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**,

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,

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

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**

AUDITORS—Cont'd AUTHORIZED FOREIGN BANK Report to shareholders, 308(1)(b), -Cont'd 326, 840(1)(b), 858 Lending branch—Cont'd Revocation of appointment, 317, restriction on accepting bills of 587, 849 exchange, 540(1)(c), 540(5)Right to attend meeting, 320, 852 restriction on accepting deposi-Right to information, 324, 593, 856 tory bills, 540(1)(c), 540(5) Special audit, **592(6)** to (7) restriction on acting as agent, 540(1)(b) Special examination, 325(2), restriction on acting as guarantor, 592(5), 857(2) 540(1)(c), 540(5) Standards, 323(2), 592(2), 855(2) restriction on taking deposits, Statement re termination, 321, 590, 540(1)(a), 540(4) Payment system, participant in, 542 Vacancy, filling of, **319**, **589**, **851** Principal office Valuation of assets by Superintenchange of, (3), 535(2) dent, 485(5) defined, 2 **AUTHORIZED FOREIGN BANK** establishment of, 535(1) See also specific subject relating to Principal officer the authorized foreign bank appointment of, 536(1) defined, 2 defined, 618 disqualification of, 617.1 maintenance requirement, 582(1), removal of, **617.2** 617 reports to, 595 Authorization process of Records, 597 to 598 application procedure, 525 Remedial powers over name, other, 533 asset maintenance, 617 name, publication of, **531** directions of compliance, 615 to order permitting carrying on of 616 business in Canada, 524, Termination of business, 599 527, 528 Transfer of liabilities, 537 prohibitions of, **524.1** to **524.2** transition, 529 **BAIL-IN** Defined. 2 See also Capital, capacity to absorb Deposit requirements, 582 losses Financial year, 583 Designation of bank as domestic Full-service branch systemically important, 484.1 order establishing, 524(1) Regulations, 485, 485.01, 978 power to guarantee securities, TLAC. 485 541.1 **BANK** Lending branch See also specific subject relating to application of certain provisions, the bank 541(1) capacity of, 15 non-application of certain provisions, **541(2)** Charter of, 13 order establishing, 524(2) Defined, 2

BANK—Cont'd

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

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

BANK OF CANADA—Cont'd

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,

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**

Conditions for accepting, **429**(1), **555**

Defined, 425, 555

False statement in, 984

BILL OF LADING—Cont'd

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)

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

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),

BUSINESS POWERS—Cont'd 539(3)(b), 922(1)(a)

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 Opt out, 413

CANADA GAZETTE

Alternative to, 972 Amalgamation, 228(2), 229(3), 808(2), 809(3)

CANADA GAZETTE—Cont'd

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** Corporate powers, **15**, **664** Duration of business, **21**, **670**

CAPITAL

See also Common shares, General market risk, Preferred shares,

CAPITAL—Cont'd

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-

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

Priority on insolvency, 369

Requirement to maintain assets on, 582

Transmission in case of death, **460**, **577**

CDIC COVERAGE—Cont'd

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

Disclosure of information by, **658(2)**

Examination of banks, 659(1)

COMMISSIONER—Cont'd

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,

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)**

CONDUCT REVIEW

COMMITTEE—Cont'd

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),

strai securities register, 248(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)

Records of, 88(3), 238(3), 724

Stated capital account, 67, 711

CONTINUANCE—Cont'd

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**

head office and corporate records, 237 to 247, 814 to 824

CORPORATE GOVERNANCE CORPORATE GOVERNANCE —Cont'd -Cont'd Corporate records, 237 to 306, 814 Fundamental changes, 215 to 236, to 838—Cont'd 802 to 813 insider reporting, 265 to 269, 834 amalgamation, 223 to 231, 803 to insiders, 265, 834 amendments, 215 to 222, 802 insider trading, 270, 834 proxies, 156.01 to 156.08 transfer of business, 232 to 236, securities registers, 248 to 254, 825 to 831 Shareholders, 136 to 156, 725 to 745 trust indentures, 294 to 306, 838 proxies, 156.01 to 156.08, 746 Directors and officers, 157 to 214, 747 to 801 CORPORATE NAME authority, 196 to 201, 783 to 788 See Name by-laws, **188 to 192, 778 to 780** CORPORATE RECORDS committees of the board, 193 to 195, 781, 782 See Records conflicts of interest, 202 to 206, CORPORATE SEAL 789 to 793 Necessity, 256, 833 duties, 157, 158, 747, 748 election and tenure. 165 to 169. COST OF BORROWING 753 to 757 Additional disclosure, SOR/2021election or appointment, 165.1 181 incomplete elections and director Calculation of, SOR/2021-181, vacancies, 170 to 179.1, 758 627.9 to 768 Complaint handling, SOR/2021liability, exculpation and indemnification, 207 to 214, Deposit accounts, SOR/2021-181 794 to 801 Disclosure of, SOR/2021-181, meeting of the board, 180 to 187, 627.89(1) 769 to 777 **COURT** qualification and number, 159 to See also Orders 164, 749 to 752 Action for recovery of capital, 76, Financial statements and auditors, 719 307 to 369, 839 to 871 Appeals to, **977**, **990** annual financial statement, 307 to refusal of shareholder proposal, 312, 839 to 844 144, 733 auditors, 313 to 333, 845 to 864 remedial action, 334 to 338, 865 court-supervised liquidation, 347 to 360, 870 Application for general, 361 to 369, 871 disqualifying auditor, 316(2), 848(2) liquidation and dissolution, 339 to 341, 866 to 868 dissenting offeree, 289, 836 failure to disclose interest, 206, remedial actions, 334 to 338, 865 793 simple liquidation, 342 to 346, 869 indemnity, 214, 801

