

INDEX

References are to section numbers except as noted by an *italicized* number which refers to a page number. References to sections of the *Financial Consumer Protection Framework Regulations*, SOR/2021-181, will be noted with the short form **FCP Regs.**

A

Accountability statements, *see* *Public accountability statements*

Accounts, *see also* *Disclosure of charges, Disclosure of information, Disclosure of interest, Low-fee retail deposit account, Personal deposit account, and Retail deposit account*

- access to, 627.17–627.27
- charges on, 627.12
- definition of, 627.01
- disclosure on opening, 627.69
- foreign banks
- • accessing accounts, 511

Acting in concert

- defined, 9, 9.1, 9.2

Actions and Applications, *see also* *Orders*

- continuation of, 362, 871
- derivative, 334–337, 865
- directors' liabilities, 207–210, 794–797
- limitation period, 76(3), 209, 272(3), 363(2), 719(3), 796, 834, 871
- proof in action on security, 98
- recovery for reduction in capital, 76, 719
- rectify records, 338, 865
- reliance on information, 406, 920
- rights preserved, 222, 362, 802, 871

Administration

- appeals, 977

- certificates, 969
- constructive notice, 19, 668
- electronic documents, 573–575
- entry in securities register, 970
- execution of documents, 964.1
- notices, 965, 967
- orders
 - • and directives, 974–975
 - • 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 in bearer form, 116, 724
- endorsement, unauthorized, 117, 724
- inquiry into, 129, 130, 724
- notice after delivery, 120(3), 724

Advertisement

- accurate, clear and not misleading, 627.14

Index

Advertisement (*cont'd*)

- calculation of interest disclosure, 627.85, 627.91, FCP Regs. 50, 51, 57, 70
- financial instruments and notes, 627.87, FCP Regs. 30
- general requirements, 627.63, FCP Regs. 50, 57, 70
- meetings of shareholders, 137(7)(a)
- sale of special security held, 426(6)(b), 428(8)(a)(ii), 428(8)(b)(i), 433(c), 555
- subordinated indebtedness, 80(2)
- uninsured deposits, 627.86
- use of name, 983, 719–723, 787

Advisories

- capital structure, dividends, 79, 722, 1504–1505
- commodities, ownership interest, 1499–1503
- control in fact, 1506–1511
- customer information, 1497–1498
- global systemically important banks, public disclosure requirements, 1434–1436
- interim arrangements for the regulatory capital and liquidity treatment of cryptoasset exposures, 1437–1442
- large asset transactions, 482, 944
- legislative framework for foreign banks, 1517–1550
- mergers involving foreign entities, 1551–1554
- names, corporate, registered and trade, 40, 693, 1512–1516
- restructuring, asset transaction in, 494(4)
- securitization, large exposure issues, 1448–1449
- settlement risk in foreign exchange transactions, 1394–1419
- substantial investments, 1559–1591
- undertaking for sharing information with insurers, 1592–1593

Advisory committee, 623, 653

Advisory services

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

Affairs

- defined, 2

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

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

Affiliated entities

- defined, 6

Affiliated person

- regulations, 162, 553–554
- restriction on, 163
- Superintendent's discretionary power to designate, 162.1

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

- defined, 2, 427(5)
- designated violations regulations, 1732
- information on contacting, 627.43, 627.65

Agent

- bill of lading, 436(1), 555
- defined, 370(1), 427(5), 555
- duties, 134, 724
- financial, power to act as, 409(2)(b)
- liability of, 986
- networking authority, 411, 543
- notice to, 135, 724
- offences of, 986
- previous holder, 436, 555
- reliance on information, 406, 920
- restriction on acting in placing insurance, 416(2), 549(2)

Index

Agent (*cont'd*)

- 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, 555

Amalgamation

- agreement, 224, 804
- application for, 223, 228, 803, 808
- approval of Minister, 223, 225, 373(2), 803, 805, 875(2)
- approval of shareholders, 226, 806
- court enforcement, 229.1, 810
- information requirements, 1844–1851
- issue of letters patent, 229–230, 809–811
- matters for consideration, 228(4)
- objections to, 26, 228(3), 754–756
- short form, 227–228, 807–808
- termination of, 226(5), 806(5)
- transitional provisions, 231, 812
- types, 1843

Annual statement, *see also Financial statements*

- approval by directors, 309, 841
- contents of, 308(2), 840(2), 558
- copy to superintendent, 312, 844
- defined, 2
- distribution to shareholders, 311, 843
- of foreign banks, 522.27

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(1)(i), 735–737
- related party sale of, 494
- retention of, 978(1)(g)
- sale of all or substantially all, 232–236
- securitization guidelines, 1041–1046
- taking control of by Superintendent, 619–626, 648–656
- total, 54.1(4), 386(3), 482, 895(3), 944, 702, 786, 1787–1790
- transactions limitation, 482, 495.3, 944, 1787–1790
- valuation by Superintendent, 485(5)
- value of, 978(1)(h)

Associate of the offeror

- defined, 283(1)

Associated with a foreign bank

- defined, 507(2)–(3), 576–577

Associates

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

Audit committee

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

Index

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, 155–156, 744–745
 - 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)–(2.1), 585(2)–(3.1), 847(1)–(2.1)
 - qualified privilege, 333, 596, 864
 - remuneration of, 314(3), 846(2)
 - replacement, duties of, 322, 591, 854
 - report on subsidiaries, 329, 860
 - report on transactions affecting well being, 328
 - report to officers, 328, 594–595
 - report to principal officer, 595
 - report to shareholders, 308(1)(b), 326, 840(1)(b), 858
 - report, directors statement on, 327, 859
 - revocation of appointment, 317, 587, 849
 - right to attend meeting, 320, 852
 - right to information, 324, 593, 856
 - special audit, 592(6)–(7)
 - special examination, 325(2), 592(5), 857(2)
 - standards, 323(2), 592(2), 855(2)
 - statement re termination, 321, 590, 853
 - vacancy, filling of, 319, 589, 851
 - valuation of assets by Superintendent, 485(5)
- Authorized foreign bank, *see also* specific subject relating to the authorized foreign bank**
- application to, 1915–1930
 - assets
 - defined, 618
 - maintenance requirement, 582(1), 617
 - authorization process of
 - application procedure, 525
 - name, other, 533
 - name, publication of, 531
 - order permitting carrying on of business in Canada, 524, 527, 528
 - prohibitions of, 524.1–524.2
 - transition, 529
 - branch management, 1301–1304
 - defined, 2
 - deposit requirements, 582, 985–1001
 - financial year, 583
 - full-service branch
 - notice re no CDIC insurance, 627.74, 627.75, FCP Regs. 24
 - operating on branch basis, 1301–1304
 - order establishing, 524(1)
 - power to guarantee securities, 541.1
 - guide to foreign bank branching, 1915–1930
 - lending branch
 - advertising requirements, 627.86
 - application of certain provisions, 541(1)
 - non-application of certain provisions, 541(2)
 - notice re no deposit-taking and no CDIC membership, 627.74, 627.75, FCP Regs. 24
 - order establishing, 524(2)

Index

Authorized foreign bank (*cont'd*)

- • restriction on accepting bills of exchange, 540(1)(c), 540(5)
- • restriction on accepting depository bills, 540(1)(c), 540(5)
- • restriction on acting as agent, 540(1)(b)
- • restriction on acting as guarantor, 540(1)(c), 540(5), 757
- • restriction on taking deposits, 540(1)(a), 540(4), 757
- payment system, participant in, 542
- principal office
 - • defined, 2
 - • change of, 535(2), (3)
 - • establishment of, 535(1)
- principal officer
 - • appointment of, 536(1)
 - • defined, 2
 - • disqualification of, 617.1
 - • removal of, 617.2
 - • reports to, 595
- record keeping, 1301–1304
- records, 597–598, 1301–1304
- remedial powers over
 - • asset maintenance, 617
 - • directions of compliance, 615–616
- termination of business, 599, 1828–1830
- transfer of liabilities, 537

B

B-20 — Residential Mortgage Underwriting Practices and Procedures, 1279–1294

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

- capacity of, 15
- charter of, 13
- continuance guide, 1895–1914
- defined, 2
- incorporation guide, 1875–1894

- invalidity of acts, 16
- shareholders not personally liable for, 18

Bank Act

- application, 13
- duration, 21, 670
- security, 425–436, *see also Special security*
- summary of reporting and notice requirements, 1979–1982

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
 - • regulations, 559–562
- restrictions, 923–924
- shareholders
 - • calling meeting of, 701
 - • not personally liable, 667
 - • subsidiary, 716.1
 - • voting, 740
- transfer of business, 813

Bank of Canada

- advances, 1669–1676
- disclosure of information, 636(2), 955(2)
- payment of unclaimed money to, 293, 366(3), 438, 557
- retention of signature cards, 246(2), (3)
- security interest in favour of, 419(1)

Bank records, *see Records*

Index

Bank service entities, *see* *Service entities*

Banking, *see also* *Business powers*

- business of, 409, 538, 922

Banking arrangements

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

Bankruptcy and Insolvency Act

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

Basel III, *see also* *Capital*

- Capital Adequacy Requirements Guideline, 828–895
- contingent capital requirements, 867–872
- definition of capital, 850–895
- overview, 828–849

Bearer

- defined, 2

Bearer form

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

Beneficial ownership

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

Bill of exchange

- deemed loan, 463, 580
- unpaid, transferred to Bank of Canada, 438–439, 557–558

Bill of lading

- as security for debt or liability, 435, 555
- conditions for accepting, 429(1), 555
- defined, 425, 555
- false statement in, 984
- 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, 33–38, 682–687, 1852–1853
- 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
- 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
- foreign bank branching, guide to, 1915–1930
- insurance, of foreign bank, 522.17
- leasing, of foreign bank, 522.06
- notice of closure, 627.993–627.995, FCP Regs. 89–93
- records of foreign, 239(3)
- records of subsidiary of foreign bank, 239(3.1)

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

- defined, 464, 507(1)
- limit, 465.1, 510.01, 927.1

Index

Business growth fund (*cont'd*)

- prohibitions, 466(4.3), (4.4), 501.02(3)–(4), 928(3.3), (3.4)
- restrictions, 466(4.1), (4.2), 510.02(1)–(2), 928(3.1), (3.2)

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)(iii), 539(1)(b.3), 539(3), 922(1)(b)
- authentication services, 410(1)(h), 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), 660–669
- computer software, 410(1)(c)(iii), (iv), 410(3), 539(1)(b.1)(iii), (iv), 539(3)
- corporate, 15, 1606–1607
- 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), 661–663
- deposit-taking, 437, 545–546
- financial agent, acting as, 409(2)(b), 538(2)(b)
- financial services, 409(2)(a), 410(3)(b), 538(2)(a), 539(3)(b), 922(1)(a), (b)
- guarantees, 541.1
- identification services, 410(1)(h), 539(1)(g)
- information

- • collecting, manipulating and transmitting, 410(1)(c)(i), (iv), 410(3), 539(1)(b.1)(i), (iv), 539(3), 922(1)(b)
- • management systems, 410(1)(c)(ii), (iv), 410(3), 539(1)(b.1)(ii), (iv), 539(3), 922(1)(b)
- • platforms, portals and sites, 410(1)(c.1), 410(3)(c), 539(1)(b.2), 539(3), 661–663
- • regulations, 657–659
- interest and charges
- accounts, 627.12, 627.55, 627.69, 627.72, 627.85
- borrowing costs, 627.89–627.9, FCP Regs. 48
- complaints, 627.43–627.54, FCP Regs. 14–17
- investment
- • acquiring, holding and administering, 922(1)(a)
- • counselling services, 409(2)(c), 410(3)(b), 538(2)(c), 539(3)(b)
- • portfolio management services, 409(2)(c), 410(3)(b), 538(2)(c), 539(3)(b), 922(1)
- liquidator, 410(1)(g), 539(1)(f)
- main, 409, 1606–1607
- managing business, 410(1)(c.2), 410(3), 539(1)(b.3), 539(3), 922(1)(b)
- networking, 411, 543
- real property, holding or managing, 410(1)(a), 539(1)(a)
- receiver, 410(1)(g), 539(1)(f)
- sequestrator, 410(1)(g), 539(1)(f)
- special security, 425–436.1, 555
- ticket sales, 410(1)(e), 539(1)(d)
- verification services, 410(1)(h), 539(1)(g)

By-laws

- adjourned shareholders meeting, 140, 729
- amendments to, 217–222, 802
- certificate of, 969(1)

Index

By-laws (*cont'd*)

- 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, 188–192, 217–222, 778–780, 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

C

Call

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

Canada Deposit Insurance Corporation

- by-laws
 - co-owned and trust deposit disclosure, 1711–1718
 - data and system requirements, 1678–1681
 - deposit insurance information, 1682–1689
 - differential premiums, 1690–1706
 - exemptions from deposit insurance, 1707–1710
- insurance required, 413
- opt out, 413, 627.76
- regulations

- bank recapitalization (bail-in) conversion, 1719–1722
- compensation, 1723–1728

Canada Gazette

- alternative to, 972
- amalgamation, 228(2), 229(3), 808(2), 809(3)
- amendments to Schedule I or II, 14(3), 545–547
- amendments to Schedule III, 14.1(3), 548–549
- 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 Business growth fund

- defined, 464, 507(1)
- limit, 465.1, 510.01, 927.1
- prohibitions, 466(4.3), (4.4), 501.02(3)–(4), 928(3.3), (3.4)
- restrictions, 466(4.1), (4.2), 510.02(1)–(2), 928(3.1), (3.2)

Canadian entity

- defined, 2

Index

Canadian financial institution

- defined, 2

Capacity

- by-laws unnecessary, 17, 666
- corporate powers, 15, 664
- duration of business, 21, 670
- policies and procedures — integrity or security, 15.1, 524.3, 664.1

Capital. *see also* *Basel III, Common shares, Preferred shares, Shares, Subordinated indebtedness, Guidance Notes*

