)(a) 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) to 468(f), 522.11 FRFI or its holding company, 468(1)(a) to 468(f), 522.07 indirect investment, 522.11 to 522.13 loan workout, as a result of, 522.15 security interest, as a result of realization, 522.15

FOREIGN BANK—Cont'd Financial establishment in Canada, having or resulting in, (regardless of designatability) -Cont'd permitted investments-Cont'd temporary investment in other than financial services entity, 522.1(b), 522.14 Grandfathered, 522.29 to 522.33 Head office in Canada business conducted from, 522.03 permitted, 522(b) Minister's approval, 522.22, 522.27 No financial establishment in Canada, and avoiding to have, (regardless of approval) permitted activities branch, 522.2, 522.05 carrying on limited commercial business, 522.2, 522.05 leasing, 522.2, 522.06 permitted investments financial services entity, not a major owner of, 522.2, 522.04 FRFI or its holding company, not a major owner of, 522.2, 522.04 non-financial services entity, 522.2, 522.04 provincially regulated financial institution, not a major owner of, 522.2, 522.04 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)

FOREIGN BANK—Cont'd Permitted activities (regardless of financial establishment and approval)-Cont'd 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**, Conditions on, **91**, Rights of holder, **92(1)**, Signature on, **86(2)**,

FULL-SERVICE BRANCH See Authorized Foreign Bank

FUNDAMENTAL CHANGES See Amalgamation, Assets and Incorporating instruments

FUNGIBLE Defined, 81, 724 Securities as, 99, 724

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 OF FOREIGN COUNTRY Eligible agent, 370(1) Ownership of shares, 401.2, 401.3

Restrictions on incorporation, 23 GOVERNMENT OWNERSHIP OF

GOVERNMENT OWNERSHIP OF SHARES

Generally, 370(1), 401.2, 401.3

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**

HEAD OFFICE Change in, (3), 217(1)(j), 237(2), 802, 814(2)

Defined, 2 Place of, 237, 814

HOLDER

Defined, 2

HOLDING BODY CORPORATE

Defined, 2, 4 Related party exemption, 487(4), 487(5) Short form amalgamation with, 227 to 228, 807 to 808 Transactions involving, 495.1 restriction on, 495.2

IFRS 9 FINANCIAL INSTRUMENTS AND DISCLOSURES Generally, 307 In advertisements, SOR/2021-181 Material contracts, 202 to 204, 789 to 791 Monitoring of, 157(2)(e) Networking, 411, 543 Opening account, SOR/2021-181, 627.69

INCORPORATED

Defined, 2

INCORPORATING INSTRUMENTS

Amendments to, **215 to 222, 802** Defined, **2**

INCORPORATION

See also Ownership of banks Application for, **22**, **25**, **671**, Cessation of existence, Contents of letter patent, **28**, Effective date, **32**,

INCORPORATION—Cont'd

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 to 58, 700 to 702
Publication of notice of intent, 25(2)
Public inquiry on objection, 26(3)
Restrictions on, 23, 672
Share for share exchange, 29, 677
Subsidiary of a foreign bank, 24

INCORPORATOR

Action against, **361 to 367, 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 to 612, 628 to 642, 978(k)**

INFORMATION SERVICES

Power to provide collecting, manipulating and transmitting, (iv), 410(1)(c)(i), 539(1)(b.1)(i), 922(1)(b) management systems, (iv), 410(1)(c)(ii), 539(1)(b.1)(ii), 922(1)(b)

INFORMATION SERVICES —Cont'd

Power to provide—Cont'd 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 to 269, 834 Reporting exemptions, 267, 834, 978(a)

INSIDER TRADING

Civil liability, **272**, **834** Compensation, **271(6) to (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), Defined, **156.01**, Duties, **156.07**, Duty to beneficial holder, **156.07**(1), **746** Instructions to, **156.07**(5), Rights of, **156.07**(8),

INTERNET RELATED SERVICES See Information services

INVESTMENT CANADA ACT

Investments by a foreign bank, 522.07 to 522.2 Non-application, 522.34

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 to 467, 927 to 929 Deemed temporary, 481, 943 Divestiture by foreign bank, 522.25 Divestiture order from Superintendent, 480, 942 Exemptions and exclusions, 466(2) to (5), 471 to 474, 928(2) to 928(4), 933 to 936 Exemptions from approval for and restrictions on, regulations, (b), 474(a), 522.23(b), 936(a), 936(b)