COURT-Cont'd

Application for—Cont'd 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(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

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**

DEEMED APPROVALS—Cont'd DIRECTORS—Cont'd Related party transactions—Cont'd Approval of certain transactions, of nominal value, 490, 976 497 with financial institutions, 494(3), Attendance, statement of, 186(2), 976 776(2) Security interest, 72(2), 716(2), 976 Audit committee, 194, 782 Self dealing, exemption from, Auditor 487(2)(a)(vi), 976 filling vacancy, 317(3), 319, Shares 849(3), 851 purchase of, 71(1), 715(1), 976 notice of errors, 332, 863 redemption of, 71(1), 715(1), 976 providing information to, 324(2), Solicitation of proxies by dissidents, 856(2) exemption from, 156.05(3), Authority of, **20, 669** 746, 976 By-laws Substantial investment, 468(6), general, 188 to 192, 778 to 780 930(6), 976 proposal to amend, 221, 802 **DELEGATE** Ceasing to hold office, 172, 174, 760, 762 Defined, 2 Committees, 193, 781 **DELIVERY** Conduct review committee, 195 Constructive, 119, 724 Conflict of interest Defined, 81, 724 application to court, 206, 793 General, 119 to 121, 724 avoidance standards, 205, 792 Right to compel endorsement, 109, disclosure of, 202, 204, 789, 791 voting rights, 203, 790 **DEPOSITS** Court to resolve dispute in election, See also Accounts, Personal deposit 155, 156, 744, 745 account and Service charges Cumulative voting for, 167, 168, Acceptance of, **437**, **556** 755, 756 Agreement, 582(2) Defences, due diligence and good faith, 211, 798 **DERIVATIVES** Defined, 2 Disclosure requirement, 157, 415.2, Delegation, limitation of, 198, 785 465, 465.1, 536 Disclosure of interests, 202 to 206, Regulations, 415.2 789 to 793 Sound practices, 157, 415.2, 465, Disqualification or removal, 647.1 465.1, 536 Disqualified person, 160, 172, 750, DIRECTORS Due diligence defence, 211, 798 See also Directors' meeting Duty of care, 158, 748 Additional, 179.1, 768 Duty to manage, 157, 747 Affiliated restriction, 162 to 163 Election Appointment of officers, 196, 197, court review, 155, 744 783, 784

Approval, annual statement, 309

cumulative voting for, 168, 756

DIRECTORS—Cont'd DIRECTORS—Cont'd Election—Cont'd Shareholder meetings incomplete, 170 to 171, 758 to calling of, 137, 153, 726, 742 759 right to attend, 201, 788 re-election, 169, 757 Statement by, 174, 175, 762, 763 void, 170 to 171, 758 to 759 auditor's report, 327, 859 Election of, 46(2)(b), 167 to 169, Statement of attendance, 186(2), 755 to 757 776(2) Election or appointment, **16.5** Term of, 47, 166, 172, 173, Employee restriction, 164, 752 179.1(2), 754, 760, 761 First, 31, 47, 680, 702 Unaffiliated, 163 included in application for Undue preference to creditor, 981 incorporation, 25(1), 674 Vacancies, 176 to 179, 764 to 767 Indemnification of, 212 to 214, 799 Validity of acts, 200, 203(3), 787 to 801 Void election, 159(2), 163(1), 164, Insurance, 213, 800 170, 171, 749(2), 752, 758, Investment standards, 465, 927 application, 465.1(2), 927.1(2) Winding-up proposal, 343, 869 limit, 465.1(1), 927.1(1) Written resolutions, 184.1, 774 Liability, 158, 207 to 211, 748, 794 **DIRECTORS' MEETING** to 798, 986 Adjourned, 181(3), 770(3) List to Superintendent, 951 Attendance, statement of, 186(2), Margin loans, 498 776(2) Minimum number, 159, 217(1)(i), Conflicts of interest, 202 to 206, 749, 802 789 to 793 Nominations, 143(4), 732(4) Dissent of director, 185, 775 No shareholder requirement, 161, Dividend declaration, 79, 722 751 Electronic meeting, 184, 773 Notice to. 965 First meeting, 45, 700 Notification to Superintendent, 632, Meeting required by Superintendent, 187, 777 Number of, 159(1), 165, 168, Minimum number of meetings, 180, 217(1)(i), 749(1), 753, 756, 769 802 Notice of, 180(3), 181, 770 Powers suspended, 649 Place of, 180, 769 Related party, 496 Ouorum, 182, 771 Reliance on information, 406, 920 Record of attendance, 186, 776 Removal of, 173 to 175, 647.1, 761 Required, **180**(1) to 763 Resident Canadian majority, 183, Remuneration of, 191, 199, 786 772 Residency requirement, 159(2), Resolutions 749(2) outside of meeting, 184.1, 774 Resignation of, 172, 760 Right to attend, 201, 788 Share certificate, signature on, Statement of attendance, 186(2), 86(1)(a), 724 776(2)