- additional tier 1, 855–861
- additions to, 78, 721
- adequacy of, 485, 949
- adjustments and deductions, 872–889
- adjustments to, 77, 720
- capital conservation buffer, 836–839
- common share equity, 851–855
- countercyclical buffer, 839–842
- credit valuation adjustment transitioning, 835
- definition of, 850–895
- director liability, 207(2), 794(2)
- domestic systemic importance and capital targets, 845–849
- DSIB surcharge, 842–843
- foreign bank branch deposit requirement, 985–1001
- management
 - CDIC by-law, 1682–1689
- leverage requirements, 904–921
- liquidity adequacy requirements, 896–903
- market risk, 1443–1445
- non-viable contingent capital, 867–872, 892–895
- overview of, 829–849
- parent guarantee, 1036–1037
- reduction of, 75–76, 207(2), 211, 718–719, 794(2), 798

- regulations, 746–750
- securities lending, 1038–1040
- settlement risk in foreign exchange transactions, 1394–1419
- small and medium sized DTIs, 922–945
- stated, 66–67, 710–1
- targets, 844–845
- tier 2, 860–866
- value-at-risk models, 1443–1445

Carrying on business

- authorized foreign bank, 534
- commencement of, 48–58, 524–528, 534
- compliance with Act, 15(2), 664(2)
- guide to, 1875–1894
- management functions, 495(2)
- name, 42, 696, 983
- outside of Canada, 15(4), 664(4)

Central cooperative credit society

- defined, 2

Central securities register

- appointment of agents, 250, 827
- branch registers, 249, 253(1), 826, 830(1)
- constraint on registration in, 379, 887
- defined, 2
- destruction of certificates, 254, 831
- effect of registration, 252, 829
- entry in, 970
- location of, 251, 828
- maintenance of, 248, 253(2), 825, 830(2)
- required form, 248, 825

Certificates

- adoption of, 45(1)(b), 700(1)(b)
- destruction of, 254, 831

Charge card

- disclosure of charges, 627.89
- handling complaints, 157(2)(e), 627.43–627.54, FCP Regs. 14–17

Index

- Charge card (*cont'd*)
- power to issue, 409(2)(d), 538(2)(d)
 - promotion of merchandise and services to, 410(1)(d), 539(1)(e), 627.61
- Charges**, *see Security interest and Service charges*
- Cheque holding policy disclosure**, 627.2–627.24
- 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
- Commence business**
- application for, 49
 - authorized foreign bank, 534
 - cessation of existence, 57–58
 - conditions of approval, 53, 58
 - variation, 54
 - conditions to issue approval, 52
 - guide to, 1875–1894
 - limit on assets, 54.1
 - notice of, 56
 - order to, 48, 524, 534
 - foreign bank branch deposit requirement, 985–1001
 - restrictions until issuance, 50–51
 - variations of order of approval, 54
- Commissioner**, *see also Agency and Financial Consumer Agency of Canada Act*
- access to records, 659(2)
 - complaint re banks, 627.43
 - compliance agreement with, 661, 661.1, 661.2
 - confidential information, 658(1)
 - defined, 2
 - disclosure of information by, 658(2)
 - examination of banks, 659(1)
 - expenses payable, 659(1.3)
 - information, required to be filed, 657
 - inquiry by, 660
 - powers of, 660
 - regulation of banks, 657–61
 - report to, 659(1.2)
 - special audit, 659(1.1)
- 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
- Commodities**
- ownership interest in, 1499–1503
- Common-law partner**
- defined, 2
- Common shares**
- capital, 851–852
 - prohibition of non-voting, 60(1), 704(1)
 - rights of holders, 60(1), 704(1)
- Competition Act**
- selected text, 789–791
 - tied selling restriction, 627.04–627.05, 627.64
- Complainant**
- defined, 2, 663
 - remedial actions of, 334–338, 865
- Complaint Information**
- regulations, FCP Regs. 14–17
- Complaints**, *see also Agency and OmbudsNetwork*
- contacting Agency, 627.43
 - external complaints bodies, 627.51–627.52

Index

Complaints (*cont'd*)

- procedures, 157(2)(e), 627.43, 627.65, FCP Regs. 14–17

Compulsory acquisition

- dissenting offeree shares, 283–293, 836, 837

Computer software

- power to design, develop and market, 410(1)(c)(iii), (iv), 539(1)(b.1)(iii), (iv)
- regulations, 410(3), 539(3)

Conduct review committee

- approval of preferred loans to officers, 496(4)–(6)
- auditor's attendance, 330(1)
- duties of, 195.1(3)–(6)
- established by directors, 157(2)(b)
- exemption from requirement, 157(3)
- membership, 195.1(2)
- minimum number of members, 195.1(1)
- written resolutions of, 184.1

Confidentiality, *see also Disclosure of information*

- Commissioner's obligation, 802–803
- model privacy code, 1747–1753
- monitoring procedure, 157(2)(d), 747(2)(c)
- procedures to protect, 157(2)(c), 747(2)(b)
- regulation making authority, 627.998
- Superintendent's obligation, 822–823

Conflict of interest

- director, or officer, duties, 202–206, 789–793
- 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

Consumer protection, *see Financial Consumer Protection Regulations*

Continuance

- application, 33–34, 682–683
- as a trust or loan company, 402.1
- central securities register, 248(2), 825(2)
- effect on issued shares, 59(4), (5), 60(4), 88(3), 703(3), (4), 704(3), 724
- effects of, 36, 38, 685, 687
- eligibility, 33, 682
- guide, 1895–1914
- issue of letters patent, 35, 684, 1881–1882
- notice of issue of letters patent, 37(2), 686(2)
- objections to, 34(1), 754–756
- records of, 88(3), 238(3), 724
- stated capital account, 67, 711
- transitional provision, 39, 688

Contracts

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

Control

- approvals, 468(5)–(7), 469, 930(5)–(7), 931, 1594–1596
- deemed for
 - associated entity, 507(7)
 - foreign bank, 507(6)
- defined, 3, 265(2), 283(2), 486(8)
- divestiture of, 480, 942
- exemption from approval for, regulations, 587
- giving up, 468(9)–(11), 930(9)–(11), 1781–1782, 1865–1866
- in fact, 3(1)(d), 377(1), 651–656, 1506–1511
 - major shareholder and service provider, 1654–1656
 - trustee or manager, 1657–1658

Index

Control (*cont'd*)

- loan workout/realizations, 472–473, 522.15, 934–935
- loss of, 393–393.1, 902–903
- not required, 468(8), 930(8)
- permitted, 468(1), 468(2), 930(1), 930(2)
- restrictions on, 466, 468(3), (4), 928, 930(3), (4)
- temporary, 471, 933
- • deemed, 481, 943
- undertakings, 470, 932

Conversion into shares, *see* *Shares*

Corporate governance

- corporate records, 237–306, 814–838
- • civil remedies, 271–272, 834, 565–566
- • compulsory acquisitions, 283–293, 836
- • corporate name and seal, 255–256, 832–833
- • head office and corporate records, 237–247, 814–824
- • insider reporting, 265–269, 834
- • insider trading, 270, 834
- • insiders, 265, 834
- • proxies, 156.01–156.08, 644–649
- • securities registers, 248–254, 825–831
- • trust indentures, 294–306, 838
- directors and officers, 157–214, 747–801
- • authority, 196–201, 783–788
- • by-laws, 188–192, 778–780
- • committees of the board, 193–195, 781–782
- • conflicts of interest, 202–206, 789–793
- • duties, 157–158, 747–748
- • election and tenure, 165–169, 753–757
- • election or appointment, 165.1

- • incomplete elections and director vacancies, 170–179.1, 758–768
- • liability, exculpation and indemnification, 207–214, 794–801
- • meeting of the board, 180–187, 769–777
- • qualification and number, 159–164, 749–752, 553–554
- financial statements and auditors, 307–369, 839–871
- • annual financial statement, 307–312, 839–844
- • auditors, 313–33, 845–864
- • court-supervised liquidation, 347–360, 870
- • general, 361–369, 871
- • liquidation and dissolution, 339–341, 866–868
- • remedial actions, 334–338, 865
- • simple liquidation, 342–346, 869
- fundamental changes, 215–236, 802–813
- • amalgamation, 223–231, 803–812
- • amendments, 215–222, 802
- • transfer of business, 232–236, 813
- guidelines
- • effective corporate governance, 1181–1192
- regulatory compliance management, 1305–1312
- risk appetite framework, 1186–1189, 1191–1192
- risk governance, 1186–1187
- shareholders, 136–156, 725–745
- • proxies, 156.01–156.08, 746, 644–649

Corporate name, *see* *Name*

Corporate records, *see* *Records*

Corporate seal

- necessity, 256, 833

Cost of borrowing

- additional disclosure, 627.89, FCP Regs. 31–70

Index

Cost of borrowing (*cont'd*)

- calculation of, 627.9, FCP Regs. 47–48
- complaint handling, 627.43, FCP Regs. 14–17
- disclosure of, 627.89, FCP Regs. 31–70

Court, *see also Orders*

- action for recovery of capital, 76, 719
- appeals to, 977, 990
 - refusal of shareholder proposal, 144, 733
 - remedial action, 334–338, 865
- application for
 - disqualifying auditor, 316(2), 848(2)
 - dissenting offeree, 289, 836
 - failure to disclose interest, 206, 793
 - indemnity, 214, 801
 - proxy or proxy circulars, 156.08
 - settle disbursements, 58(2)
 - subsidiary statements, 310(4), 842(4)
 - termination of material contract, 206, 793
 - trustee removal, 299, 838
 - winding-up, 651
- defined, 2, 339, 866
- derivative actions, 334–338, 865
- Federal
 - appeal to, 977
 - powers of, 977(2)
- jurisdiction, 335(2), 865
- powers of, 208, 291, 335, 338, 349, 359, 795, 836, 865, 870
- review
 - election of director or auditor, 155–156, 744–745
- shareholder meetings
 - calling of, 154(1), 156, 743(1), 745
 - vary quorum, 154(2), 743(2)
- winding-up, 347–360, 870

Court of Appeal

- defined, 2

Covered bond limit calculation, 1450–1451

Credit card

- disclosures in application, 627.89(3), FCP Regs. 58–59, 62–65
- disclosures of charges, 627.89, FCP Regs. 59–60, 64–66
- handling complaints, 157(2)(e), 195.1, 627.43, FCP Regs. 14–17
- power to issue, 409(2)(d), 538(2)(d)
- promotion of merchandises or services to, 410(1)(d), 539(1)(e), 627.61

Credit risk

- large exposure limits, 1012–1035, 1446–1447

Creditor

- recovery of reduction in capital, 76, 719

Cumulative voting, 167–168, 755–756

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

D

Data processing services, *see also Information services*

- 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, 1787–1790
- change of name — by-law, 217(3), 802, 976, 1773–1775
- control of entity, giving up, 468(11), 930(11), 976, 1781–1782
- directors, rectification of void appointment, 170(1), 758(1), 976, 1772

Index

Deemed approvals (*cont'd*)

- dividend (large), 976
- extension of period
 - for divestiture of control or substantial investment, 472(4), 473(4), 934(3), 935(3), 976, 1785–1786
 - for holding of temporary investment, 471(1)–(3), (5), 933(1), (2), (4), 976, 1783–1784
- non-cash consideration
 - for shares, 65(1), 709(1), 976, 1758–1761
 - issuance of subordinated debt in consideration of property, 80(1), 723(1), 976, 1769–1770
- partnership restrictions, exemption from, 421(1), 553.1(1), 924(1), 976, 1776
- processing information or data outside Canada, 245(1), 598, 822(1), 976
- reductions in capital, 75(4), 718(4), 976, 1766–1768
- related party transactions
 - acquisition or disposal of assets, restriction on, 495.3, 976, 1801–1802
 - in restructuring, 494(4), 976, 1793–1796
 - of nominal value, 490, 976, 1792
 - with financial institutions, 494(3), 976, 1797–1800
- security interest, 72(2), 716(2), 976, 1765
- self dealing, exemption from, 487(2)(a)(vi), 976, 1791
- shares
 - purchase of, 71(1), 715(1), 976, 1762–1764
 - redemption of, 71(1), 715(1), 976, 1762–1764
 - solicitation of proxies by dissidents, exemption from, 156.05(3), 746, 976, 1771
 - substantial investment, 468(6), 930(6), 976, 1777–1780

Delegate

- defined, 2

Delivery

- constructive, 119, 724
- defined, 81, 724
- general, 119–121, 724
- right to compel endorsement, 109, 724

Deposits, *see also* Accounts, Personal deposit account and Service charges

- acceptance of, 437, 556
- agreement, 582(2)
- CDIC coverage, 413
 - notice, 627.73–627.76
- complaint handling, 627.43, FCP Regs. 14–17
- disclosure of charges, 627.68, FCP Regs. 21, 23
- foreign bank branch, 985–1001
- interest rate disclosure, 627.71
- less than \$150,000, 413(3), 413.2, 545, 546, 1649–1650
- location of deposit, 461, 578
- meaning of, 413(5), 413.2(2), 545(3), 724–727
- of government of Canada, 627.26(2)
- payment systems, 492, 542
- prescribed, 413, 545, 724–727
- priority on insolvency, 369
- requirement to maintain assets on, 582
- transmission in case of death, 460, 577
- unclaimed balances, 438–439, 557–558

Derivatives

- Margin Requirements for Non-Centrally Cleared Derivatives, 1353–1368
- risk management, 1194–1198
- settlement risk in foreign exchange transactions, 1394–1419
- sound practices, 1193–1209