INVESTMENT SERVICES

Power to

acquire, hold and administer investments, 922(1)(a)

INVESTMENT SERVICES

--Cont'd Power to--Cont'd 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)

ISSUER

Adverse claim, **129 to 131**, **724** Defined, **2, 294, 838** Duties, **129 to 133, 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** Warranties, **108, 724**

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, 35, 683, 684 Copies, 37, 686 Defined, 2 Effect of, 32, 36, 230, 681, 685, 811 First directors, 31, 680

INDEX

LETTERS PATENT—Cont'd

Incorporation, 22, 23, 671, 672 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, 870

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 to 360, 870** General, **339 to 346, 866 to 869** Priority of claim, **625** Shareholder approval, **344, 869** Simple, **342 to 346, 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**

LIQUIDATOR—Cont'd

Examination of others, **355**, **870** Loans to, **430** Powers of, **353(2)**, **870** Power to act as, **410(1)(g)**, **539(1)(f)** Report to superintendent, **341**, **868** Unclaimed money on winding up, **366**

Vacancy, 352, 870

LIQUIDITY

See also Capital Adequacy of, **485**, **949**

LOANS

Certain borrowers and security, 427 Cost of borrowing, SOR/2021-181 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, (3), 488(1), 491 Special security, 426 to 428, 555 Vendor take back, 426(7), 428, 555 Work-outs, 472, 934

LOAN WORKOUTS Exemptions for, 466(3), 928(3)

Permission to enter into, 472, 934

LOCAL COOPERATIVE CREDIT SOCIETY

Defined, 2

LONDON INTERBANK OFFERED RATE (LIBOR) See Financial Benchmarks

MAJOR OWNER

Deemed to be, 507(11) to 507(13) Defined, 2.2, 507(8) to 507(10)

MAJOR SHAREHOLDER Interpretation, 2.2 Prohibition on being, 374, 876

MANAGEMENT PROXY CIRCULAR Director's statement, 175(1), 763(1) Shareholder proposal, 143 to 144, 732 to 733 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 to 206, 789 to 793 Review by conduct review committee, 195(3)(c)

MATERIAL PERCENTAGE Regulations, 508(2)

MEETINGS

Auditor, **320**, Director, **180**, adjourned, **181(3)**, **770(3)** attendance, **186**, **201**, **776**, calling of, **45(2)**, **700(2)** dissent, **185**, electronic, **184**, first, **45**, minimum number of, **180**, notice, **181**, place of, **180(2)**, **769(2)** quorum, **182**, required by audit committee, **194**, **782** **MEETINGS**—Cont'd Director, 180, 769-Cont'd 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 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 to 168, 755 to 756 directors' election, 46(2)(b), 170 to 171, 758 to 759 location, 136, 725 notice, 138 to 141, 727 to 730 order to delay calling, 726(2) participation by electronic means, 725(2)proposal, 143 to 144, 732 to 733 quorum, 146 to 147, 735 to 736 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 to 151, 737 to 740 waiver of notice, 142, 731

MEMBER

Defined, 2, 313, 464(2), 584, 845, 925(2)

MEMBERSHIP SHARE

Defined, 2

MEMBERS REGISTER Defined, 2

MINIMUM BALANCE Generally, 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 to 403, 915 to 917, 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 exemption from foreign bank status, 12(1) exempt or adapt, to, 973.2 limitation on assets, 54.1, 382 to 388, 890 to 897 record, 597 short term, 973.1 Ownership of bank holding companies, 875 to 918 Ownership of banks, 372 to 401.3 Powers of. 231. 812 delegation, 979 Report of public inquiry, 525(4) to (6) MINORITY INTEREST **INVESTMENTS**

Minority Investment (Bank Holding Companies) Regulations, SOR/

MINORITY INTEREST **INVESTMENTS—Cont'd** 2001-402, 930, 936 Minority Investment (Banks) Regulations, SOR/2001-402, 468, 474 Permitted types, 468(4), 468(11), 474, 930(4), 930(11), 936 Restriction, 468(4), 930(4) MORTGAGE Exemption from related party transactions, **491(b) MOTOR VEHICLE** Defined, 464(1), 925(1) MUTUAL FUND DISTRIBUTION **ENTITY** Defined, 464(1), 925(1) Permitted investment, (3)(b), 468(2)(e), 522.08(1), 930(2)(e), 930(3)(b) Undertakings, 470, 932 MUTUAL FUND ENTITY Defined, 464(1), 925(1) Permitted investment, (3)(b). 468(2)(e), 522.08(1), 930(2)(e), 930(3)(b) Undertakings, 470, 932 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)