DIRECTORS' MEETING—Cont'd

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**

Custody of records after, 368, 871

DISSOLUTION—Cont'd

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**

FEDERAL CREDIT UNION

Registration of security interest, -Cont'd 427(4)(b) Amalgamation, 223(1.1) to Transmission on death, 460 223(1.3), 224, 226—Cont'd members, 226.1 EVIDENCE OF APPOINTMENT notice, 228(4) **OR INCUMBENCY** special resolution, 234(4) Defined, 127(4) Auditors **EXEMPT** appointment, 314 Classes of foreign banks, regulaexamination by, 323 tions, 14.2 notice of errors, 332(3)(b) Debt obligation transactions, report by, 326, 327 regulations, 482, 944 revocation of appointment, 317, 318(1)(b) EXTERNAL COMPLAINTS **BODY** right to attend meetings, 320 Approved by the Minister, 627.48 special examination, 323 Defined. 2 By-laws Designated by the Minister, 627.51 amendments, 192.04 deemed, 192.08 **FACTORING ENTITY** effective date. 192.05 Defined, 464(1), 645, 925(1) mandatory provisions, 192.01 to Restricted investment in, 468(4)(c), 192.03 468(5)(b), 468(6), 468(7), 522.22(1), 930(4)(e), Central securities register 930(5)(b), 930(6), 930(7) access to, 248(3) **Undertakings**, **470**, **932** Conflict of interest director, duties, 205 **FEDERAL** Control. 3 Appeal to, 977 powers of, 977(2) definitions, 2 Jurisdiction, 335(2), 865 guidelines, 3 Powers of, 208, 291, 335, 338, 349, prohibition, 377.2 359, 795, 836, 865, 870 Conversion to bank with common Review shares, 216.08 to 216.14 election of director or auditor, continuance, 33(3), 33(4), 34(1), 155 to 156, 744 to 745 34(1.1), 35.1, 35(1), 38 Shareholder meetings Conversion to federal credit union, calling of, 154(1), 156, 743(1), 216.01 to 216.14 745 Co-operative, 12.1, 12.2, 27(h), vary quorum, 154(2), 743(2) 27(i), 53(2) Winding-up, 347 to 360, 870 derivative action, 335(1)(c) FEDERAL CREDIT UNION Defined, 2 Amalgamation, 223(1.1) to Director meeting, 183.01 223(1.3), 224, 226 member approval, 234, 235 first, 47.01, 47.02

EVIDENCE—Cont'd

FEDERAL CREDIT UNION	FEDERAL CREDIT UNION
—Cont'd	—Cont'd
Directors	Membership, 47.03 to 47.19
annual financial statement, 308,	expulsion, 47.06
311, 332(3)(b)	first meeting, 47.02 , 52 (1)(a)
as members, 159.1	first members, 31.1
minimum number, 159.1	withdrawal and termination,
cumulative voting, 168.1	47.05
disqualified person, 160	Membership capital, 79.1 to 79.6
limits on power to delegate,	Membership share, 8(1.1), 8(3)
198.1	definition, 2 Name, 40, 40.1
nomination, 141.1	use of, 983
number of, 165(2)	Networking
removal of, (2.1), 173(1.1)	transitional exception, 231(2)
statement by, 175(2)	Organizational meeting, 47.01
vacancy, 176(2)	Patronage allocation
Discontinuance, 39.2, 39.3	definition, 2
Financial statements	Regulations, voting by mail, 151(6)
annual, 308	Requisitioned meeting, 153(1.1)
General provisions, 47.11 to 47.19	Shares, 60.1 , 401.11
Holding membership share, 7.1	cancellation, 73(1)
Incorporation, 22(2), 31.1	conversion, 77(5)
Letters patent, 28(1)(a.1), 35.1	conversion regulations, SOR/
transitional exception, 231	2012-268
Liability, members, 18(2)	designation, 60.2
Liquidation	effective date, 62(1.1)
distribution of money, 359	membership, 79.1
final accounts, 357	personal representative, 72(1)
simple, 342 to 346	purchase and redemption, 71
Major shareholder, 2.2	restriction on voting rights, 392(1)(a.1)
Meetings, shareholders, 46	significant interest, ministerial
notice, 138, 141.1	approval not required, 382.1
proposal, 143 (1), 144.1 , 144.2	stated capital account, 66(1.1),
Member 214	66(3.1), 75(1.1)
appointment of auditors, 314	Substantial investment, 10(1),
definition, 2	10(3.1), 10(3.2), 10(4.1)
list, 145(1.1), 145(2.1)	Superintendent
powers suspended, 649(1)	control of federal credit union,
quorum, 146(2)	649
register, 2, 254.1 to 254.6, 970(2)	FEDERATION OF
register location, 254.4	COOPERATIVE CREDIT
voting rights, 47.13	SOCIETIES
Member right to vote, 9.1, 9.2	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,