Directors, *see also* Directors' meeting

- additional, 179.1, 768

Index

- Directors (*cont'd*)
- affiliated restriction, 162–163, 553–554
 - appointment of officers, 196–197, 783–784
 - approval, annual statement, 309
 - approval of certain transactions, 497
 - attendance, statement of, 186(2), 776(2)
 - audit committee, 194, 782
 - auditor
 - • filling vacancy, 317(3), 319, 849(3), 851
 - • notice of errors, 332, 863
 - • providing information to, 324(2), 856(2)
 - authority of, 20, 669
 - background checks, 1313–1320
 - by-laws
 - • general, 188–192, 778–780
 - • proposal to amend, 221, 802
 - ceasing to hold office, 172, 174, 760, 762
 - committees, 193, 781
 - conduct review committee, 195
 - conflict of interest
 - • application to court, 206, 793
 - • avoidance standards, 205, 792
 - • disclosure of, 202, 204, 789, 791
 - • voting rights, 203, 790
 - court to resolve dispute in election, 155–156, 744–745
 - cumulative voting for, 167–168, 755–756
 - defences, due diligence and good faith, 211, 798
 - defined, 2
 - delegation, limitation of, 198, 785
 - disclosure of interests, 202–206, 789–793
 - disqualification or removal, 647.1
 - disqualified person, 160, 172, 750, 760
 - due diligence defence, 211, 798
 - duty of care, 158, 748
 - duty to manage, 157, 747
 - election
 - • court review, 155, 744
 - • cumulative voting for, 168, 756
 - • incomplete, 170–171, 758–759
 - • re-election, 169, 757
 - • void, 170–171, 758–759
 - election of, 46(2)(b), 167–169, 755–757
 - election or appointment, 16
 - employee restriction, 164, 752
 - first, 31, 47, 680, 702
 - • included in application for incorporation, 25(1), 674
 - indemnification of, 212–214, 799–801
 - insurance, 213, 800
 - investment standards, 465, 927
 - liability, 158, 207–211, 748, 794–798, 986
 - list to Superintendent, 951
 - margin loans, 498
 - minimum number, 159, 217(1)(i), 749, 802
 - no shareholder requirement, 161, 751
 - nominations, 143(4), 732(4)
 - notice to, 965
 - notification to Superintendent, 632, 951
 - number of, 159(1), 165, 168, 217(1)(i), 749(1), 753, 756, 802
 - powers suspended, 649
 - related party, 496
 - reliance on information, 406, 920
 - removal of, 173–175, 647.1, 761–763
 - remuneration of, 191, 199, 786
 - residency requirement, 159(2), 749(2)
 - resignation of, 172, 760
 - share certificate, signature on, 86(1)(a), 724
 - shareholder meetings
 - • calling of, 137, 153, 726, 742

Index

Directors (*cont'd*)

- right to attend, 201, 788
- sound business and financial practices, 1181–1192, 1305–1312
- statement by, 174–175, 762–763
- auditor's report, 327, 859
- statement of attendance, 186(2), 776(2)
- term of, 47, 166, 172–173, 179.1(2), 754, 760–761
- unaffiliated, 163
- undue preference to creditor, 981
- vacancies, 176–179, 764–767
- validity of acts, 200, 203(3), 787
- void election, 159(2), 163(1), 164, 170–171, 749(2), 752, 758–759
- winding-up proposal, 343, 869
- written resolutions, 184.1, 774

Directors' meeting

- adjourned, 181(3), 770(3)
- attendance, statement of, 186(2), 776(2)
- conflicts of interest, 202–206, 789–793
- dissent of director, 185, 775
- dividend declaration, 79, 722
- electronic meeting, 184, 773
- first meeting, 45, 700
- meeting required by Superintendent, 187, 777
- minimum number of meetings, 180, 769
- notice of, 180(3), 181, 770
- place of, 180, 769
- quorum, 182, 771
- record of attendance, 186, 776
- required, 180(1)
- resident Canadian majority, 183, 772
- resolutions
 - outside of meeting, 184.1, 774
- right to attend, 201, 788
- statement of attendance, 186(2), 776(2)
- unaffiliated director, 183.1
- validity of acts, 200, 203(3), 787

Disclosure of charges

- applicable to accounts, 627.68–627.72
- generally, 627.55, 627.56, 627.68, 627.72, 627.89, 627.94, 627.98, 627.992
- regulations, FCP Regs. 21, 23

Disclosure of cheque holding policy, 627.21–627.24

Disclosure of information

- accountability statements, 627.996, FCP Regs. 94–98
- by authorized foreign bank, 610
- by bank, 627.55, 627.56, 627.68, 627.71, 627.72, 627.89, 627.92, 627.94, 627.98, 627.99, 627.992, 640
- by mail, FCP Regs. 18
- by Superintendent, 609, 636, 639, 955, 816–817
- cheque holding policy, 627.21–627.24, FCP Regs. 9
- cost of borrowing, 627.89, FCP Regs. 47–48
- credit card application, 627.89(3), FCP Regs. 58–59, 62–65
- customer, of, 1497–1498
- deposit type instruments, 627.77, FCP Regs. 6, 26
- in advertisements, 627.14, 627.63, 627.85–627.87, 627.91, FCP Regs. 30, 50, 51, 57, 70
- interest, 627.71
- material contracts, 202–204, 789–791
- monitoring of, 157(2)(e)
- networking, 411, 543
- opening account, 627.69, FCP Regs. 22
- personal information protection, 1747–1753
- prepaid payment products, 627.92–627.93, FCP Regs. 71–73
- prescribed products, 627.81, 627.87
- procedures for, 157(2)(e)
- registered products, 627.98–627.991
- regulations, 627.998(a), (i), (j)

Index

Disclosure of information (*cont'd*)

- related party transaction, 504
- report on, 612, 642
- status, 948(2)–(6)

Disclosure of interest

- in advertisements, 627.85

Disclosure on account opening after telephone request

- agreement by telephone, 627.55(2)

Discontinuance

- as a bank holding company, 689–692
- when continuing as trust or loan company, 39.1, 39.2, 1854–1857

Dissenting offeree

- defined, 283(1)
- right to acquire shares of, 284–293, 836

Dissident's proxy circular

- contents of, 644–649
- solicitation of proxies, 156.05, 746
- untrue statement, 156.08, 746

Dissolution, *see also Liquidation*

- continuation of actions, 362–364, 871
- creditor, where cannot be found, 364
- custody of records after, 368, 871
- procedures for, 339–360, 866–870
- unclaimed money on winding up, 366–367
- undisposed property, 365, 871

Distributing bank

- defined, 265(1), 834
- interpretation, 2.4
- regulations, 571–572

Dividend

- declaration of, 79(1), 722(1), 1504–1505
- 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 banks

- defined, 2, 484.1
- minimum capacity to absorb losses, 485(1.1)–(1.4)
- surcharge, 842–843

E

Electronic documents

- consent to provision, 573–574
- provision and receipt, 574–575
- revocation, 574

Eligible Canadian financial institution

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

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, 627.43
- material contracts with bank, 202–206, 789–793
- reliance on information, 406, 504(2), 920
- remuneration, 199, 627.07, 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, 960–961

Index

Enforcement (*cont'd*)

- taking control of assets, 619, 648

Entity

- defined, 2
- member of group (regulations), 578–579

Entity associated with a foreign bank

- approval by Minister, 522.22
- as major owner, 507(10)
- borrowing from public, 520.1
- branch
 - commercial, 522.05, 522.19
 - insurance, 522.17
 - leasing, 522.06
- change of status, 517
- deemed
 - control by, 507(7)
 - entity associated, 507(3)
 - major owner, 507(13)
 - substantial investment by, 507(5)
- defined, 507(2)
- financial establishment in Canada, 507(16)
- grandfathered, 522.29–522.33
- investments
 - approval by Minister, 522.22
 - divestiture, 522.25
 - indirect, 522.11–522.13
 - limited commercial entity, 522.09(2)
 - permitted, 522.04(2), 522.07–522.1
 - temporary, 522.14
- obligation to be designated, 522.211
- prohibitions, 510, 519, 520(1)
 - exceptions, 510(4), (5), 510.1, 511–513, 519.1, 520.1
- regulations, 521, 522.23–522.24, 576–577
- statements and returns, 522.27

Equity value

- calculation of, 689, 697

- combined limit with real estate, 478, 940
- exclusions from, 475, 937
- financial statements in, 580–581
- investment limits regulations, 687–701
- 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
- registration of security interest, 427(4)(b)
- transmission on death, 460

Evidence of appointment or incumbency

- defined, 127(4)

Evidentiary privilege, 608, 638, 956.1

Exchange rate

- regulations, 582

Exempt

- classes of foreign banks, regulations, 14.2, 583
- debt obligation transactions, regulations, 482, 944, 584–585

Exempt offer

- defined, 283(1)

Exemption for Public Notices or Documents Regulations, 627.994

External complaints body

- defined, 2

F

Factoring entity

- defined, 464(1), 925(1), 589
- minority investment in, 710–715

Index

- Factoring entity (*cont'd*)
 - restricted investment in, 468(4)(c), 468(5)(b), 468(6), 468(7), 522.22(1), 930(4), 930(5)(b), 930(6), 930(7)
 - undertakings, 470, 932
- Federal Credit Union**
 - amalgamation, 223(1.1), 224, 226
 - • members, 226.1
 - • member approval, 234, 235
 - • notice, 228(4)
 - • special resolution, 234(4)
 - auditors
 - • appointment, 314
 - • examination by, 323
 - • notice of errors, 332(3)(b)
 - • report by, 326, 327
 - • revocation of appointment, 317, 318(1)(b)
 - • right to attend meetings, 320
 - • special examination, 323
 - by-laws
 - • amendments, 192.04
 - • deemed, 192.08
 - • effective date, 192.05
 - • mandatory provisions, 192.01, 192.02, 192.03
 - central securities register, 223(1.1), 224, 226
 - • access to, 248(3)
 - conflict of interest
 - • director, duties, 205
 - conversion to federal credit union, 216.01–216.07, 223(1.1), 224, 226
 - conversion to bank with common shares, 216.08–216.14
 - • continuance, 33(3), 34(1), 35(1), 35.1, 38
 - control, 3
 - • definitions, 2
 - • guidelines, 3
 - • prohibition, 377.2
 - conversion, regulations, 590–597
 - co-operative, 12.1, 12.2, 27(h), 27(i), 53(2)
 - court
 - • derivative action, 335(1)(c)
 - directors
 - • annual financial statement, 308, 311, 332(3)(b)
 - • as members, 159.1
 - • • minimum number, 159.1
 - • cumulative voting, 168.1
 - • disqualified person, 160
 - • limits on power to delegate, 198.1
 - • nomination, 141.1
 - • number of, 165(2)
 - • removal of, 173(1.1), (2.1)
 - • statement by, 175(2)
 - • vacancy, 176(2)
 - director meeting, 183.01
 - • first, 47.01, 47.02
 - disclosure on continuance, regulations, 569–570
 - discontinuance, 39.2, 39.3
 - financial statements
 - • annual, 308
 - • general provisions, 47.11–47.19
 - holding membership share, 7.1
 - incorporation, 22(2), 31.1
 - letters patent, 28(1)(a.1), 35.1
 - liability, members, 18(2)
 - liquidation
 - • distribution of money, 359
 - • final accounts, 357
 - • simple, 342–346
 - major shareholder, 2.3
 - meetings, shareholders
 - • notice, 141.1
 - • proposal, 143(1), 144.1, 144.2
 - member
 - • appointment of auditors, 314

Index

Federal Credit Union (*cont'd*)

- • definition, 2
- • list, 145(1.1), 145(2.1)
- • powers suspended, 649(1)
- • quorum, 146(2)
- • register, 2, 254.1–254.6, 970(2)
- • register location, 254.4
- • voting rights, 47.13
- membership, 47.03–47.19
 - • expulsion, 47.06
 - • first members, 31.1
 - • first meeting, 47.02, 52(1)(a)
 - • withdrawal and termination, 47.05
- membership capital, 79.1–79.6
- member right to vote, 9.1, 9.2
- membership share, 8(1.1), 8(3)
 - • definition, 2
- name, 40, 40.1
- use of, 983
- organizational meeting, 47.01
- patronage allocation
 - • definition, 2
- prospectus, regulations, 731–734
- regulations
 - • conversion, 590–597
 - • disclosure on continuance, 569–570
 - • prospectus, 731–734
- regulations, voting by mail, 151(6)
- requisitioned meeting, 153(1.1)
- shares, 60.1, 401.11
 - • cancellation, 73(1)
 - • conversion, 77(5)
 - • designation, 60.2
 - • effective date, 62(1.1)
 - • membership, 79.1
 - • personal representative, 72(1)
 - • purchase and redemption, 71
 - • restriction on voting rights, 392(1)(a.1)

- • stated capital account, 66(1.1), 66(3.1), 75(1.1)
- • significant interest, ministerial approval not required, 382.1
- substantial investment, 10(1), 10(3.1), 10(3.2), 10(4.1)
- superintendent
- • control of federal credit union, 649

Federation of cooperative credit societies

- defined, 2

Fee

- access to bank records, 239(5), 816(4)
- copies of securityholders list, 301(1), 838
- copies of shareholders list, 240(1), 817(1)
- issuance of security certificate, 85(2), 126(1), 724, 762
- regulation making authority, 978(1)(e)
- special security, 427(4), (6)(b), 741–745

Fiduciary

- defined, 2
- endorsement of security, 114, 724
- notice of, 106, 724
- prohibition on acting as, 412, 544, 1608–1609

Filing

- late and erroneous penalties, 1969–1978
- penalties, OSFI regulations, 1737–1745

Finance entity

- defined, 464(1), 507(1), 925(1), 598
- minority investment in, 710–715
- restricted investments in, 468(3)(c), 468(4)(c), 468(5)(b), 468(6), 468(7), 522.22(1)(a), 930(3)(c), 930(4)(c), 930(5)(b), 930(6), 930(7)
- undertakings, 470, 932

Financial agent

- power to act as, 409(2)(b), 538(2)(b)