NAME—Cont'd Set out in contracts, 255, 531, 832 Unauthorized, 983(2) to (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, **SOR/2021-181**, 627.993 Constructive, **19**, 668 Of intention, **427**(4), **427**(5) Service on a bank, 968 NOTICE—Cont'd To bank, 462(2) Minister of National Revenue, 462(2.1), 579(2.1) NOTICE TO DIRECTORS AND SHAREHOLDERS Generally, 965, 967

OFFENCES AND PENALTIES Generally, 980 to 991 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)
Liability of directors and officers, 986

Limitation period, **987** Punishment, **985(1)**, **985(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 to 197, 783 to 784** Appointment of first, **45(1)(d)**, **700(1)(d)** Auditor, notice of errors, **332, 863** Auditor, report to, **328**

OFFICER—Cont'd Authority, 20, 669 Chief executive, 196, 783 Conflict of interest application to court, 206, 793 avoidance standards, 205, 792 disclosure, 202 to 206, 789 to 793 Defined, 2, (2), 265(1), 834 Director as, 197(2), 784(2) Disclosure of compensation, 639 Indemnity, 212 to 214, 799 to 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**, Call, **265(1)**, List of holders, **241**, Put, **265(1)**, Signature on, **86(2)**, To purchase shares, **69**,

ORDER FORM

Defined, 2 Security in, 83(3), 724

ORDERS

Adequacy of capital and liquidity, (4), 484.1, 485(3), 949(3), 949(4) Aggrieved by refusal of proposal, (3), 144(2), 733(2), 733(3) Appeal of, 990 Approving application for dissolution, 345(2), 869 **ORDERS**—Cont'd 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 to 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 to 352, 355, 357 to 359, 870 Derivative action, 335 to 336, 865 Disposition of shareholdings, 402 to 403, 915 to 917 Disgualification of auditor, 316(2), 848(2) Divestment, 480, 942 Domestic systemically important bank designation, 484.1 minimum capacity to absorb losses, 485(1.1) to 485(1.4) Effect, **462(1)** Election of director or auditor, 155, 744 Evidence of appointment or incumbency, 127(4), 724 Exemption from barring examination, 310(4), 842(4) foreign bank status, 12 prohibited transactions, 499 public holding requirement, 383 to 384, 891, 892 Exempt or adapt, to, 973.2 Extension of period, 29(8) Liability action against class, 363(3), 871 Limit on assets, 386, 388(3), 895, 897(3)

ORDERS—Cont'd Limit or prohibit growth or acquisition of assets, payments or purchases, 485(3.1), 485(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 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**, Defined, **2** In lieu of meeting, **152**, Removal of auditor, **317**, **ORGANIZATION AND** COMMENCEMENT Commencement of business, 48 to 58 First directors' meeting, 45, 700 First shareholders' meeting, 46, 701 **OSFI GUIDELINE B-20** Generally, 418 Regulations, SOR/2010-68, SOR/ 2010-69 Restriction on residential, 418, 551 **OVER-ISSUE** Defined, 81, 724 Securities not to be issued, 97, 724 **OWNERSHIP OF BANKS AND** BANK HOLDING **COMPANIES** Application for approval. 395 to 401.1, 905 to 921 Competition Act applies, 408, 921 Constraints on acquisitions, 373 to 380, 875 to 888 Constraints on registration, 379 to 384, 887 to 892 Crown and foreign governments, 401.2, 401.3, 913, 914 Cumulative ownership rule, 376.1, 376.2, 880, 881 Exceptions, 374(2) to 374.1, 381 to 383, 389, 876(2) to 876(6), 877, 889 to 891, 898 Exemptions, 380, 388, 888, 897 "Flutter rule," 382 "Grow-through" exception, 375, 878 Interest of securities underwriter, 404, 918 Limitations on shareholdings, 374, 375, 876 to 878 Loss of control, 393 to 393.1, 902 to 903 Ministerial direction, 402 to 403, 915 to 917