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—Cont'd **FINTECH** Main, 409 Generally, 410, 411, 468, 522.08, 543 Managing business, 410(1)(c.2), Business powers, 410, 411, 543 410(3), 539(1)(b.3), 539(3), 922(1)(b) Grandfathered, 483, 945 Networking, 411, 543 Guarantees, 541.1 Identification services, 410(1)(g), Permitted, 468 to 469, 522.04. 522.07 to 522.09, 930 to 931 539(1)(g) Indirect by foreign bank, 522.11 to undertakings, 470, 932 522.13 Prudent person standard, 157(2)(g), Information 465, 465.1, 581, 747(2)(d), collecting, manipulating and 927, 927.1 transmitting, (iv), Real property, holding or managing, 410(1)(c)(i), 410(3). 410(1)(a), 539(1)(a) 539(1)(b.1)(i), 539(3), Receiver, 410(1)(g), 539(1)(f)922(1)(b) Related party transaction, 488(1)(b) management systems, (iv), Restriction on control and 410(1)(c)(ii), 410(3), substantial, 466, 468(3)(d), 539(1)(b.1)(ii), 539(3), 928, 930(3)(d) 922(1)(b) Sequestrator, 410(1)(g), 539(1)(f)platforms, portals and sites, Special security, 425 to 436.1, 555 410(1)(c.1), 410(3)(c), Standards, 157(2)(g), 465, 465.1, 539(1)(b.2), 539(3) 581, 747(2)(d), 927, 927.1 Interest and charges Subsidiaries permitted, 468, 930 accounts, SOR/2021-181 Temporary, 471, 481, 522.14, 933, borrowing costs, SOR/2021-181, 943 627.89(1)(a) Ticket sales, 410(1)(e), 539(1)(d)complaints, SOR/2021-181 Verification services, 410(1)(g), Investment 539(1)(g) acquiring, holding and administering, 922(1)(a) FIRM OF ACCOUNTANTS counselling services, 409(2)(c), Defined, 313, 584, 845 410(3)(b), 538(2)(c), 539(3)(b) FOREIGN BANK portfolio management services, See also Authorized Foreign Bank, 409(2)(c), 410(3)(b), Entity associated with a 538(2)(c), 539(3)(b), 922(1) foreign bank and Non-bank Investments, 468, 522.08 affiliate of a foreign bank Limits Application of Part XII, 508 aggregate, 478, 940 Approval by Minister, 522.22 on equity acquisitions, 477, 939 Approval requirement, 522.21 on portfolio limits, exclusion As major owner, **507(9)**, **507(12)** from, 475, 937 Associated with, 507(2), 507(3) on real property interests, 476, 938 Branch Liquidator, 410(1)(g), 539(1)(f) bank, 522.16

FOREIGN BANK—Cont'd FOREIGN BANK—Cont'd Financial establishment in Canada, Branch—Cont'd commercial, 522.05, 522.19, having or resulting in-Cont'd 522.22(1)(h) permitted investments when approved-Cont'd insurance, 522.17 limited commercial entity, leasing, **522.06** 522.09, 522.22(1)(g) Carrying on business in Canada, non-financial institution prohibition, 510 providing financial serdeemed to, 510(2) vices, (c), (d), exceptions to, 510.1, 510(4), 522.08(1)(a), 510(5), 511 to 514 522.22(1)(c) Change of status, 516 prescribed Canadian entity, Deemed to 522.08(1)(f), 522.22(1)(e) control by, **507(6)** prescribed financial services major owner, **507(12)** entity, 522.08(1)(f), substantial investment by, 507(4) 522.22(1)(e) Defined, 2, 507(1.1) provincially regulated financial institution, 468(g) to (i), Entity associated with, 507(2), 507(14), 522.07, 507(3) 522.22(1)(a) Exempt classes of, 14.2 Financial establishment in Canada, specialized financing entity, (16), 507(15), 522.21522.11(1) Financial establishment in Canada, temporary investment in Canahaving or resulting in dian entity, **522.1(b)**, 522.14 obligation to be approved, 522.21 temporary investment in permitted activities when financial services entity, approved 522.1(b), 522.14 branch operations, 516 to 517.1, 522.16 to 522.19, Financial establishment in Canada, having or resulting in, (regard-522.22(1)(h) less of designatability) cooperative credit society, 522.18, 522.22(1)(f) permitted investments dealing in securities, 522.18, Canadian entity of a FRFI or 522.21(2)(b), 522.22(1)(f) its holding company, 468(1)(a) to 468(f), permitted investments when 522.11 approved financial intermediary, FRFI or its holding company, 468(1)(a) to 468(f), 507(14), 522.08(1)(a), 522.07 522.22(1)(b) indirect investment, 522.11 to information technology ser-522.13 vices entity, **522.08(1)(f)** investment holding entity, loan workout, as a result of, 522.08(1)(b) 522,15 investment in trustee of a trust, security interest, as a result of 522.08(2.1) realization, 522.15