Index

- Financial Consumer Agency**, *see* *Agency, Commissioner and Financial Consumer Agency of Canada Act*
- Financial Consumer Agency of Canada Act**
 - rules for convening and conducting branch closure meetings, 1729–1731
 - selected text, 792–814
 - violations regulations, 1732
- Financial Consumer Protection Framework Regulations**
 - Part 1 — Fair and Equitable Dealings
 - • Access to Basic Banking Services
 - • • Availability, FCP Regs. 9
 - • • Cashing, FCP Regs. 10
 - • Complaints Process
 - • • Conditions for maintaining approval, FCP Regs. 16
 - • • Period for dealing with complaints, FCP Regs. 14
 - • • Provision of information after complaint, FCP Regs. 15
 - • • Provision of information to customers and public, FCP Regs. 17
 - • Credit
 - • • Debt collection practices, FCP Regs. 13
 - • • Prepayment, FCP Regs. 11
 - • • Renewal of mortgages — prescribed period, FCP Regs. 12
 - • Requirements for Cancelling Agreements
 - • • Prescribed products and services, FCP Regs. 4
 - • • Cancellation of deposit-type instrument, FCP Regs. 6
 - • • Cancellation of optional product or service, FCP Regs. 7
 - • • Cancellation of principal-protected note, FCP Regs. 8
 - • • Cancellation of retail deposit account, FCP Regs. 5
 - • Responsible Business Conduct, FCP Regs. 3
 - Part 2 — Disclosure and Transparency for Informed Decisions
 - • Credit Agreements
 - • • Credit Cards
 - • • • Advertisements, FCP Regs. 70
 - • • • Agreement by telephone, FCP Regs. 58
 - • • • Amendments, FCP Regs. 67
 - • • • Application forms, FCP Regs. 65
 - • • • Information box — agreement, FCP Regs. 60
 - • • • Information box — application form, FCP Regs. 59
 - • • • Initial disclosure, FCP Regs. 64
 - • • • Initial disclosure statement, FCP Regs. 62
 - • • • Non-application — paragraph 627.89(1)(a) of Act, FCP Regs. 63
 - • • • Other amendments, FCP Regs. 68
 - • • • Solicitation of applications, FCP Regs. 61
 - • • • Subsequent disclosure, FCP Regs. 66
 - • • • Waiver offer, FCP Regs. 69
 - • General
 - • • • Amendments, FCP Regs. 37
 - • • • Annual Percentage Rate, FCP Regs. 32
 - • • • Disclosure statement, FCP Regs. 33
 - • • • Disclosure to two or more persons, FCP Regs. 36
 - • • • Initial disclosure — optional services, FCP Regs. 35
 - • • • Non-application — section 627.89 of Act, FCP Regs. 31
 - • • • Time of initial disclosure, FCP Regs. 34

Index

- | | |
|---|--|
| <p>Financial Consumer Protection Framework Regulations (<i>cont'd</i>)</p> <ul style="list-style-type: none"> • • • Lines of Credit <ul style="list-style-type: none"> • • • • Advertisements, FCP Regs. 57 • • • • Information box, FCP Regs. 52 • • • • Initial disclosure, FCP Regs. 54 • • • • Non-application — paragraph 627.89(1)(a) of Act, FCP Regs. 53 • • • • Subsequent disclosure, FCP Regs. 55 • • • • Waiver offer, FCP Regs. 56 • • • Loans <ul style="list-style-type: none"> • • • • Advertisements, FCP Regs. 50 • • • • Advertisements — transactions financed by institution, FCP Regs. 51 • • • • Amendments — loan for fixed amount, FCP Regs. 42 • • • • Calculating borrowing costs, FCP Regs. 47 • • • • Charges included in cost of borrowing, FCP Regs. 48 • • • • Information box — fixed interest loan for fixed amount, FCP Regs. 38 • • • • Information box — variable interest loan, FCP Regs. 39 • • • • Initial disclosure — fixed interest rate loan, FCP Regs. 40 • • • • Initial disclosure — variable interest loan, FCP Regs. 41 • • • • Mortgages, FCP Regs. 43 • • • • Non-renewal, FCP Regs. 46 • • • • Renewal, FCP Regs. 45 • • • • Time of initial disclosure, FCP Regs. 44 • • • • Waiver offer, FCP Regs. 49 • • Deposit Accounts, Financial Instruments and Notes • • • Deposit Accounts <ul style="list-style-type: none"> • • • • Agreement by telephone, FCP Regs. 20 | <ul style="list-style-type: none"> • • • • Charges for prescribed services, FCP Regs. 21 • • • • Non-application — subsection 627.72(1) of Act, FCP Regs. 23 • • • • Opening of deposit account, FCP Regs. 22 • • • Deposit Insurance <ul style="list-style-type: none"> • • • • Authorized foreign banks, FCP Regs. 24 • • • Financial Instruments and Notes <ul style="list-style-type: none"> • • • • Advertisements, FCP Regs. 30 • • • • Agreement by telephone, FCP Regs. 25 • • • • Availability of information, FCP Regs. 26 • • • • Issuance of principal-protected note, FCP Regs. 27 • • • • New instrument issued without further agreement, FCP Regs. 29 • • • • Synopsis — principal-protected note, FCP Regs. 28 • • General <ul style="list-style-type: none"> • • • Disclosure by mail, FCP Regs. 18 • • • Renewal or rollover, FCP Regs. 19 • • Mortgage Insurance <ul style="list-style-type: none"> • • • Coverage and Business Arrangements, FCP Regs. 74–75 • • • Payments and Benefits, FCP Regs. 76–88 • • Public Notices <ul style="list-style-type: none"> • • • Notice of Branch Closure, FCP Regs. 89–93 • • • Public Accountability Statements, FCP Regs. 94–98 • • Prepaid Payment Products <ul style="list-style-type: none"> • • • Agreement by telephone, FCP Regs. 71 • • • Information box, FCP Regs. 72 • • • Issuance, FCP Regs. 73 <p>Financial institution</p> <ul style="list-style-type: none"> • defined, 2 |
|---|--|

Index

Financial institution (*cont'd*)

- letters patent and share for share exchange with, 29, 677
- permitted investment in, 468, 930, 710–715

Financial leasing

- restriction on, 417, 550

Financial leasing entity

- defined, 464(1), 507(1), 925(1), 638
- minority investment in, 710–715
- prohibition on foreign bank, 524.1, 524.2
- restricted investment in, 468(4)(c), 468(5)(b), 468(6), 468(7), 522.22(1)(a), 930(4)(c), 930(5)(b), 930(6), 930(7), 710–715
- restrictions on, 638–640
- undertakings, 470, 932

Financial planning

- insurance advice restriction, 672–686
- power to provide, 409(2)(a), (c), 538(2)(a), (c), 922(1)(b)
- regulation of, 410(3)(b)

Financial services

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

Financial services entity

- defined, 507(1), 702
- investments, 1628–1629

Financial statements, *see also Annual statement*

- accounting principles, 308(4), 840(4)
- approval by directors, 309, 841
- contents of, 308, 840
- copy to Superintendent, 312, 844
- distribution to shareholders, 311, 843
- equity, determination of, 580–581
- errors discovered in, 332, 863
- financial year, 307, 839

- 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)

Firm of accountants

- defined, 313, 584, 845

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

- application of Part XII, 508
- approval by Minister, 522.22
- approval requirement, 522.21
- as major owner, 507(9), (12)
- associated with, 507(2)–(3), 576–577
- branch
 - bank, 522.16, *see also Authorized foreign bank*
 - commercial, 522.05, 522.19, 522.22(1)(h)
 - deposit, 985–1001
 - insurance, 522.17
 - leasing, 522.06
- carrying on business in Canada, prohibition, 510
 - access to Canadian capital market, 1632–1634
 - deemed to, 510(2)
 - exceptions to, 510(4), (5), 510.1, 511–513
- change of status, 516
- deemed to
 - control by, 507(6)
 - major owner, 507(12)
 - substantial investment by, 507(4)
- defined, 2
- entity associated with, 507(2)–(3), 576–577

Index

- Foreign Bank (*cont'd*)
- financial establishment in Canada, 507(15), (16), 522.21
 - financial establishment in Canada, having or resulting in
 - • obligation to be approved, 522.21
 - • permitted activities when approved
 - • • automated banking machines, 1822–1823
 - • • branch operations, 516–517.1, 522.16–522.19, 522.21(3), 522.22(1)(h), 1820–1821
 - • • cooperative credit society, 522.18, 522.21(1), 522.21(2)(b), 522.22(1)(f), 1816–1817
 - • • dealing in securities, 522.18, 522.21(1), 522.21(2)(b), 522.22(1)(f), 1816–1817
 - • permitted investments when approved
 - • • financial intermediary, 522.08(1)(a), 522.22(1)(b), 507(14), 1783–1784
 - • • information technology services entity, 522.08(1)(f)
 - • • investment holding entity, 522.08(1)(b)
 - • • investment in trustee of a trust, 522.08(2.1)
 - • • limited commercial entity, 522.09, 522.22(1)(g), 1818–1819
 - • • non-financial institution providing financial services, 522.08(1)(a), (c), (d), 522.22(1)(c), (d), 1814–1815
 - • • prescribed Canadian entity, 522.08(1)(f), 522.22(1)(e)
 - • • prescribed financial services entity, 522.08(1)(f), 522.22(1)(e)
 - • • provincially regulated financial institution, 468(1)(g)–(1)(i), 522.07, 522.22(1)(a), 507(14), 1811–1813
 - • • specialized financing entity, 522.11(1), 764–775
 - • • temporary investment in Canadian entity, 522.1(b), 522.14, 1862
 - • • temporary investment in financial services entity, 522.1(b), 522.14, 1862
 - financial establishment in Canada, having or resulting in, (regardless of designatability)
 - • permitted investments
 - • • Canadian entity of a FRFI or its holding company, 468(1)(a)–(f), 522.11
 - • • FRFI or its holding company, 468(1)(a)–(f), 522.07
 - • • indirect investment, 522.11–522.13
 - • • loan workout, as a result of, 522.15, 1859
 - • • security interest, as a result of realization, 522.15, 1860
 - • • temporary investment in other than financial services entity, 522.1(b), 522.14, 1862
 - grandfathered, 522.29–522.33
 - head office in Canada
 - business conducted from, 522.03
 - permitted, 522(b)
 - legislative framework, 1517–1550
 - mergers, 1551–1554
 - Minister's approval, 522.22, 522.27
 - name, change of, 1809–1810
 - name use, 721–722
 - no financial establishment in Canada, and avoiding to have, (regardless of approval)
 - permitted activities
 - • • branch, 522.05, 522.2, 1915–1930
 - • • carrying on limited commercial business, 522.05, 522.2
 - • • leasing, 522.06, 522.2
 - permitted investments
 - • • financial services entity, not a major owner of, 522.04, 522.2
 - • • FRFI or its holding company, not a major owner of, 522.04, 522.2

Index

Foreign Bank (*cont'd*)

- • • non-financial services entity, 522.04, 522.2
- • • provincially regulated financial institution, not a major owner of, 522.04, 522.2
- non-bank affiliate
- • borrowing from public, 519.1, 520.1
- • prohibited activities, 519
- permitted activities (regardless of financial establishment and approval)
- • automatic teller machine, use of, 510(1)(c), 511, 513, 522.22(1)(i), 1822–1823
- • head office, 522(b), 522.03
- • private telephone services, 512
- • quotes, 512
- • real property, hold, manage or deal with, 510.1, 728
- • representative office, maintenance of, 522(a), 641–643
- prohibitions on, 510, 518(1), 520(1), 728
- representative office in Canada
- • cancellation of registration, 522.02
- • examination of, 522.01
- • operating, 522, 1646–1648
- • permitted, 522(a)
- • regulations, 641–643
- securities dealer undertakings, 1626–1627
- statements and returns, 522.27
- subsidiary of, 24
- • investments, 1628–1629
- • permission to, 55

Foreign bank branch, *see Authorized foreign bank*

Foreign cooperative credit society

- defined, 507(1)

Foreign Institution

- defined, 2, 370(1), 873

Foreign insurance company

- defined, 507(1)

Foreign securities dealer

- defined, 507(1)

Form of proxy

- defined, 2
- regulations, 644–649

Fractional certificate

- certificates for, 90, 724
- conditions on, 91, 724
- rights of holder, 92(1), 724
- signature on, 86(2), 724

Full-service branch, *see Authorized foreign bank*

Fundamental changes, *see Amalgamation, Assets and Incorporating instruments*

Fungible

- defined, 81, 724
- securities as, 99, 724

G

Generally accepted accounting principles

- calculations, 973.07
- exceptions to, 973.07

Genuine

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

Going-private transaction

- permitted, 275, 835.1
- regulations, 650
- right to dissent, 276, 835.1

Good faith

- defined, 81, 724

Goods, wares and merchandise

- defined, 425
- ownership interest in commodities, 1499–1503

Index

Goods, wares and merchandise (*cont'd*)

- restriction on dealing in, 410(2)

Government of Canada

- cashing cheques of, 627.25–627.26, FCP Regs. 10
- deposits of, 627.26(2)
- Government ownership of shares, 370(1), 401.2, 401.3

Guarantee

- defined, 2
- issuer of security, 84, 724
- of loan by parent, 1036–1037
- power to, 541.1
- related party transaction, 488(1)(a)
- restrictions on, 414, 540(1)(c), 923

Guarantee of signature

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

Guidance and Advisory Notes

- clarification on the treatment of innovative real estate secured lending products, 1473–1477
- cyber security self assessment, 1478–1491
- external audit quality initiatives (DTI), 1432–1433
- intelligence-led cyber resilience testing, 1452–1472
- information respecting a customer, 1497–1498
- large exposure limits, 1446–1447
- requesting letters of comfort, 1594–1596
- restrictions on the use of the words “bank”, “banker” and “banking”, 1555–1558
- revised covered bond limit calculation, 1450–1451
- technology and cyber security incident reporting, 1492–1496
- value-at-risk models, 1443–1445