OWNERSHIP OF BANKS AND BANK HOLDING COMPANIES—Cont'd Obligation of widely held, 376 to 376.01, 879 to 879.1 Prohibitions against control, 377, 377.1, 378.1, 378.2, 882 to 883, 885 to 886 against significant interest, 376.1 to 376.2, 880 to 881 Public holding requirement, 372, 385 to 392, 874, 893 to 901 Regulations restricting, 474, 936 Schedule I bank, former, 378 Significant interest in, 372, 373, 380 to 384, 874, 875, 888 to 892 prohibitions, 376.1 to 376.2, 880 to 881 Tainting rule, 376, 876

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

PAYMENT CARD Disclosure of charges, SOR/2021-181, 627.89(3) Handling complaints, SOR/2021-181, (f), 157(2)(e) 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 PERMITTED CANADIAN ENTITY—Cont'd Defined, 507(1) Investment in, 522.08

PERSON As major owner, (11), 507(8) Defined, 2, 110 Prudent standard, 157(2)(g), 465, 465.1, 747(2)(d), 927, 927.1

PERSONAL DEPOSIT ACCOUNT Access to, 549 to 554 Defined, 627.01 Disclosure of charges, 1244 to 1247

PERSONAL REPRESENTATIVE Defined, 2

PILLAR 3 DISCLOSURE REQUIREMENTS Generally, 307 Procedures for, 157(2)(e) Regulations, 627.998 Related party transaction, 504 Report on, 612, 642 Status, 948(2) to (6)

PLEDGING See Security interest

PORTFOLIO LIMITS ON INVESTMENTS Generally, 475 to 479, 937 to 941

PORTFOLIO MANAGEMENT SERVICES See Investment services

POWERS See also Business powers Generally, **preamble**

PREFERRED SHARES See also Shares Authority to issue, **61**, **705**

PRESCRIBED Defined, 2 Regulation making authority, 978(a)

PRINCIPAL OFFICE

Change of, **535**(2), **535**(3) Defined, 2 Establishment of, **535**(1)

PRINCIPAL OFFICER

Appointment of, 536(1)Audit reports for, 595Defined, 2 Disqualification of, 617.1(4) to 617.1(7)Power of attorney of, 536(2)Removal of, 617.2Reports to, 595Vacancy of, 536(3)

PRIORITY

Insolvency, **369** Of Superintendent's claim, **655**

PROCESSING OF RECORDS Generally, 245, 822

PROPERTY See Real property

PROSPECTUS

Distribution, **273**, federal credit union, **273.1** Order of exemption, **274**, Requirements, Use of name in,

PROXY

Appointment of proxyholders, 156.02, 746 Contents of, (b), 156.04(1), 156.05(1)(a), 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 Restrictions on voting, 156.09, 746 Revocation of, 156.02(6), 746

PROXY—Cont'd 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, SOR/2021-181, 627.996 PUBLICATION See Canada Gazette **PUBLIC INQUIRY** On establishing an authorized foreign bank, 525(5) On incorporation of bank, 26(3)

PURCHASER

Rules, 26(5), 525(5)

Adverse claim notice, **105**, Bona fide, defined, **81**, Defined, **81**, Fiduciary duty notice, **106**, Security delivery, **119**, ownership, **120**, title of, **104**, warranty, **108**,

PUT

Defined, **265(1)**, **834** Insider trading of, **270(4)**, **834**

REALIZATIONS

Acquisition through, **473**, **935** Exception to, **466(3)**, **928(3)**

REAL PROPERTY

See also Real property brokerage entity Absolute title to, **434**, **555** Combined limit with equity, **478**, **940** Defined, **2** Limit of, **475**, **476**, **478**, **937** to **938**, **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, (3)(b), **468(2)(e)**, **522.08(1)**, **930(2)(e)**, **930(3)(b)** Undertakings, **470**, **932**

REAL PROPERTY INTERESTS VALUATION

Investment limits, **476**, **478**, **938**, **940**

RECEIVER

Power to act as, **410**(1)(g), **539**(1)(f) Prohibition on appointment of, **420**, **553**

RECIPROCITY WITH FOREIGN APPLICANTS Generally, 24, 396(3), 673, 906(3)