FOREIGN BANK—Cont'd FOREIGN BANK—Cont'd Financial establishment in Canada, Permitted activities (regardless of having or resulting in, (regardfinancial establishment and less of designatability) approval)—Cont'd —Cont'd head office, 522(b), 522.03 permitted investments—Cont'd private telephone services, 512 temporary investment in other quotes, 512 than financial services real property, hold, manage or entity, 522.1(b), 522.14 deal with. 510.1 Grandfathered, **522.29 to 522.33** representative office, mainte-Head office in Canada nance of, **522(a)** business conducted from, 522.03 Prohibitions on, **510**, **518**(1), **520**(1) permitted, 522(b) Representative office in Canada Minister's approval, 522.22, 522.27 cancellation of registration, No financial establishment in Can-522.02 ada, and avoiding to have, examination of, 522.01 (regardless of approval) operating, 522 permitted activities permitted, 522(a) branch, 522.2, 522.05 Statements and returns, 522.27 carrying on limited com-Subsidiary of, 24 mercial business, 522.2, permission to, 55 522.05 leasing, 522.2, 522.06 FOREIGN BANK BRANCH permitted investments See Authorized Foreign Bank financial services entity, not a major owner of, 522.2, FOREIGN COOPERATIVE 522.04 **CREDIT SOCIETY** FRFI or its holding company, Defined, 507(1) not a major owner of, FOREIGN INSTITUTION 522.2, 522.04 Defined, 2, 370(1), 873 non-financial services entity, 522.2, 522.04 FOREIGN INSURANCE provincially regulated financial **COMPANY** institution, not a major Defined, 507(1) owner of, 522.2, 522.04 Non-bank affiliate FOREIGN SECURITIES DEALER borrowing from public, 519.1, Defined, 507(1) 520.1 FORM OF PROXY prohibited activities, 519 Defined, 2 Order exempting, 12 Permitted activities (regardless of FRACTIONAL CERTIFICATE financial establishment and Certificates for, 90, 724 approval) Conditions on, 91, 724 automatic teller machine, use of, Rights of holder, 92(1), 724 510(1)(c), 511, 513,

Signature on, 86(2), 724

522.22(1)(i)

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 SHARES

Generally, 370(1), 401.2, 401.3

Restrictions on, 414, 540(1)(c), 923

GUARANTEE

Defined, 2 Issuer of security, 84, 724 Of loan by parent, 485 Power to, **541.1** Related party transaction, 488(1)(a)

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, 674 Cessation of existence, 57 Contents of letter patent, 28, 676 Effective date, 32, 681

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), **746**Defined, **156.01**, **746**Duties, **156.07**, **746**Duty to beneficial holder, **156.07**(1), **746**Instructions to **156.07**(5), **746**

Instructions to, **156.07(5)**, **746** Rights of, **156.07(8)**, **746**

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

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

Duties, 353(1), 870

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

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,

Vacancy, 352, 870

366

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)

MEETINGS—Cont'd MAJOR SHAREHOLDER Director, 180, 769—Cont'd Interpretation, 2.2 resident Canadian majority, 183, Prohibition on being, 374, 876 772 MANAGEMENT PROXY resolution, 184.1, 774 **CIRCULAR** right of Superintendent to call, Director's statement, 175(1), 763(1) 187, 777 Shareholder proposal, 143 to 144. validity of acts, 200, 787 732 to 733 waiver of notice, 181(2), 770(2) Solicitation of proxies, 156.04, Shareholder 156.05, 746 approve bylaws, 46(2)(a), 701(2)(a) MANAGING BUSINESS auditor attendance, 320, 852 Power relating to, 410(1)(c.2), auditors' appointment, 46(2)(c), 539(1)(b.3), 922(1)(b) 701(2)(c) regulations on, 410(3), 539(3) calling of, 46, 137, 153(3), 154, **MARGIN LOANS** 171(4), 701, 726, 742(3), Exemptions: related party transac-743, 759(4) cumulative voting, 167 to 168, tion, 496(3)(b) 755 to 756 Superintendent conditions upon, 498 directors' election, 46(2)(b), 170 to 171, 758 to 759 MATERIAL CONTRACT location, 136, 725 Disclosure of interest in, 202 to notice, 138 to 141, 727 to 730 206, 789 to 793 order to delay calling, 726(2) Review by conduct review commitparticipation by electronic means, tee, 195(3)(c) 725(2) proposal, 143 to 144, 732 to 733 MATERIAL PERCENTAGE quorum, 146 to 147, 735 to 736 Regulations, 508(2) request for, 153, 742 **MEETINGS** resolution in lieu of, 152, 741 Auditor, 320, 852 right of directors to attend, 201, Director, 180, 769 adjourned, 181(3), 770(3) single shareholder, 147, 736 attendance, 186, 201, 776, 788 special business, 141, 730 calling of, **45(2)**, **700(2)** superintendent attendance, 320(4), 852(4) dissent, 185, 775 voting, 148 to 151, 737 to 740 electronic, **184**, **773** waiver of notice, 142, 731

MEMBER

Defined, 2

925(2)

MEMBERSHIP SHARE

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

first, 45, 700

notice, 181, 770

quorum, 182, 771

782

place of, 180(2), 769(2)