Guidelines

- Assurance on Capital, Leverage and Liquidity Returns, 1075–1085
- Asset Securitization
 - foreign bank branches, 1041–1046
- B-20 Residential Mortgage Underwriting Practices and Procedures, 1279–1294
- Background checks on responsible persons, 1313–1320
- Capital Adequacy Requirements, 828–895
- Capital Disclosure Requirements, 1177–1180
- Classification of Loans Guaranteed by a Parent of the Bank, 1036–1037
- Climate Risk Management, 1270–1278
- Control in fact, 651–656
- Corporate governance, 1181–1192
- Culture and Behaviour Risk, 1295–1300
- Derivatives Sound Practices, 1193–1209
- Enterprise-Wide Model Risk Management for Deposit-Taking Institutions, 1369–1393
- Foreign bank branch deposit, 985–1001
- Foreign bank branching, 1915–1930
- Foreign Entities in Canada on Branch Basis, 1301–1304
- IFRS 9 Financial Instruments and Disclosures, 1086–1139
- Integrity and Security, 1420–1430
- Interest Rate Risk Management, 1230–1253
- Internal Capital Adequacy Assessment Process (ICAAP) for Deposit-Taking Institutions, 1330–1339
- Large Exposure Limits, 1031–1035
- Large Exposure Limits for Domestic Systemically Important Banks, 1012–1030
- Leverage Ratio Disclosure Requirements, 1150–1156
- Leverage Requirements, 904–921

Index

Guidelines (*cont'd*)

- Liquidity Adequacy Requirements (LAR), 896–903
- Liquidity Principles, 1047–1063
- Margin Requirements for Non-Centrally Cleared Derivatives, 1353–1368
- Model Risk Management for Deposit-Taking Institutions, 1369–1393
- • Draft Guideline E-23 — Model Risk Management, 1381–1393
- Net Stable Funding Ratio Disclosure Requirements (NSFR-1), 1157–1158
- Operational Risk Management and Resilience, 1340–1352
- Pillar 3 Disclosure Requirements, 1159–1173
- Pledging, 1064–1067
- Prudent Person Approach Investment and Lending Policies, 1002–1011
- Public Disclosure Requirements for DSIBs, 1140–1149
- Regulatory compliance management, 1305–1312
- Regulatory capital and liquidity treatment of crypto-asset exposures, 952–979
- Related Party Transactions, 1068–1074
- Securities Lending, 1038–1040
- Settlement Risk in Foreign Exchange Transactions, 1394–1419
- SMSBs Capital and Liquidity Requirements, 922–945
- Stress Testing, 1321–1329
- Technology and Cyber Risk Management, 1254–1269
- Third-Party Risk Management, 1210–1229
- Total Loss Absorbing Capacity (TLAC), 980–984, 1174–1176

Guides

- administrative procedures for late and erroneous filing penalty, 1969–1978

- applications under section 2 of Information Technology Activities Regulations, 1931–1937
- continuing as a bank or trust company, 1895–1914
- deemed approvals, 1758–1802, *see also* *Deemed approvals*
- incorporation, 1875–1894
- intervention for federal financial institutions, 1957–1967
- foreign bank branching, 1915–1930
- regulatory approvals, 1803–1874, *see also* *Regulatory approvals*
- supervisory framework, 1939–1956

H

Head office

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

Holder

- defined, 2

Holding body corporate

- defined, 2, 4
- related party exemption, 487(4)–(5)
- short form amalgamation with, 227–228, 807–808
- transactions involving, 495.1
- • restriction on, 495.2

I

Incorporated

- defined, 2

Incorporating instruments

- amendments to, 215–222, 802
- defined, 2

Incorporation, *see also* Ownership of banks and bank holding companies

- application for, 22, 25, 671, 674, 1594–1596

Index

Incorporation (*cont'd*)

- cessation of existence, 57
- contents of letter patent, 28, 676
- effective date, 32, 681
- first directors, 31, 680
- guide to, 1875–1894
- matters for consideration, 27, 675
- minimum capitalization, 46(1), 52(1)(b)
- notice of issue of letters patent, 30, 679
- objections to, 26, 754–756
- organization and commencement, 45–58, 700–702
- public inquiry on objection, 26(3), 754–756
- publication of notice of intent, 25(2)
- restrictions on, 23, 672
- share for share exchange, 29, 677
- subsidiary of a foreign bank, 24

Incorporator

- action against, 361–367, 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
- for loss of assets, 735–737
- insurance, 213, 800

Information, *see also Disclosure of information*

- auditor's right to, 324, 856
- confidentiality of, 1747–1753
- proxy, 156.04, 156.05, 746, 644–649
- regulations on use of, 627.998(n)
- to Superintendent, 600–612, 628–642, 978(1)(k)

Information services

- information processing activities regulations, 657–659
- power to provide

- • collecting, manipulating and transmitting, 410(1)(c)(i), (iv), 539(1)(b.1)(i), (iv), 922(1)(b), 657–659
- • management systems, 410(1)(c)(ii), (iv), 539(1)(b.1)(ii), (iv), 922(1)(b)
- • platforms, portals and sites, 410(1)(c.1), 539(1)(b.2)
- regulations, 657–659
- 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
- regulations, 670–671
- reporting, 266–269, 834
- reporting exemptions, 267, 834, 978(1)(a), 670–671

Insider trading

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

Insolvency

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

Inspection of banks, *see Superintendent*

Insurance

- annuities, 416(6), 549(5)
- as security, 416(4)(a), 549(4)(a)
- authorized types, 672–686
- company, *see Financial institution*
- customer information, 1497–1498
- for directors and officers, 213, 800
- for employees, 416(4)(b), 549(4)(b)
- for loss of assets, 737
- mortgage insurance, 627.992, FCP Regs. 74–88

Index

Insurance (*cont'd*)

- promotion of, 672–686
- regulations, 672–686
- restriction on acting as agent, 416(2), 549(2)
- restrictions on activities, 416, 549, 677–678, 684–686

Insurance business

- regulations, 416(3), 549(3), 672–686

Integrity and Security

- generally, 1420–1430
- application of guideline, 1421
- integrity, 1422–1424
 - character, 1423
 - compliance, 1424–1425
 - culture, 1423
 - governance, 1424
- key terms, 1421
- policies and procedures, 664.1, 1422
- related guidelines, 1423
- relationship between integrity and security, 1422
- security, 1425
 - data and information, 1427
 - people, 1426
 - physical premises, 1426
 - technology assets, 1427
 - third-party risks, 1427–1428
 - undue influence, foreign interference, and malicious activity, 1428
- summary of expectations regarding integrity, 1428–1429
- summary of expectations regarding security, 1429–1430

Interest, *see* Deposits

Intermediary

- default, 156.07(7), 746
- defined, 156.01, 746
- duties, 156.07, 746
- duty to beneficial holder, 156.07(1), 746

- instructions to, 156.07(5), 746
- rights of, 156.07(8), 746

Internal Capital Adequacy Assessment Process

- capital assessment, 1332–1333
- interaction with supervisory review, 1338–1339
- internal control review, 1337–1339
- monitoring and reporting, 1337
- oversight of process, 1330–1331
- risk assessments, 1333–1337
- stress testing, 1337

International financial reporting standards

- IFRS 9 Financial Instruments and Disclosures, 1086–1139

Internet related services, *see* Information services

Investment Canada Act

- non-application, 522.34

Investment services

- power to
 - acquire, hold and administer investments, 922(1)(a)
 - provide counselling services, 409(2)(c), 538(2)(c)
 - provide portfolio management services, 409(2)(c), 538(2)(c), 922(1)
- regulations on, 410(3)(b), 539(3)(b)

Investments, *see also* Substantial investment and Control

- approval for foreign banks, 522.22, 534, 1811–1813
- asset transactions, 482, 944, 584–585
- by a bank holding company, 926
- combined real property and equity limit, 478, 940
- constraints on, 465–467, 927–929
- deemed temporary, 481, 943
- divestiture by foreign bank, 522.25

Index

Investments (*cont'd*)

- divestiture order from Superintendent, 480, 942
- exemptions and exclusions, 466(2)–(5), 471–474, 928(2)–(4), 933–936, 662, 665, 668
- • *see also Regulatory approvals*
- exemptions from approval for and restrictions on, regulations, 474(a), (b), 522.23(b), 936(a), (b), 587
- grandfathered, 483, 945
- indirect by foreign bank, 522.11–522.13
- limits
 - • aggregate, 478, 940
 - • exemptions on, 688, 696
 - • on equity acquisitions, 477, 939
 - • on portfolio limits, exclusion from, 475, 937
 - • on real property interests, 476, 938
 - • regulatory capital relating to, 746–750
- permitted, 468–469, 522.04, 522.07–522.09, 930–931, 661–669, 1777–1780
- • undertakings, 470, 932
- prudent person standard, 157(2)(g), 465, 581, 747(2)(d), 927, 1002–1011
- related party transaction, 488(1)(b), 1068–1074
- restriction on control and substantial, 466, 468(3)(d), 928, 930(3)(d), 661–669, 1867–1874
- standards, 157(2)(g), 465, 581, 747(2)(d), 927, 1002–1011
- subsidiaries permitted, 468, 930
- temporary, 471, 481, 522.14, 933, 943, 1861–1862

Issuer

- adverse claim, 129–131, 724
- defined, 2, 294, 838
- duties, 129–133, 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

L

Leasing, *see Financial leasing*

Leasing entity

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

Lending branch, *see Authorized foreign bank*

Letters of comfort

- support principle to replace requesting, 1594–1596

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
- incorporation, 22–23, 671–672
- issue of, 22, 35(2), 229, 671, 684(2), 809
- share for share exchange, 29, 677
- to amend, 216, 802, 1773–1775
- winding-up, 342, 360, 869–870

Leverage

- authorized leverage requirements, 905–907
- calculation of leverage ratio, 905
- capital measure, 907
- exposure measure, 907–921

Index

Leverage (*cont'd*)

- guidelines, 904–921, 1150–1156
- leverage ratio disclosure requirements, 1150–1156
- scope of guideline, 905

Liabilities

- transfer of, 236, 537, 1831–1837

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, 347–360, 870
- general, 339–346, 866–869, 1838–1842
- priority of claim, 625
- shareholder approval, 344, 869
- simple, 342–346, 869, 1838–1842

Liquidator

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

Liquidity, *see also* Capital

- adequacy of, 485, 949, 897–903
- contingency planning, 1058–1060
- derivative risk management, 1193–1209
- governance, risk tolerance and liquidity policies, 1049–1051
- internal controls, 1060–1061
- intraday liquidity risk, 1062–1063
- managing market access, 1061–1062
- measuring, managing and monitoring, 1051–1052
- overview of liquidity metrics, 899–902
- principles, 1047–1063
- provider for asset securitization, 1041–1046
- public disclosure, 1140–1149
- requirements associated with liquidity metrics, 901
- small and medium sized DTIs, 922–945
- stock of liquid assets, 1055–1056
- stress testing, 1052–1053

Loan workouts

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

Loans

- certain borrowers and security, 427
- cost of borrowing, 627.9, FCP Regs. 47–48
- deemed, 463, 580
- defined, 464(1), 488(3), 925(1)
- disclosure, 627.89, FCP Regs. 31–70
- exposure limits, 1012–1030, 1031–1035
- from Bank of Canada, 1669–1676
- guaranteed by parent, 1036–1037
- hydrocarbons and minerals, 426
- limits on, 467(b), 929(b)
- liquidator, 430, 555
- margin, 498
- minimum balance, 627.29
- prepayment protection, 458(1), 627.28

Index

Loans (*cont'd*)

- prudent person standard, 465, 927, 1002–1011
- receiver, 430, 555
- related party transaction, 488(1), (3), 491
- renewal statement, 627.89(6), FCP Regs. 43–46
- special security, 426–428, 555
- vendor take back, 426(7), 428, 555
- work-outs, 472, 934

Local cooperative credit society

- defined, 2

Low-fee retail deposit account

- memoranda of understanding, 1667–1668

M

Major owner

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

Management proxy circular

- contents of, 644–649
- director's statement, 175(1), 763(1)
- shareholder proposal, 143–144, 732–733
- solicitation of proxies, 156.04, 156.05, 746

Managing business

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

Manner of Calculation

- regulations, 702–705

Margin loans

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

Material contract

- disclosure of interest in, 202–206, 789–793

- review by conduct review committee, 195(3)(c)

Material Percentage

- regulations, 508(2), 706

Meetings

- auditor, 320, 852
- director, 180, 769
 - adjourned, 181(3), 770(3)
 - attendance, 186, 201, 776, 788
 - calling of, 45(2), 700(2)
 - dissent, 185, 775
 - electronic, 184, 773
 - first, 45, 700
 - minimum number of, 180, 769
 - notice, 181, 770
 - place of, 180(2), 769(2)
 - quorum, 182, 771
 - required by audit committee, 194, 782
 - resident Canadian majority, 183, 772
 - resolution, 184.1, 774
 - right of Superintendent to call, 187, 777
 - validity of acts, 200, 787
 - waiver of notice, 181(2), 770(2)
- regulations, 707–709
- shareholder
 - approve bylaws, 46(2)(a), 701(2)(a)
 - auditor attendance, 320, 852
 - auditors' appointment, 46(2)(c), 701(2)(c)
 - calling of, 46, 137, 153(3), 154, 171(4), 701, 726, 742(3), 743, 759(4)
 - cumulative voting, 167–168, 755–756
 - directors' election, 46(2)(b), 170–171, 758–759
 - location, 136, 725
 - notice, 138–141, 727–730, 707–709
 - order to delay calling, 726(2)

Index

Meetings (*cont'd*)