RECORDED ADDRESS Defined, 2

RECORDS

Access to creditors, **597(6)** directors, **239(4)**, **240**, **816(3)**, **817** **RECORDS**—Cont'd Access to-Cont'd 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), 597(5), 700(1)(b), 820 Location, 237, 239, 245, 597(2), 597(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 to 242, 817 to 819

REDEMPTION

Adjustment to capital, **77**, Director liability for, **207**(2)(a), **211**, **794**(2)(a), Of shares, **71**,

REGISTERED FORM Defined, 2

Security in, 83(4), 724

REGISTERED HOLDER Treatment of, 93, 724

REGULATION

Commissioner, **657 to 661** Prudential agreements, **614.1**, **644.1**, **959** Remedial powers, **615 to 626**, **645 to 656**, **960 to 964** asset maintenance, **617** directions of compliance, **615 to 616**, **645 to 646**, **960**, **961** supervisory intervention, **618 to 627**, **648 to 656**

REGULATION—Cont'd Superintendent, 600 to 626, 628 to 656 Supervision, 600 to 614, 628 to 644, 950 to 958 inspection, 613 to 614, 643, 644, 957, 958 returns, 600 to 612, 628 to 642, 950 to 956 REGULATIONS Access to basic banking services, SOR/2021-181, 627.17 Access to funds, SOR/2012-24 Activities banks, 627.998 Adequate capital and liquidity, 485(2), 949(2) Affiliated persons, SOR/92-325 Aggregate financial exposure, SOR/ 2001-363, 495.2 Aircraft objects, 436.1 Bank holding company proposal, SOR/2004-199, 678(1) Bank recapitalization (bail-in) issuance, SOR/2018-58, 485.01, 485(1.21) 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 Disclosure of cheque holding policy, SOR/2012-24 Disclosure of information re capacity of domestic systemically important bank to absorb

losses, 485.02

REGULATIONS—Cont'd Distributing bank or bank holding company, SOR/2006-303 Electronic documents, SOR/2010-239, 1003 Entity associated with a foreign bank, SOR/2001-376, 507(17), 521, 522.23 Entity member of group, SOR/ 2002-132 Equity limits, 467, 477 to 478, 929, 939 to 940 Equity of a bank or a bank holding company, SOR/2001-377, 978 Exchange rate, SOR/99-273 Exempt classes of foreign banks, SOR/2001-381, 14.2 Exempt debt obligation transactions (banks and bank holding companies), SOR/2001-382, 482(2), 944(2) Exemption from approval for certain investments in intragroup service entities, SOR/2010-238, 468(5) to (6), 522.22, 930(5), 930(6) Exemption from restrictions on investments, 474(a) and (b), SOR/2001-383, 522.23(b) Factoring entity, SOR/2001-387, 464(1), 925(1) Federal credit union conversion, SOR/2012-268 Finance entity, SOR/2001-388, 464(1), 507(1), 925(1) Financial leasing entity, SOR/2001-389, 464(1), 507(1), 925(1) Financial planning, **410(3)(b)** Foreign banks, 14.2, 522.23 to 522.24 Going-private transactions, SOR/ 2006-307 Guarantees, 414(3) Holding own shares, 70, 714, 716.1 Information processing activities, SOR/2001-391, 410(3), 539(3)

REGULATIONS—Cont'd Information services, 410(3), 539(3) Information technology activities, SOR/2003-62, SOR/2008-161, SOR/2008-168 Insider reports, SOR/2006-310, 834 Insider reports exemptions, 834 Insurance business, SOR/99-270, 416(3) Investment counselling and portfolio management services, 410(3)(b), 539(3)(b) Investment limits (bank holding companies), SOR/2001-392, 929, 941, 978 Investment limits (banks), SOR/ 2001-393, 467, 479, 978 Manner of calculation (foreign banks), SOR/2001-399, 978 Material banking group percentages, SOR/2008-163, 508(2) Meetings and proposals, SOR/ 2006-314 Minority investment, SOR/2001-401, SOR/2001-402, 468(5), 474, 930(5), 936 Mortgage insurance business, SOR/ 2010-68 Mortgage insurance disclosure, SOR/2010-69 Name use, SOR/2001-408, SOR/ 2001-409, SOR/2008-156, SOR/2008-158, 983 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, SOR/2000-53, SOR/2000-54, (6), 413(5), 545(3)