minimum number of, 180, 769

required by audit committee, 194,

MEMBERS REGISTER MINORITY INTEREST INVESTMENTS—Cont'd Defined, 2 2001-402, 930, 936 MINIMUM BALANCE Minority Investment (Banks) Generally, **627.17(4)** Regulations, SOR/2001-402, 468, 474 **MINISTER** Permitted types, 468(4), 468(11), Agreement 474, 930(4), 930(11), 936 significant interest, 393, 393.1, Restriction, 468(4), 930(4) 902, 903 Appeal to dissolve, 345, 869 MORTGAGE Approval, see Regulatory approvals Exemption from related party Defined, 2 transactions, 491(b) Delegation of power, 979 MOTOR VEHICLE Directions, 402 to 403, 915 to 917, Defined, 464(1), 925(1) 977 Incorporation MUTUAL FUND DISTRIBUTION factors considered, 27, 526, 675 **ENTITY** minimum capitalization, 46(1) Defined, 464(1), 925(1) objections, 26(2) Permitted investment, (3)(b), subsidiary of a foreign bank, 24, 468(2)(e), 522.08(1), 55(1) 930(2)(e), 930(3)(b) Issue of letters patent, 22, 28(3), 35, Undertakings, 470, 932 39, 46(1), 229, 231, 671, MUTUAL FUND ENTITY 676(3), 684, 688, 809, 812 Defined, 464(1), 925(1) Order Permitted investment, (3)(b). disposition of shareholdings, 402, 468(2)(e), 522.08(1), 915 930(2)(e), 930(3)(b) exemption from foreign bank Undertakings, 470, 932 status, 12(1) exempt or adapt, to, 973.2 **NAME** limitation on assets, 54.1, 382 to Affiliated entities, 41, 694 388, 890 to 897 Change of, 217(1)(i.1), 217(3), 802 record, 597 letters patent, **215**, **216** short term, **973.1** Corporate seal for, 256, 833 Ownership of bank holding Direction to change, 44, 532, 698 companies, 875 to 918 Domain name, 983(2) Ownership of banks, 372 to 401.3 English and French form, 42, 696 Powers of. 231, 812 Improper use of, 983 delegation, 979 Offence for wrongful use, 983 Report of public inquiry, 525(4) to Prohibited, 40, 530, 693 **(6)** Publication, **531**, **832** Punishment, 985 MINORITY INTEREST **INVESTMENTS** Reserved, 43, 697 Restriction on, 695 Minority Investment (Bank Holding

Revoking, 44(2)

Companies) Regulations, SOR/

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,

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

Appointment of first, 45(1)(d), 700(1)(d)

Auditor, notice of errors, 332, 863 Auditor, report to, 328

OFFICER—Cont'd ORDERS-Cont'd Authority, 20, 669 Approving indemnity of directors Chief executive, 196, 783 and officers, 214, 801 Conflict of interest Authorizing carrying on of business application to court, 206, 793 application for, 525 avoidance standards, 205, 792 contents of order permitting, 527 disclosure, 202 to 206, 789 to matter for consideration, 526 793 Commencement of business, 48 to Defined, 2, (2), 265(1), 834 58, 534 Director as, 197(2), 784(2) Compliance with Act, **985(2)**, **989** Disclosure of compensation, 639 Compulsory acquisitions, 291, 836 Indemnity, 212 to 214, 799 to 801 Contribution, 208(3), 795(3) Insurance, 213, 800 Court enforcement, 646, 961 Liability, 986 Court-supervised liquidation, 347 to Margin loans, 498 352, 355, 357 to 359, 870 Powers of Derivative action, 335 to 336, 865 suspended, 649 Disposition of shareholdings, 402 to Related party, 496 403, 915 to 917 Reliance on information, 406, 920 Disqualification of auditor, 316(2), Remuneration, 199, 786 848(2) Share certificate, signature on, Divestment, 480, 942 86(1)(a), 724 Domestic systemically important Undue preference to creditor, 981 bank Validity of acts, **200**(1), **787**(1) designation, 484.1 minimum capacity to absorb **OPTIONS** losses, 485(1.1) to 485(1.4) As dividend, **79, 722** Effect, 462(1) Call. 265(1), 834 Election of director or auditor, 155, List of holders, 241, 818 744 Put, 265(1), 834 Evidence of appointment or Signature on, 86(2), 724 incumbency, 127(4), 724 To purchase shares, 69, 713 Exemption from **ORDER FORM** barring examination, 310(4), Defined. 2 842(4) Security in, 83(3), 724 foreign bank status, 12 prohibited transactions, 499 **ORDERS** public holding requirement, 383 Adequacy of capital and liquidity, to 384, 891, 892 (4), 484.1, 485(3), 949(3), 949(4) Exempt or adapt, to, 973.2 Extension of period, 29(8) Aggrieved by refusal of proposal, Liability action against class, (3), 144(2), 733(2), 733(3)Appeal of, 990 363(3), 871 Approving application for dissolu-Limit on assets, 386, 388(3), 895,

897(3)

tion, 345(2), 869

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, 778 Defined, 2 In lieu of meeting, 152, 741 Removal of auditor, 317, 849

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

PRIORITY

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

PROCESSING OF RECORDS

Generally, 245, 822

PROPERTY

See Real property

PROSPECTUS

Distribution, 273, 835 federal credit union, 273.1 Order of exemption, 274, 835 Requirements, 273 Use of name in, 983

PROXY

Appointment of proxyholders, 156.02, 746 Contents of, (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)
Rules, 26(5), 525(5)

PURCHASER

Adverse claim notice, 105, 724
Bona fide, defined, 81, 724
Defined, 81, 724
Fiduciary duty notice, 106, 724
Security
delivery, 119, 724
ownership, 120, 724
title of, 104, 724
warranty, 108, 724

PUT

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

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, 720
Director liability for, 207(2)(a), 211, 794(2)(a), 798
Of shares, 71, 715

REGISTERED FORM

Defined, 2 Security in, 83(4), 724

REGISTERED HOLDER

Treatment of, **93**, **724**

REGULATION

Commissioner, 657 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**

Form of proxy (banks and bank holding companies), **SOR/ 2001-390**, **156.04**(1), **746**, **978**

Going-private transactions, SOR/ 2006-307

Guarantees, 414(3)

REGULATIONS—Cont'd

Holding own shares, **70**, **714**, **716.1** Information processing activities,

SOR/2001-391, 410(3), 539(3) 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

REGULATIONS—Cont'd

Prescribed deposits, SOR/2000-53, SOR/2000-54, (6), 413(5), 545(3)