- • participation by electronic means, 725(2)
- • proposal, 143–144, 732–733, 707–709
- • quorum, 146–147, 735–736
- • request for, 153, 742
- • resolution in lieu of, 152, 741
- • right of directors to attend, 201, 788
- • single shareholder, 147, 736
- • special business, 141, 730
- • superintendent attendance, 320(4), 852(4)
- • voting, 148–151, 737–740, 707–709
- • waiver of notice, 142, 731
- • limitation on assets, 54.1, 382–388, 890–897
- • record, 597
- • short term, 973.1
- ownership of bank holding companies, 875–918
- ownership of banks, 372–401.3
- powers of, 231, 812
- • delegation, 979
- Report of public inquiry, 525(4)–(6)

Minority Interest Investments

- permitted types, 468(4), (11), 474, 930(4), (11), 936
- restriction, 468(4), 930(4)

Member

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

Minimum balance, 627.17(4), 627.29

Minister

- agreement
- • significant interest, 393, 393.1, 902, 903
- appeal to dissolve, 345, 869
- approval, *see Regulatory approvals*
- defined, 2
- delegation of power, 979
- directions, 402–403, 915–917, 977
- incorporation
 - • factors considered, 27, 526, 675
 - • minimum capitalization, 46(1)
 - • objections, 26(2)
- • subsidiary of a foreign bank, 24, 55(1)
- issue of letters patent, 22, 28(3), 35, 39, 46(1), 229, 231, 671, 676(3), 684, 688, 809, 812
- order
 - • disposition of shareholdings, 402, 915
 - • exempt or adapt, to, 973.2
 - • exemption from foreign bank status, 12(1)

Mortgage

- exemption from related party transactions, 491(b)
- mortgage insurance regulations, 627.992, FCP Regs. 74–88
- residential mortgage underwriting practices and procedures, 1279–1294
- restriction on residential, 418, 551

Motor vehicle

- defined, 464(1), 925(1)
- financial leasing entity, 638–640

Mutual fund distribution entity

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

Mutual fund entity

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

Index

N

Name

- affiliated entities, 41, 694
- change of, 217(1)(i.1), 217(3), 802, 1773–1775
- • letters patent, 215, 216, 1806–1808
- corporate seal for, 256, 833
- direction to change, 44, 532, 698
- English and French form, 42, 696
- improper use of, 983
- offence for wrongful use, 983
- prohibited, 40, 530, 693
- publication, 531, 832
- punishment, 985
- reserved, 43, 697, 1863–1864
- restriction on, 695
- revoking, 44(2)
- set out in contracts, 255, 531, 832
- use of, 983, 719–723, 1512–1516, 1659–1661

National treatment, *see Reciprocity with foreign applicants*

Negative Option Billing

- cancellation, 627.1, FCP Regs. 3–8
- consent, 627.08, 627.09

Networking

- *Competition Act*, 789–791
- power to engage, 411, 543
- restriction on insurance, 416, 549, 677–678, 684–686

Non-bank affiliate of a foreign bank

- annual returns, 522.27
- borrowing from public, 519.1, 520.1
- defined, 507(1)
- grandfathered, 522.3(1)
- prohibited activities, 519(1)

Non-bank entity

- defined, 947
- prohibited activities of, 948

Non-WTO member authorized foreign bank

- defined, 554

Non-WTO member bank subsidiary

- branches
- • restriction on, 422.2
- defined, 422.1

Notice

- branch closure, 627.993, FCP Regs. 89–93
- constructive, 19, 668
- of intention, 427(4), (5)
- service on a bank, 968
- summary of requirements, 1979–1982
- to bank, 462(2)
- • Minister of National Revenue, 462(2.1), 579(2.1)

Notice of Deposit Restrictions

- regulations, 627.75–627.76(1), FCP Regs. 24

Notice to directors and shareholders, 965, 967

O

Offences and penalties, *see also Office of the Superintendent of Financial Institutions*

- appeals, 990
- court enforcement, 989.3
- disposing of or withholding goods, 984(2)
- effect on contracts, 988
- failure to provide information, 982
- false or misleading information, 980.1
- false statements, 984(1)
- generally, 980–991
- liability of directors and officers, 986
- limitation period, 987
- production of information and documents, 989.1

Index

Offences and penalties (*cont'd*)

- punishment, 985(1), (3)
- recovery of fines, 991
- restraining or compliance order
 - authorized foreign bank, 989(2)
 - bank, 989(1)
 - consumer provisions, 989(3)
- Superintendent's directions, 989.2
- 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

Office of the Superintendent of Financial Institutions

- Act, 815–826
- administrative monetary penalties regulations, 1737–1745
- charges for services, 1733–1736
- rulings, *see Rulings*
- supervisory framework, 1939–1956
- transaction instructions, 1757–1874

Officer, *see also Senior Officer*

- appointment of, 196–197, 783–784
- appointment of first, 45(1)(d), 700(1)(d)
- auditor, notice of errors, 332, 863
- auditor, report to, 328
- authority, 20, 669
- chief executive, 196, 783
- conflict of interest
 - application to court, 206, 793
 - avoidance standards, 205, 792
 - disclosure, 202–206, 789–793
- defined, 2, 265(1), (2), 834
- director as, 197(2), 784(2)
- disclosure of compensation, 639

- indemnity, 212–214, 799–801
- insurance, 213, 800
- liability, 986
- margin loans, 498
- powers of
 - suspended, 649
- related party, 496
- reliance on information, 406, 920
- remuneration, 199, 627.07, 786
- share certificate, signature on, 86(1)(a), 724
- undue preference to creditor, 981
- validity of acts, 200(1), 787(1)

Operational Risk Management and Resilience

- guide, 1340–1352

Optional products or services

- consent, 627.42
- defined, 627.01
- disclosure, 627.94–627.97
- independent agreement, 627.41

Options

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

Order form

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

Orders

- adequacy of capital and liquidity, 485(3), (4), 949(3), (4)
- aggrieved by refusal of proposal, 144(2), (3), 733(2), (3)
- appeal of, 990
- approving application for dissolution, 345(2), 869

Index

Orders (*cont'd*)

- approving indemnity of directors and officers, 214, 801
 - authorizing carrying on of business
 - application for, 525
 - contents of order permitting, 527
 - matter for consideration, 526
 - commencement of business, 48–58, 534
 - compliance with Act, 985(2), 989
 - compulsory acquisitions, 291, 836
 - contribution, 208(3), 795(3)
 - court enforcement, 646, 961
 - court-supervised liquidation, 347–352, 355, 357–359, 870
 - derivative action, 335–336, 865
 - disposition of shareholdings, 402–403, 915–917
 - disqualification of auditor, 316(2), 848(2)
 - divestment, 480, 942
 - effect, 462(1)
 - election of director or auditor, 155, 744
 - evidence of appointment or incumbency, 127(4), 724
 - exempt or adapt, to, 973.2
 - exemption from
 - barring examination, 310(4), 842(4)
 - foreign bank status, 12
 - prohibited transactions, 499
 - public holding requirement, 385–385.1, 893–894
 - extension of period, 29(8)
 - liability action against class, 363(3), 871
 - limit on assets, 386, 388(3), 895, 897(3)
 - limit or prohibit growth or acquisition of assets, payments or purchases, 485(3.1), (3.2)
 - location and processing of information, 245(1), 822(1)
 - management by employees, 495(2)
 - meeting of shareholders, 154, 743
 - not effected by
 - amalgamation, 230(1)(f), 811(1)(f)
 - continuance, 38(1)(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
 - support regulations, 784–785
 - transitional, regarding
 - amalgamation, 231, 812
 - continuance, 39, 688
 - winding-up, 651
- Ordinary resolution
 - amendments to by-laws, 188, 778
 - defined, 2
 - in lieu of meeting, 152, 741
 - removal of auditor, 317, 849
- Organization and commencement
 - commencement of business, 48–58
 - first directors' meeting, 45, 700
 - first shareholders' meeting, 46, 701
- OSFI rulings, *see Rulings (OSFI)*

Outsourcing of Business Functions, *see*
also Deemed approvals

- by FRFIs, 1210–1229

Over-issue

- defined, 81, 724
- securities not to be issued, 97, 724

Ownership of banks and bank holding companies

- application for approval, 395–401.1, 905–921, 1867–1874
- *Competition Act* applies, 408, 921
- constraints on acquisitions, 373–380, 875–888, 1867–1874
- constraints on registration, 379–384, 887–892
- crown and foreign governments, 401.2–401.3, 913–914
- exceptions, 374(2)–374.1, 381–383, 389, 876(2)–(6), 877, 889–891, 898
- exemptions, 380, 388, 888, 897
- interest of securities underwriter, 404, 918
- limitations on shareholdings, 374–375, 876–878
- loss of control, 393–393.1, 902–903
- ministerial direction, 402–403, 915–917
- obligation of widely held, 376–376.01, 879–879.1
- prohibitions
 - against control, 377, 377.1, 378.1, 378.2, 882–883, 885–886, 651–656
 - against significant interest, 376.1–376.2, 880–881
- public holding requirement, 372, 385–392, 874, 893–901
- regulations restricting, 474, 936
- Schedule I bank, former, 378
- significant interest in, 372–373, 380–384, 874–875, 888–892
- prohibitions, 376.1–376.2, 880–881

P

Paid-in capital

- deposit of, 51
- minimum amount, 29(1), 52(1)(b)

Participating share

- defined, 464(1), 925(1)

Partnership

- restriction on being general partner, 421, 553.1, 1776

Payment card

- disclosure of charges, 627.89(3), FCP Regs. 58–70
- handling complaints, 157(2)(e), 627.43, FCP Regs. 14–17
- power to issue, 409(2)(d), 538(2)(d)
- promotion of merchandise and services to, 410(1)(d), 539(1)(c), 627.61

Permitted canadian entity

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

Person

- as major owner, 507(8), (11)
- defined, 2, 110
- prudent standard, 157(2)(g), 465, 747(2)(d), 927, 1002–1011

Personal deposit account

- access to, 627.17–627.27
- defined, 627.01
- disclosure of charges, 627.68–627.72, FCP Regs. 20–23
- regulations, 627.67, FCP Regs. 20–23

Personal Information Protection and Electronic Documents Act

- Schedule 1, 1747–1753

Personal representative

- defined, 2

Pledging, *see Security interest*

Index

Policy Statements

- *Financial Consumer Agency of Canada Act*, 792–814

Portfolio limits on investments, 475–479, 937–941

Portfolio management services, *see* *Investment services*

Powers, *see* *Business powers*

Preferred shares, *see also* *Shares*

- authority to issue, 61, 705
- contingent capital, 867–872
- tier 1 capital, 851–861
- tier 2 capital, 861–867

Premises

- regulations, 763

Prepaid payment products

- defined, 627.01
- disclosure, 627.92
- prohibitions, 627.93

Prepayment protection, 627.28

Prescribed

- defined, 2
- regulation making authority, 978(1)(a)

Principal office

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

Principal officer

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

Principal protected notes

- redemption or purchase before maturity, 627.83
- regulations, 627.77–627.84, FCP Regs. 4, 8, 26–30

Priority

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

Privacy

- protection of personal information, 1747–1753

Processing of records, 245, 822

Property, *see* *Real property*

Prospectus

- distribution, 273, 835
- order of exemption, 274, 835
- requirements, 273, 729–730, 731–734
- use of name in, 983, 726

Proxy

- appointment of proxyholders, 156.02, 746
- contents of, 156.04(1), 156.05(1)(a), (b), 746, 644–646
- defined, 2
- deposit of, 156.03, 746
- duty of intermediary, 156.07, 746
- general, 156.02, 746
- mandatory solicitation, 156.04, 156.05, 746
- regulations, 156.071, 644–646
- restraining order, 156.08, 746
- restrictions on voting, 156.09, 746
- revocation of, 156.02(6), 746
- right of beneficial owners, 156.07, 746
- rights of holder, 156.06, 746
- soliciting of, 156.04, 156.05, 746, 1771

Proxyholder

- appointment of, 156.02(1), 746
- attendance at meeting, 156.06, 746

Index

Proxyholder (*cont'd*)

- authority, 156.02(3), 746
- defined, 2
- regulations, 156.071
- restriction on, 156.09(3), 746
- rights of, 156.06, 746

Prudent person standard

- general requirements, 157(2)(g), 465, 747(2)(d), 927, 1002–1011

Public accountability statements

- regulations, 627.996, FCP Regs. 94–98
- statements, 627.996

Public inquiry

- on establishing an authorized foreign bank, 525(5), 738–740
- on incorporation of bank, 26(3)
- rules, 26(5), 525(5), 738–740, 754–756

Publication, *see* Canada Gazette

Purchaser

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

Put

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

R

Real property, *see also* Real property brokerage entity

- absolute title to, 434, 555
- calculating interest in, 687–701
- combined limit with equity, 478, 940
- defined, 2

- limit of, 475–476, 478, 937–938, 940
- power to hold, manage and deal with, 410(1)(a), 510.1, 539(1)(a)
- prohibited activities respecting, regulations, 510.1, 728

Real property brokerage entity

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

Real property interests valuation

- investment limits, 476, 478, 938, 940, 687–701

Realizations

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

Receiver

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

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

Recorded address

- defined, 2

Records

- access to
 - creditors, 597(6)
 - direction of Superintendent re immediate, direct, ongoing access, 245(1.1), 822(1.1)
 - directors, 239(4), 240, 816(3), 817
 - shareholder, 239(5), 240, 816(4), 817
 - subsidiaries, 470(4), 932(4)
 - substantial investment, 470(4) 932(4)
 - Superintendent, 643, 957
- contents of, 238, 597(1), 815
- copies of forms, 245, 598, 822
- custody after dissolution, 368, 871
- foreign branch, 1301–1304

Index

Records (*cont'd*)

- form of, 45(1)(b), 243, 597(4)–(5), 700(1)(b), 820
- location, 237, 239, 245, 597(2)–(3), 598, 814, 816, 822
- processing of, 245, 598, 822
- protection of, 244, 598, 821
- regulations, 247, 598, 824
- retention of, 246, 598, 823
- sent to Minister, 366(2)
- shareholder list, 240–242, 817–819