REGULATIONS—Cont'd Prescribed products, SOR/2011-100 Principal protected notes, SOR/ 2008-180 Prohibited activities respecting real property, SOR/2001-411, 510.1 Protection of assets, 978(g) Proxy, SOR/2024-150 Proxy (Banks and Bank Holding Companies) Regulations, 2023 (SOR/2024-150), 156.04(1), 746,978 Public accountability statements, SOR/2002-133 Public inquiry, SOR/99-276 Registered products, SOR/2011-99, 427(6)Registration of security, SOR/92-301, 427(6) Regulatory capital, SOR/92-531, 2, 938 to 940 Related party transactions, SOR/92-309 Representative office, 978 Resident Canadian, SOR/92-282 Retention of records, 247, 824 Sales or trades, SOR/2000-52, 540(6) Securities dealing restrictions, SOR/92-364, 415 Security certificate transfer fee, SOR/2001-426 Service charges, 627.998 Shared premises, SOR/2002-339, 413.3(4)(a) Specialized financing entity, SOR/ 2001-477, 464(1), 507(1), 925(1) Special security, SOR/92-301, 426, 427 Subsidiaries holding bank shares, SOR/92-313, 70(c), 714(c) Supervisory information, SOR/ 2001-58, SOR/2001-480, SOR/2001-481, 607, 637, 956

REGULATIONS—Cont'd Support orders and provisions, SOR/2002-264 Total assets, SOR/2001-436, 54.1(4), 386(3), 895(3) Use of information, 627.998 Use of name, SOR/2001-408, SOR/ 2001-409, SOR/2008-156, SOR/2008-158, 983

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), 473(5), 522.12(3), 522.15(2), 934(6), 935(4) for holding of temporary investments, 471(4), 522.14(2), 522.14(3), 933(3) Liabilities, transfer of all or substantially all, 236, 537 Liquidation, simple, 343 to 345, 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), 522.22(1)(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 to 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 to 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

RELATED PARTY TRANSACTIONS PERMITTED—Cont'd Borrowing of bank, 493 Deposits with direct clearer, **492** Directors' and officers' interests, 496, 497 Exemption by Superintendent, 499 Foreign bank subsidiary and its parent, SOR/92-309 Holding company transactions, 495.1 to 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 Generally, 334 to 338, 865

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**

RESIDENT CANADIAN—Cont'd

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, SOR/92-330, 416, 549 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

RETAIL DEPOSIT ACCOUNT -Cont'd

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**

SALE OF SUBSTANTIALLY ALL ASSETS

Agreement, Approval of Minister, Approval of shareholders, Approval of Superintendent,

SALES OR TRADES

In debt securities, **540(4)(b)**, **540(5)(b)** Regulations, **540(6)**

SANCTIONS See Offences and penalties

SCHEDULE I Amalgamation restriction, 223(2) Amending, 14(2), 14(3) Contents of, 14(1) Financial year, 307 Ownership, 372 to 401.3

SCHEDULE II Amending, 14(2), 14(3) Contents of, 14(1)

SCHEDULE III Amending, 14.1(2), 14.1(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 to 118, 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

SECURITY-Cont'd 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** Restrictions and constraints on. 88. 724 Sale of, 428, 431, 555 Scrip certificates, 91, 724 Seizure of, **124**, **724** Special, 426 to 428, 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**, Defined, **81**, Destruction of, **254**, Entitlement to receive, **85**, Exchange of, **29(6)**, **677(6)** Fee for issuance, **85(2)**, **724**, Fractional, **90**, **92(1)**, Joint holders of, **85(3)**, Minors, **94** Particulars of class, **89**, Restrictions on, **88**, Scrip, **91**, **92(2)**, Signature on, **86**,

SECURITY INTEREST

Defined, 2 In shares of the bank, **72(2)**, **716(2)** Related party transaction, **488(1)(d)**, **488(4)** Restriction on, **419**

SECURITY INTEREST—Cont'd Unperfected, 425 SELF DEALING See Related party **SEND** Defined. 2 SENIOR OFFICER Defined, 485.1, 646.1, 962 Disgualification 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, SOR/2021-181, 547 to 549 Set out in agreement, 627.89, 627.99 SERVICE ENTITIES Exemption from related party transactions, 495(3) Permitted investment, (d),