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/2001-390

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,**

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

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

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, 232 Approval of Minister, 236 Approval of shareholders, 234 Approval of Superintendent, 233

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, 724
Defined, 81, 724
Destruction of, 254, 831
Entitlement to receive, 85, 724
Exchange of, 29(6), 677(6)
Fee for issuance, 85(2), 724, 1861
Fractional, 90, 92(1), 724
Joint holders of, 85(3), 724
Minors, 94
Particulars of class, 89, 724
Restrictions on, 88, 724
Scrip, 91, 92(2), 724
Signature on, 86, 724

SECURITY INTEREST

SECURITY INTEREST—Cont'd

Unperfected, 425

SELF DEALING

See Related party

SEND

Defined. 2

SENIOR OFFICER

Defined, **485.1**, **646.1**, **962**Disqualification or removal of, **647.1**, **964**

SEQUESTRATOR

Power to act as, 410(1)(g), 539(1)(f)

SERVICE CHARGES

See also Cost of borrowing
Disclosure of rate increases or new
charges, 566, 627.72, 627.93
Disclosure to borrower, 627.89,

627.992 Disclosure to customers and public,

Part XII.2
Handling complaints, SOR/2021181, 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	SHAREHOLDERS' MEETING
Approval	Approval of by-laws, 217(2) , 218 to
amalgamation, 226 , 806	222, 802
by-laws, 188, 191, 217(2), 778,	Auditor's attendance at, 320, 852
802	Calling of, 137(1), 171(4), 726(1),
sale, 234, 813	759(4)
status of, 336, 865	Cumulative voting at, 167 , 168 , 755 , 756
Attendance at directors' meeting,	Directors' election, 46(2)(b) , 167 to
186, 776	171, 755 to 759
Auditor's statement, 321, 853 By-laws	Financial statements, 308, 840
amendment, 217, 802	First meeting, 46 , 701
general, 188 to 192, 778 to 780	Meeting called by court, 154 to
proposal to amend, 221, 802	156, 743 to 745
Cumulative voting, 167 , 168 , 755 ,	Notice of, 138 to 140, 727 to 729
756	Place, 136 , 725
Defined, 7 , 361 , 871	Quorum, 146 , 147 , 735 , 736
Director vacancy, 176, 764	Record date, 137, 726
Disposition of shareholdings, 402 ,	Requisitioned meeting, 153 , 742 Resolutions in lieu of meeting, 152 ,
915	741
Interpretation, 7	Right of director to attend, 201 , 788
Joint, 150 , 739	Shareholder list, 145 , 240 to 242 ,
Joint holders, 95, 724	734, 817 to 819
Liability, 18 , 363 , 871	Shareholder proposals, 732 , 733 ,
List, 145 , 240 to 242 , 817 to 819	1434
Major, 2.2	Special business, 141 , 730
Minor, 94 , 724	SHARES
Notice, 137(3), 727(1), 965	See also Common shares, Foreign
Not personally liable, 18, 667	bank, Security and Security
Powers, 153 , 742	certificates
Proposal, 143, 144, 189, 732, 733,	Acquisition, subsidiary, 72.1
779	Approval of certificate, 45(1)(b), 700(1)(b)
Registered holder, 93, 724	Authorizing issuance, 45(1)(c), 59,
Representative, 149, 738	207, 211, 700(1)(c), 703, 794,
Requisitioned meeting, 153 , 742	798
Statement of director, 174, 175,	Cancellation, 73 , 717
762, 763	Classes of, 61 , 89 , 217 to 222 , 705 ,
Voting rights, 218, 226, 234, 802,	724, 802
806, 813	Common, 60 , 704
restriction, 156.09 , 392 , 746 , 901	Consideration for, 65 , 709
Winding-up	Conversion into, 69 , 78 , 713 , 721
proposal, 343, 869	Cross ownership on amalgamation,
resolution, 344, 869	224(3), 804(3)

SHARES—Cont'd SOLICITATION ON BEHALF OF Defined, 2, 265(1), 283(1), 834, 836 **MANAGEMENT** Director liability for issuance of, Defined, 156.01, 746 207, 794 SOLICIT OR SOLICITATION Disposition of, 402 Defined, 156.01, 746 Dividend, 79, 722 Donated, **71(3)** SPECIALIZED FINANCING Fractional, 90, 724 **ENTITY** Holding of own shares, SOR/92-Defined, SOR/2001-477, 464(1), 313, 70, 714, 716.1, 978(j) 507(1), 925(1) as of proclamation date by sub-Restricted investment in, 468(4)(d), sidiary, 74 468(6), 468(7), 928(2), as personal representative, 72(1), 930(4)(d), 930(6), 930(7) 716(1) Undertakings, 470, 932 as security interest, **72(2)**, **72(3)**, SPECIAL RESOLUTION 716(2) Amalgamation, **226** to **227**, **806** to by redemption, 71, 715 807 for cancellation, **73(1)**, **717(1)** Amendments to certain bylaws, upon realization, 73(2), 717(2) 217(2), 219, 220, 802 Non-assessable, 64, 708 Amendments to incorporating Power to issue, 59, 703 instruments, 215, 802 Pre-emptive right, 68, 712 Continuance, 34(2), 683(2) Purchase of, **71, 715** Defined. 2 Redemption, 71, 77, 715, 720 **Dissolution**, **344**, **869** Registration constraints, 373, 401.2, In lieu of meeting, 152, 741 875, 913 Reduction of capital, 75, 718 Sale of substantially all assets, Requirement to sell, 73, 717, 734 234(4), 813(6) Reserved, 69(3), 713(3) Special business, 141, 730 Right to acquire, 284, 836 Series, **62**, **217** to **222**, **706**, **802** SPECIAL SECURITY Stated capital account, 66, 67, 710, Assignment of rights, **428(14)**, **555** 711 Conditions of, **429(1)**, **555** reduction of, 75 Definitions, 425, 555 Voting, **63**, **148**, **707**, **737** Exchange of securities, 429(2), 555 For certain borrowers, 427(1), 555 **SIGNATURE** Loans on hydrocarbons and miner-Guarantee of, 127(2), 724 als, **426**, **555** SIGNIFICANT INTEREST Power to take possession, (12), Acquisition of, **373** 427(3), 428(11), 555 Approval of the Minister to acquire, Priority of, 428(1) to (6), 555 396 Registering against land, (4), Defined, 2, 8 428(3), 555 Prohibition against, 376.1, 376.2 Registration of notice of intention,