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

Registered product

- charges, 627.98
- defined, 627.01
- disclosure, 627.98–627.991

Regulated foreign entity

- defined, 2

Regulation

- commissioner, 657–661
- prudential agreements, 614.1, 644.1, 959
- remedial powers, 615–626, 645–656, 960–964
 - asset maintenance, 617
 - directions of compliance, 615–616, 645–646, 960–961
 - supervisory intervention, 618–627, 648–656
- Superintendent, 600–626, 628–656
- supervision, 600–614, 628–644, 950–958

- inspection, 613–614, 643–644, 957–958
- returns, 600–612, 628–642, 950–956

Regulations

- access to basic banking services, FCP Regs. 9–10
- adequate capital and liquidity, 485(2), 949(2)
- affiliated persons, 162, 553–554
- aggregate financial exposure, 495.2, 555
- agricultural product priority claim, 556
- aircraft objects, 436.1, 557
- annual statement, 558
- bank holding company proposal, 678(1), 559–562
- bank recapitalization (bail-in) conversion, 1719–1722
- bank recapitalization (bail-in) issuance, 485(1.21), 485.01, 563–564
- business powers, 410(3), 539(3)
- civil remedies, 565–566
- compensation (bail-in), 1723–1728
- consumer protection, FCP Regs. 1–98
- control in fact, 627.43, FCP Regs. 15, 651–656
- corporate interrelationships, 567–568
- disclosure of information re capacity of domestic systemically important bank to absorb losses, 485.02
- disclosure on continuance (federal credit unions), 569–570
- distributing bank or bank holding company, 571–572
- electronic documents, 573–575
- entity associated with a foreign bank, 507(17), 521, 522.23, 576–577
- entity member of group, 578–579
- equity limits, 467, 477–478, 929, 939–940, 687–701
- equity of a bank or a bank holding company, 978, 580–581
- exchange rate, 582

Index

Regulations (*cont'd*)

- exempt classes of foreign banks, 14.2, 583
- exempt debt obligation transactions (banks and bank holding companies), 482(2), 944(2), 584–585
- exemption for public notices or documents, 627.994, 586
- exemption from approval for certain investments in intragroup service entities, 468(5)–(6), 522.22, 930(5)–(6), 587
- exemption from restrictions on investments, 474(a) and (b), 522.23(b), 588
- factoring entity, 464(1), 925(1), 589
- federal credit union conversion, 590–597
- filing penalties, 1737–1745
- finance entity, 464(1), 507(1), 925(1), 598
- financial consumer protection, FCP Regs. 1–98
- financial leasing entity, 464(1), 507(1), 925(1), 638–640
- financial planning, 410(3)(b)
- foreign banks, 14.2, 522.23–522.24
- form of proxy (banks and bank holding companies), 156.04(1), 746, 978, 644–649
- going-private transactions, 650
- guarantees, 414(3)
- holding own shares, 70, 714, 716.1
- information processing activities, 410(3), 539(3), 657–659
- information services, 410(3), 539(3)
- information technology activities, 660–669
- insider reports, 834, 670–671
- insider reports exemptions, 834
- insurance business, 416(3), 672–686
- investment counselling and portfolio management services, 410(3)(b), 539(3)(b)
- investment limits (bank holding companies), 929, 941, 978, 687–694
- investment limits (banks), 467, 479, 978, 695–701
- manner of calculation (foreign banks), 978, 702–705
- material banking group percentages, 508(2), 706
- meetings and proposals, 707–709
- minority investment, 468(5), 474, 930(5), 936, 710–715
- mortgage insurance business, 716–718
- name use, 983, 719–723
- networking, 411(2), 543(2)
- power to make, 978
- prepaid payment products, 627.92–627.93, FCP Regs. 71–73
- prescribed deposits, 413(5), (6), 545(3), (6), 724–727
- prohibited activities respecting real property, 510.1, 728
- prospectus, 729–734
- protection of assets, 978(1)(g), 735–737
- proxy, 644–649
- public inquiry, 738–740, 754–756
- registration of security, 427(6), 741–745
- regulatory capital, 2, 938–940, 746–750
- related party transactions, 751–752
- representative office, 978, 641–643
- resident Canadian, 753
- retention of records, 247, 824
- sales or trades, 540(6), 757
- securities dealing restrictions, 415, 758–761
- security certificate transfer fee, 762
- shared premises, 413.3(4)(a), 763
- special security, 426–427, 741–745
- specialized financing entity, 464(1), 507(1), 925(1), 764–775
- subsidiaries holding bank shares, 70(c), 714(c), 776–777

Index

Regulations (*cont'd*)

- supervisory information, 607, 637, 956, 778–783
- support orders and provisions, 784–785
- total assets, 54.1(4), 386(3), 895(3), 786
- use of name, 983, 787

Regulatory approvals

- acquisition of control or substantial investment, 468, 522.22, 930
- • establishment of branch of securities dealer or cooperative credit society, 1816–1817
- • establishment of limited commercial branch, 1820–1821
- • limited commercial entity, 1818–1819
- • non-financial services entity, 1814–1815
- • provincially regulated financial institution, 1811–1813
- • requiring Minister's approval, 1824–1827
- • use of automated banking machines, 1822–1823
- acquisition of significant interest and/or acquisition of legal control of FRE, 373(1), 395(2), 875(1), 905(2), 1867–1874
- amalgamation
 - • agreement, 225, 805, 1843–1851
 - • letters patent of, 229, 809, 1843–1851
- assets, sale of all or substantially all, 236, 537, 1831–1837
- continuation of body corporate, 35, 1852–1853
- discontinuance as a bank holding company, 689
- discontinuance-continuance under *Canada Business Corporations Act* or *Canada Not-For-Profit Corporations Act*, 1854–1857
- extension of period
 - • for divestiture of control or substantial investment, 472(7),

473(5), 522.15(2), (3), 934(6), 935(4), 1858–1860

- • for holding of temporary investments, 471(4), 522.14(2), (3), 933(3), 1861–1862
- financial establishment in Canada, 1803–1805
- giving up control in fact, 1865–1866
- liabilities, transfer of all or substantially all, 236, 537, 1831–1837
- liquidation, simple, 343–345, 869, 1838–1842
- name
 - • change of, 216, 1806–1808
 - • reservation of, 43, 697, 1863–1864
 - • substantially the same as affiliate, 41, 694
- non-banking branch, foreign bank, 522.22(1)(f), (h), 1816–1817, 1820–1821
- termination of authorized foreign bank, 1828–1830
- termination of banking branch, 599

Regulatory capital

- defined, 2
- equity limit, 687–701
- loans greater than one-half of one percent, 328(1)(b)
- real property limit, 478
- regulation making authority, 978(1)(f)
- regulations, 746–750
- related party transactions, 497

Regulatory risk

- guideline, 1305–1312

Related party

- asset transactions, 494, 495.3, 976, 1792–1802
- borrowing from, 493
- deemed, 1665–1666
- defined, 486, 1665–1666
- deposits, 492
- directors' interests, 496, 497(2)

Index

Related party (*cont'd*)

- disclosure, 504
- holding company transaction, 495.1, 495.2
- margin loans, 496(3), 498
- materiality criteria, 1068–1074
- nominal value transactions, 490, 976, 1792
- notice to superintendent, 505
- officers' interests, 496, 497(2)
- permitted transactions with, 490–500, *see also Related party transactions permitted*
- prescribed transactions, 500, 751–752
- prohibited transactions with, 489
- remedial actions, 506
- restrictions, 495.2, 501
- secured loans, 491
- senior officer, defined, 485.1
- services, 495
- share capital reductions and redemptions, 751–752
- tax allocations, 751–752
- transactions, defined, 488
- transactions exempted, 487, 1797–1800

Related party transactions permitted, *see also Related party and Restrictions on permitted related party transactions*

- acquisition or sale of certain assets, 494, 751–752
- 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, 751–752
- holding company transactions, 495.1, 495.2
- loans secured by government, 491(a)
- margin loan, 496(3), 498

- materiality criteria, 1068–1074
- nominal or immaterial transactions, 490
- prescribed transactions, 500
- residential mortgage, 491(b)
- services, 495
- share capital reductions and redemptions, 751–752
- tax allocations, 751–752

Remedial action, 334–338, 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)

Reporting requirement

- summary of, 1979–1982

Representative office

- cancellation of registration, 522.02
- defined, 507(1)
- examination of, 522.01
- name of, 522.011
- permission for, 522(a)
- regulations on, 641–643

Resident

- WTO Member, 2, 11.1

Resident Canadian, *see also Resident*

- defined, 2, 753
- 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)
- *Competition Act*, 789–791
- deposit taking, 413, 540(1)(a), 546
- acting as agent in, 540(1)(b)
- fiduciary activities, 412, 544
- financial leasing, 417, 550
- foreign banks, 510
- goods, wares and merchandise, 410(2), 539(2)
- guarantees, 414, 540(1)(c), 923
- insurance business, 416, 549, 672–686
- leasing, 417, 550
- partnership, 421, 553.1, 924, 1776
- receivers, 420, 553
- residential mortgage, 418, 551
- securities activities, 415, 548, 758–761
- security interest, 419
- shared premises, 413.3, 547
- tied selling, 627.04, 627.05, 627.64

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

- cancellation, FCP Regs. 5
- disclosure of charges, 627.68, FCP Regs. 20–23
- opening, 627.17, 627.67, 627.69
- regulations, 627.69, 627.998(k), FCP Regs. 22

Returns

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

Risk governance

- risk appetite framework, 1186–1189, 1191–1192

Risk management

- interest rate risk, 1230–1253
- regulatory risk, 1305–1312

Rulings (OSFI)

- acting as a service provider, 1606–1607
- acting as a trustee for a trust, 1608–1609
- acting jointly or in concert, 1651–1653
- business in Canada, access to capital market, 1632–1634
- business in Canada, credit card activities, 1623–1625
- business in Canada, financing program, 1640–1642
- business in Canada, mortgage loan administration services, 1643–1645
- business in Canada, realization of security interests, 1638–1639
- business in Canada, referral arrangement, 1630–1631
- comprehensive credit insurance policy, promotion of, 1598–1600
- control in fact
 - major shareholder and service provider, 1654–1656
 - trustee or manager, 1657–1658
- conversion of shares, 1619–1620
- conversion of subordinated debt, 1615–1616
- deeming a party to be a related party, 1665–1666
- financial services entity, 1628–1629
- foreign bank representative offices, asset management services, 1635–1637
- foreign remittance activities, representative offices, 1646–1648
- holding of shares in FRFI or its controlling body corporate, 1617–1618

Index

Rulings (OSFI) (*cont'd*)

- limited recourse capital notes, 1610–1614
- “near” foreign banks — securities dealer undertakings, 1626–1627
- physically settled commodity trading, 1601–1605
- small denomination notes, 1649–1650
- unauthorized use of the word “bank”, 1662–1664
- use of trade name, 1659–1661
- voluntary liquidation, outstanding deposit liabilities, 1621–1622

S

Sale of substantially all assets

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

Sales or trades

- in debt securities, 540(4)(b), 540(5)(b)
- regulations, 540(6), 757

Sanctions, *see Offences and penalties*

Schedule I

- amalgamation restriction, 223(2)
- amending, 14(2), (3)
- contents of, 14(1), 545–546
- financial year, 307
- ownership, 372–401.3

Schedule II

- amending, 14(2), (3)
- contents of, 14(1), 547

Schedule III

- amending, 14.1(2), (3)
- contents of, 14.1(1), 548–549

Schedule IV

- amending, 14.11
- contents of, 550

Scrip certificates

- conditions on, 91, 724
- rights of, 92(2), 724

Seal, *see Corporate seal*

Securities

- in branch services, 1755
- lending guidelines, 1038–1040
- networking, 411, 543
- restriction on activities, 415, 548, 758–761
- safeguarding of, 735–737
- use of bank name, 723

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, 109–118, 724
- enforceability, 102, 724
- exchange of, 429
- extended meaning, 271(2)

Index

Security (*cont'd*)

- 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
- lending guidelines, 1038–1040
- lost, 133, 724
- minors, 94, 724
- negotiable instrument, 83(1), 724
- order form, 83(3), 724
- over-issue, 97, 724
- ownership, constructive, 120, 724
- particulars of class, 89, 724
- purchase, ownership, 120, 724
- registered form, 83(4), 724
- restrictions and constraints on, 88, 724
- safeguarding of, 735–737
- sale of, 428, 431, 555
- scrip certificates, 91, 724
- seizure of, 124, 724
- special, 426–428, 555, 741–745
- stolen, 133, 724
- substitution, 426(12), 555
- taking of, 429, 555
- title of purchaser, 104, 724
- transfer fee, 762
- transfer of, 82, 85(2), 93(2), 96, 724, 762
- 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, 762
- fractional, 90, 92(1), 724
- joint holders of, 85(3), 724
- minors, 94
- particulars of class, 89, 724
- restrictions on, 88, 724
- scrip, 91, 92(2), 724
- signature on, 86, 724

Security interest

- defined, 2
- in shares of the bank, 72(2), 716(2), 1765
- pledging guideline, 1064–1067
- related party transaction, 488(1)(d), 488(4)
- restriction on, 419

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, 627.72, FCP Regs. 21, 23
- disclosure to borrower, 627.89
- disclosure to customers and public, 627.56, 627.68
- government cheques, 627.25, 627.26, FCP Regs. 10, 17
- handling complaints, 627.43, FCP Regs. 14–17
- minimum balance, 627.29
- OSFI services, 1733–1736
- set out in agreement, 627.12

Index

Service entities

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

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

Share for share exchange, *see* Incorporation

Shareholder

- access to disclosure of conflict of interest, 204(2), 791(2)
- access to records, 239(5), 816(4)
- approval
 - amalgamation, 226, 806
 - by-laws, 188, 191, 217(2), 778, 802
 - sale, 234, 813
 - status of, 336, 865
- attendance at directors' meeting, 186, 776
- auditor's statement, 321, 853
- by-laws
 - amendment, 217, 802
 - general, 188–192, 778–780
 - proposal to amend, 221, 802
- cumulative voting, 167–168, 755–756
- defined, 7, 361, 871
- director vacancy, 176, 764
- disposition of shareholdings, 402, 915
- interpretation, 7
- joint, 150, 739
- joint holders, 95, 724
- liability, 18, 363, 871
- list, 145, 240–242, 817–819
- major, 2.2
- minor, 94, 724
- not personally liable, 18, 667
- notice, 137(3), 727(1), 965