468(2)(c), 468(5)(c) Undertaking, 470

SERVICE ON A BANK, BANK HOLDING COMPANY OR AUTHORIZED FOREIGN BANK

Generally, 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)

SHAREHOLDER—Cont'd Approval amalgamation, 226, 806 by-laws, 188, 191, 217(2), 778, 802 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 to 192, 778 to 780 proposal to amend, 221, 802 Cumulative voting, 167, 168, 755, 756 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 to 242, 817 to 819 Major, 2.2 Minor, 94, 724 Notice, 137(3), 727(1), 965 Not personally liable, 18, 667 Powers, 153, 742 Proposal, 143, 144, 189, 732, 733, 779 Registered holder, 93, 724 Representative, 149, 738 Requisitioned meeting, 153, 742 Statement of director, 174, 175, 762,763 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 to 222, 802 Auditor's attendance at, 320, 852 Calling of, 137(1), 171(4), 726(1), 759(4) Cumulative voting at, 167, 168, 755, 756 Directors' election, 46(2)(b), 167 to 171, 755 to 759 Financial statements, 308, 840 First meeting, 46, 701 Meeting called by court, 154 to 156, 743 to 745 Notice of, 138 to 140, 727 to 729 Place, 136, 725 Quorum, 146, 147, 735, 736 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 to 242. 734. 817 to 819 Shareholder proposals, 732, 733, 1434 Special business, 141, 730 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 to 222, 705, 724,802 Common, 60, 704 Consideration for, 65, 709 Conversion into, 69, 78, 713, 721 Cross ownership on amalgamation, 224(3), 804(3)

SHARES—Cont'd 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, SOR/92-313, 70, 714, 716.1, 978(j) as of proclamation date by subsidiary, 74 as personal representative, 72(1), 716(1) as security interest, 72(2), 72(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, 717, 734 Reserved, 69(3), 713(3) Right to acquire, 284, 836 Series, 62, 217 to 222, 706, 802 Stated capital account, 66, 67, 710, 711 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)**

SOLICITATION ON BEHALF OF MANAGEMENT Defined, 156.01, 746 SOLICIT OR SOLICITATION Defined, 156.01, 746 SPECIALIZED FINANCING ENTITY Defined, SOR/2001-477, 464(1), 507(1), 925(1) Restricted investment in, 468(4)(d), 468(6), 468(7), 928(2), 930(4)(d), 930(6), 930(7) Undertakings, 470, 932 SPECIAL RESOLUTION Amalgamation, 226 to 227, 806 to 807 Amendments to certain bylaws, 217(2), 219, 220, 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 Power to take possession, (12), 427(3), 428(11), 555 Priority of, 428(1) to (6), 555

Registering against land, (4), 428(3), 555 Registration of notice of intention, 427(4) to 427(6), 555

SPECIAL SECURITY—Cont'd Regulations, SOR/92-301 Rights with respect to, 427(2), 428(12), 555 Sale on non-payment, 428(7) to 428(10), 555 Subordination of, 427(7), 555 Subordination of security, 428(13), 555 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**, Defined, **2**, Director's liability for issuance of, **207**, **211**, **794**, Priority on insolvency, Trust indenture, **294 to 306**,

SUBSIDIARY

See also Minority interest investments and Substantial investments Auditor, **329**, **860** Defined, **2**, **5** Foreign bank, **24** Holding bank holding company shares, **SOR/2001-433**, **714**, **716.1** Holding bank shares, **SOR/92-313**, **70**, **74** Interpretation, **5** Related party, **486**, **487(4)**

SUBSTANTIAL INVESTMENT

See also Minority interest investments Approvals, **468(5) to 468(6), 469,**

930(5) to 930(7), 931

SUBSTANTIAL INVESTMENT -Cont'd 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, 473, 522.15, 934, 935 Networking with, 411, 543 Permitted, 468(1), 468(2), 930(1), **930(2)** Related party, **486**, **495**(1)(c) Restrictions on, 466, 468(3), 468(4), 928, 930(3), 930(4) Temporary, 471, 481, 933, 943 Undertakings, 470, 932

SUNSET CLAUSE Generally, 21, 670

SUPERINTENDENT

Access to records, 470(4), 613(2), 643(2), 932(4), 957(2) Acting in concert, designated by, 9(4) 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 Applications to, 25, 525, 674, 976