427(4) to 427(6), 555

Related party, 486(1)

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**

Subrogation 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, 723

Defined, 2, 663

Director's liability for issuance of, 207, 211, 794, 798

Priority on insolvency, 369

Trust indenture, 294 to 306, 838

SUBSIDIARY

See also Minority interest investments and Substantial investments

Auditor, 329, 860

Defined, 2, 5

Foreign bank, 24

Holding bank holding company shares, 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 SUPERINTENDENT—Cont'd Application to court, notice to, Dividend declaration, notification 144(4), 156, 214(2), 334(3), of, 79(2), 722(2) 338(2), 347(3), 733(4), 745, Documents, 605, 635, 954 801(2), 865, 870 Encumbered property, 419(2) Approval, see also Deemed approv-Examination of authorized foreign banks, 613 classes of shares, **62(5)**, **706(5)** Examination of banks, 613, 643, conditions, 973 957, 982 investments, 468(6), 468(7), Examination of representative offices, **522.01** 930(6), 930(7) reductions in capital, 75(4), Financial statement, copy to, 312, 718(4) Foreign bank, examination of series of transactions, 482(1.1) offices, 522.01 termination of business in Can-Information ada, 599 confidential, 606, 636, 955 terms, 973 direction to produce, 635, 954 undertakings, 973 disclosure by, 609, 612, 636, 642, Assessments by, **696 to 698** 955 Asset maintenance, 617 disclosure to, 607, 637, 956 Assets, taking control of, 619 to evidentiary privilege, 608, 638, 626, 648 to 656 956.1 Auditor, appointment of, 585 required to be filed, 600, 628, 950 Auditor, filling vacancy of, 319, Inquiry by, 614, 644, 958 589, 851 Insider reporting, 266 to 269, 834 Authority, 49 Intervention by, 619, 626, 648 to By-laws, copy of, 633, 971 656 Capital adequacy, 485, 949 Loan workouts/realization, 472, Certificate, 634.1 473, 934, 935 Commencement of business, 48 to Maintenance of bank register, 634, 54, 534 953 Conditions on margin loans, 498 Margin loan conditions, 498 Conduct review committee, report Meetings, attendance, 320, 852 of, 195 Nominal or immaterial transactions, Control of authorized foreign bank, 490 619 to 624 Notice of Control of bank, 649 to 652 change in head office, 237(3), Defined, 2 814(3) Direction of compliance, 615 to change in principal office, 535(3) 616, 645 to 646, 960 to 961, commencement of business, 56 989.2, 989.3 contesting of rejected proposals, Directors, report of, 195(6) 144(4), 733(4) Director's meeting, 187, 777 establishing a foreign bank Divestment order, 480, 942 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 TAKEOVER BID Powers of, 522.01, 614, 619, 644, 648, 958 836 Principal officer, **536(2)**, **536(3)** Production of, 605, 635, 954 Proxy, 156.05, 156.08, 746 Defined, 283(1), 836 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, **TICKETS** 762(2), 763 Supervisory intervention, 600, 619 to 626, 628, 648 to 656 **TIPPING** Temporary investments, 471, 481, 933, 943 **Undertakings**, **470**, **932 TRADE** Verification of documents or facts, Defined, 2 Winding-up, report of liquidator, 341,868

SUPERINTENDENT **ATTENDANCE**

Generally, 320, 852

Voting, 148 to 151, 737 to 740

Winding-up, request, 621 to 622, 624, 651, 652, 654

SUPERINTENDENT ATTENDANCE—Cont'd

Waiver of notice, 142, 731

SUPERINTENDENT'S **DISCRETIONARY POWER** TO DESIGNATE

Generally, 162.1

Application to court, 289 to 291,

Date of, 283(3), 836 Deemed election, 286.1

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

Power to sell, 410(1)(e), 539(1)(d)

Compensation, 271.1

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

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

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** 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, 724 Of guarantor of signature, 118, 724 Of intermediary, 108(3), 724 Of pledgee, 108(4), 724 Of securities broker, 108(5), 724 To issuer, 108(1), 724 To purchaser, 108(2), 724

WHISTLEBLOWING

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,

Unclaimed money, 366, 367

WTO MEMBER RESIDENT

Defined, 2, 11.1