- powers, 153, 742
- proposal, 143–144, 189, 732–733, 779
- registered holder, 93, 724
- representative, 149, 738
- requisitioned meeting, 153, 742
- statement of director, 174–175, 762–763
- voting rights, 218, 226, 234, 802, 806, 813
 - restriction, 156.09, 392, 746, 901
- winding-up
 - proposal, 343, 869
 - resolution, 344, 869

Shareholders' meeting

- approval of by-laws, 217(2), 218–222, 802
- auditor's attendance at, 320, 852
- calling of, 137(1), 171(4), 726(1), 759(4)
- cumulative voting at, 167–168, 755–756
- directors' election, 46(2)(b), 167–171, 755–759
- financial statements, 308, 840
- first meeting, 46, 701
- meeting called by court, 154–156, 743–745
- notice of, 138–140, 727–729
- place, 136, 725
- quorum, 146–147, 735–736
- record date, 137, 726
- requisitioned meeting, 153, 742
- resolutions in lieu of meeting, 152, 741
- right of director to attend, 201, 788
- shareholder list, 145, 240–242, 734, 817–819
- shareholder proposals, 143–144, 732–733
- special business, 141, 730
- Superintendent attendance, 320, 852
- voting, 148–151, 737–740
- waiver of notice, 142, 731

Index

Shares, *see also Common shares, Foreign Bank, Rulings (OSFI), Security and Security certificate*

- acquisition, subsidiary, 72.1
- approval of certificate, 45(1)(b), 700(1)(b)
- authorizing issuance, 45(1)(c), 59, 207, 211, 700(1)(c), 703, 794, 798
- cancellation, 73, 717
- classes of, 61, 89, 217–222, 705, 724, 802
- common, 60, 704
- consideration for, 65, 709, 1619–1620, 1758–1761
- conversion into, 69, 78, 713, 721, 1619–1620
- cross ownership on amalgamation, 224(3), 804(3)
- defined, 265(1), 283(1), 834, 836
- director liability for issuance of, 207, 794
- disposition of, 402
- dividend, 79, 722
- donated, 71(3)
- fractional, 90, 724
- holding of own shares, 70, 714, 716.1, 978(1)(j), 777
 - as of proclamation date by subsidiary, 74
 - as personal representative, 72(1), 716(1)
 - as security interest, 72(2), (3), 716(2)
 - by a securities subsidiary, 776
 - by redemption, 71, 715
 - for cancellation, 73(1), 717(1)
 - upon realization, 73(2), 717(2)
- holding shares or ownership interests in FRE or controlling entity, 1765
- non-assessable, 64, 708
- power to issue, 59, 703
- pre-emptive right, 68, 712
- purchase of, 71, 715, 1762
- redemption, 71, 77, 715, 720, 1762
- registration constraints, 373, 401.2, 875, 913
- requirement to sell, 73–74, 717
- reserved, 69(3), 713(3)
- right to acquire, 284, 836
- series, 62, 217–222, 706, 802
- stated capital account, 66–67, 710–711
 - reduction of, 75, 1766–1768
- voting, 63, 148, 707, 737

Signature

- guarantee of, 127(2), 724

Significant interest

- acquisition of, 373, 1867–1874
- defined, 2, 8
- prohibition against, 376.1, 376.2
- related party, 486(1)

Solicit or solicitation

- defined, 156.01, 746

Solicitation on behalf of management

- defined, 156.01, 746

Special resolution

- amalgamation, 226–227, 806–807
- amendments to certain bylaws, 217(2), 219–220, 802
- amendments to incorporating instruments, 215, 802
- continuance, 34(2), 683(2)
- defined, 2
- dissolution, 344, 869
- in lieu of meeting, 152, 741
- reduction of capital, 75, 718
- sale of substantially all assets, 234(4), 813(6)
- special business, 141, 730

Special security

- assignment of rights, 428(14), 555
- conditions of, 429(1), 555
- definitions, 425, 555

Index

Special security (*cont'd*)

- exchange of securities, 429(2), 555
- for certain borrowers, 427(1), 555
- loans on hydrocarbons and minerals, 426, 555
- power to take possession, 427(3), 428(11), (12), 555
- priority of, 428(1)–(6), 555
- registering against land, 428(3), (4), 555
- registration of notice of intention, 427(4)–(6), 555
- regulations, 741–745
- rights with respect to, 427(2), 428(12), 555
- sale on non-payment, 428(7)–(10), 555
- subordination of, 427(7), (8), 555
- subrogation of security, 428(13), 555

Specialized financing entity

- conditions for investment, 767–770, 772
- defined, 464(1), 507(1), 925(1), 764, 767, 771
- restricted investment in, 468(4)(d), 468(6), 468(7), 928(2), 930(4)(d), 930(6), 930(7), 764–766, 769–770, 773–774
- undertakings, 470, 932

Squeeze-out transaction

- approval of shareholders, 276, 835.1
- defined, 2
- right to dissent, 276, 835.1

Subordinated indebtedness

- consideration for, 80, 723
- contingent capital requirement, 867–872
- defined, 2, 663
- director's liability for issuance of, 207, 211, 794, 798
- priority on insolvency, 369
- tier 2 qualification, 861–867
- trust indenture, 294–306, 838

Subsidiary, *see also* *Minority Interest Investments and Substantial investment*

- auditor, 329, 860
- defined, 2, 5
- foreign bank, 24
- holding bank holding company shares, 714, 716.1, 777
- holding bank shares, 70, 74, 776
- interpretation, 5
- related party, 486, 487(4)

Substantial investment, *see also* *Minority Interest Investments*

- approvals, 468(5)–(7), 469, 930(5)–(7), 931, 1777–1780, 1824–1827, 1865–1866
- auditor's right to information on, 324(1)(a), 856(1)(a)
- banks and bank holding companies, 1559–1591
- deemed by
 - • entity associated with foreign bank, 507(5)
 - • foreign bank, 507(4)
- defined, 2, 10
- divestiture of, 480, 942
- exemptions from approval for, regulations, 587
- interpretation, 10, 1559–1591
- loan workout/realizations, 472–473, 522.15, 934–935, 1859
- networking with, 411, 543
- permitted, 468(1), (2), 930(1), (2), 1777–1780
- related party, 486, 495(1)(c)
- restrictions on, 466, 468(3), (4), 928, 930(3), (4)
- temporary, 471, 481, 933, 943
- undertakings, 470, 932

Sunset clause, 21, 670

Index

Superintendent, *see also Office of the Superintendent of Financial Institutions*

- 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
- application to court, notice to, 144(4), 156, 214(2), 334(3), 338(2), 347(3), 733(4), 745, 801(2), 865, 870
- applications to, 25, 525, 674, 976
- appointment, 817–818
- approval, *see also Deemed approvals*
- • classes of shares, 62(5), 706(5)
- • conditions, 973
- • investments, 468(6)–(7), 930(6)–(7)
- • reductions in capital, 75(4), 718(4)
- • series of transactions, 482(1.1)
- • termination of business in Canada, 599
- • terms, 973
- • undertakings, 973
- assessments by, 696–698
- asset maintenance, 617
- assets, taking control of, 619–626, 648–656
- auditor, appointment of, 585
- auditor, filling vacancy of, 319, 589, 851
- authority, 49
- by-laws, copy of, 633, 971
- capital adequacy, 485, 949
- commencement of business, 48–54, 534
- conditions on margin loans, 498
- conduct review committee, report of, 195
- control of authorized foreign bank, 619–624
- control of bank, 649–652
- defined, 2
- direction of compliance, 615–616, 645–646, 960–961, 989.1–989.3
- director’s meeting, 187, 777
- directors, report of, 195(6)
- divestment order, 480, 942
- dividend declaration, notification of, 79(2), 722(2)
- documents, 605, 635, 954
- duties, 818
- encumbered property, 419(2)
- examination of authorized foreign banks, 613
- examination of banks, 613, 643, 957, 982
- examination of representative offices, 522.01
- financial statement, copy to, 312, 844
- foreign bank, examination of offices, 522.01
- information
 - • confidential, 606, 636, 955, 778–783
 - • direction to produce, 635, 954
 - • disclosure by, 609, 612, 636, 642, 955
 - • disclosure to, 607, 637, 956, 778–783
 - • evidentiary privilege, 608, 638, 956.1
 - • required to be filed, 600, 628, 950
- inquiry by, 614, 644, 958
- insider reporting, 266–269, 834
- intervention by, 619, 626, 648–656
- loan workouts/realization, 472–473, 934–935
- maintenance of bank register, 634, 953
- margin loan conditions, 498

Index

Superintendent (*cont'd*)

- meetings, attendance, 320, 852
- nominal or immaterial transactions, 490
- notice of
 - change in head office, 237(3), 814(3)
 - change in principal office, 535(3)
 - commencement of business, 56
 - contesting of rejected proposals, 144(4), 733(4)
 - establishing a foreign bank branch, 527(4)
 - issue of letters patent, 30, 37(2), 229(3), 679, 686(2), 809(3)
 - prohibited related party transaction, 505
- objectives, 816–817
- order to change name, 44(1)
- permission to open representative offices, 522
- powers of, 522.01, 614, 619, 644, 648, 958
- principal officer, 536(2), 536(3)
- production of, 605, 635, 954
- proxy, 156.05, 156.08, 746, 644–649
- records, 239, 245, 597(3), 614, 643(2), 816, 822, 958
- reduction of capital, 75(4), 718(4)
- register, 634, 953, 978(1)(k)
- related parties, designation of, 486(3)
- remedial action, 334–338, 865
- remedial powers, 614.1–627, 644.1–656, 959–64
- report
 - auditor's, 592(3), 595(2)
 - disclosure, 612, 642
- security interest, 72(2), 419(1), 716(2)
- statement of director, 174(2), 175, 762(2), 763
- supervisory intervention, 600, 619–626, 628, 648–656
- temporary investments, 471, 481, 933, 943

- undertakings, 470, 932
- verification of documents or facts, 971
- winding-up, report of liquidator, 341, 868
- winding-up, request, 621–622, 624, 651–652, 654

T

Takeover bid

- application to court, 289–291, 836
- date of, 283(3), 836
- deemed election, 286.1
- defined, 283(1), 836
- dissenting offeree, 283(1), 285, 836
- fiduciary capacity of bank, 287.1
- obligation to acquire shares, 292.1
- right to acquire shares of, 284–292, 836
- use of bank name, 787

Telephone request

- agreement by telephone, 627.55(2), FCP Regs. 20, 25, 58, 61, 71

Temporary investments

- deemed temporary, 481, 943
- exemption for, 466(3), 928(3)
- permission to hold, 471, 933, 1783–1784

Termination of business in Canada

- of authorized foreign banks, 599

Terrorism

- suppression of, 1746

Tickets

- power to sell, 410(1)(e), 539(1)(d)

Tied selling

- restrictions on, 627.04, 627.05, 627.64

Tipping

- compensation, 271.1

Trade

- defined, 2

Index

Trade (*cont'd*)

- sales or trades, 757

Transaction

- defined, 488

Transfer

- defect in, 100, 724
- defined, 2
- duty to register, 126–127, 724
- fee for security certificate, 85(2), 724, 762
- generally, 81–135, 724
- in case of death, 460, 577
- liabilities, 537, 1831–1837
- restrictions on, 88, 724
- right to compel endorsement, 109, 724
- transmission of securities, 93(2), 96, 724
- warranties, 108, 724

Transmission of securities, *see* *Transfer*

Transmission on death, 460, 577

Trust and Loan Company, *see* *Financial institution*

Trust indenture

- application of, 295, 838
- compliance with, 302, 838
- defined, 81, 294, 724, 838
- exemption for, 296, 838
- notice of default, 304, 838
- validity despite conflict, 298, 838

Trustee

- compliance with trust indenture, 302, 838
- conflict of interest of, 297–299, 838
- defined, 294, 838
- duty of care, 305, 838
- evidence of compliance, 302–303, 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, 302–303, 838

U

Unauthorized

- defined, 81, 724
- endorsement, 117, 724
- name, 983(2)–(2.04)
- signature, 101, 724
- use of “bank”, “banker” or “banking”, 983(2.1), (2.11), 1555–1558

Uncertificated security

- defined, 81, 724

Unclaimed balance

- authorized foreign bank, 557
- notice of, 439, 558
- payment of, 438

Unclaimed money, 366–367

Undertakings, 470, 932

United Nations

- suppression of terrorism, 1746

V

Valid

- defined, 81, 724

Voluntary codes of conduct, 627.66

Voting

- cumulative, 167–168, 755–756
- restriction on, 156.09, 746

Voting share

- defined, 2

Index

W

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, 979.1–979.4

- prohibition, 979.4
- wrongdoing, definition, 979.1
- wrongdoing, procedures, 979.3

Widely distributed

- defined, 482(2)(d), 584–585

Widely held

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

Winding-up

- ceasing business and powers, 350, 870
- costs, 356, 870

- • final order, 358, 870
- custody of records, 368, 871
- final accounts, 357, 870
- letters patent, 342, 360, 869, *1838–1842*
- 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, *1838–1842*
- no property, 342, 869, *1838–1842*
- priorities, 369, 625, 627, 655
- process, 345, 869, *1838–1842*
- proposing, 343, 869, *1838–1842*
- resolution of shareholders, 344, 869, *1838–1842*
- Superintendent, application to court, 651
- unclaimed money, 366–367

Wrongdoing

- definition, 979.1
- procedures, 979.3

WTO member resident

- defined, 2, 11.1