SUPERINTENDENT—Cont'd Application to court, notice to, 144(4), 156, 214(2), 334(3), 338(2), 347(3), 733(4), 745, 801(2), 865, 870 Approval, see also Deemed approvals classes of shares, 62(5), 706(5) conditions. 973 investments, 468(6), 468(7), 930(6), 930(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 to 698 Asset maintenance, 617 Assets, taking control of, 619 to 626, 648 to 656 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 to 54, 534 Conditions on margin loans, 498 Conduct review committee, report of, 195 Control of authorized foreign bank, 619 to 624 Control of bank, 649 to 652 Defined. 2 Direction of compliance, 615 to 616, 645 to 646, 960 to 961, 989.2, 989.3 Directors, report of, 195(6) Director's meeting, 187, 777 Divestment order, 480, 942

SUPERINTENDENT—Cont'd 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 required to be filed, 600, 628, 950 Inquiry by, 614, 644, 958 Insider reporting, 266 to 269, 834 Intervention by, 619, 626, 648 to 656 Loan workouts/realization, 472, 473, 934, 935 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)

SUPERINTENDENT—Cont'd Notice of-Cont'd 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 to 338, 865 Remedial powers, 614.1 to 627, 644.1 to 656, 959 to 964 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 to 626, 628, 648 to 656 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 to 622, 624, 651, 652, 654 SUPERINTENDENT ATTENDANCE Generally, 320, 852

Voting, 148 to 151, 737 to 740

ATTENDANCE—Cont'd Waiver of notice, 142, 731 SUPERINTENDENT'S **DISCRETIONARY POWER** TO DESIGNATE Generally, 162.1 **TAKEOVER BID** Application to court, 289 to 291, 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 to 292,836 Use of bank name, SOR/2001-408 **TEMPORARY INVESTMENTS** Deemed temporary, 481, 943 Exemption for, 466(3), 928(3) 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 Generally, 81 to 135, 724 Defect in, 100, 724 Defined, 2 Duty to register, 126 to 127, 724

SUPERINTENDENT

INDEX

TRANSFER—Cont'd Fee for security certificate, 85(2), 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 Generally, 460, 577

TRUST AND LOAN COMPANY See Financial institution

TRUSTEE

Compliance with trust indenture, 302,838 Conflict of interest of, 297 to 299, 838 Defined, 294, 838 Duty of care, 305, 838 Evidence of compliance, **302 to** 303,838 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 to 303, 838

TRUST INDENTURE Application of, **295, 838** Compliance with, **302, 838** Defined, **81, 294, 724, 838**

TRUST INDENTURE—Cont'd Exemption for, 296, 838 Notice of default, 304, 838 Validity despite conflict, 298, 838 **ULTRA VIRES** Capacity, 15, 664 **UNAUTHORIZED** Defined, 81, 724 Endorsement, 117, 724 Name, 983(2) to (2.04) Signature, 101, 724 Use of "bank," "banker" or "banking," 983(2.1) to 983(2.11) UNCERTIFICATED SECURITY Defined, 81, 724 UNCLAIMED BALANCE Authorized foreign bank, 557 Exchange rate, 438(1), 557(1.1) Notice of, 558 Payment of, 438 UNCLAIMED MONEY Generally, 366, 367 **UNDERTAKINGS** Generally, 470, 932 **UNPERFECTED** Defined, 425 VALID Defined, 81, 724 VOTING Cumulative, 167, 168, 755, 756

Cumulative, **167**, **168**, **755**, **756** Restriction on, **156.09**, **746**

VOTING SHARE Defined, 2

WAGES Director's liability for, **210, 211, 797, 798**

WAREHOUSE RECEIPT Defined, 425 False statement in, 984

WARRANTIES

Of agent, **103**, Of guarantor of signature, **118**, Of intermediary, **108(3)**, Of pledgee, **108(4)**, Of securities broker, **108(5)**, To issuer, **108(1)**, To purchaser, **108(2)**,

WHISTLEBLOWING Generally, 979.1 to 979.4

WIDELY DISTRIBUTED Defined, SOR/2001-382, 482(2)(d)

WIDELY HELD

Defined, 2.3 Obligations, 376 to 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** WINDING-UP—Cont'd 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, 367

WTO MEMBER RESIDENT Defined, 2, 11.1