

# TABLE OF CONTENTS

Introduction . . . . .	iii
Office of the Superintendent of Financial Institutions — Contact information . . . . .	xxxiii
Table of Concordance . . . . .	xxxv

## TRUST AND LOAN COMPANIES ACT

### SHORT TITLE

1	Short title . . . . .	1
---	-----------------------	---

### PART I — INTERPRETATION AND APPLICATION (SS. 2–13)

#### *Definitions*

2	Definitions . . . . .	2
---	-----------------------	---

#### *Interpretation*

2.1	Major shareholder . . . . .	8
2.2	Widely held . . . . .	9
2.3	Regulations — distributing company . . . . .	9
3	Control . . . . .	9
4	Holding body corporate . . . . .	10
5	Subsidiary . . . . .	10
6	Affiliated entities . . . . .	10
7	Shareholder . . . . .	10
8	Significant interest . . . . .	10
9	Acting in concert . . . . .	10
10	Substantial investment in body corporate . . . . .	11
11	[Repealed 2005, c. 54, s. 370.] . . . . .	13
11.1	WTO Member resident . . . . .	13

#### *Application*

12	Application of Act . . . . .	14
13	Conflicting provisions . . . . .	14

### PART II — STATUS AND POWERS (SS. 14–20)

14	Corporate powers . . . . .	14
14.1	Policies and procedures — integrity or security . . . . .	14
15	No invalidity . . . . .	14
16	By-law not necessary . . . . .	15
17	No personal liability . . . . .	15
18	No constructive notice . . . . .	15
19	Authority of directors and officers . . . . .	15
20	Sunset provision . . . . .	15

Table of Contents

**PART III — INCORPORATION, CONTINUANCE AND DISCONTINUANCE (SS. 21–48.1)**

***Formalities of Incorporation***

21	Incorporation of company . . . . .	16
22	Restrictions on incorporation . . . . .	16
23	Subsidiary of foreign institution . . . . .	16
24	Application for incorporation . . . . .	16
25	Objections to incorporation . . . . .	16
26	Matters for consideration . . . . .	17
27	Contents of letters patent . . . . .	17
28	Notice of issue of letters patent . . . . .	18
29	First directors . . . . .	18
30	Effect of letters patent . . . . .	18

***Continuance***

31	Federal corporations . . . . .	18
32	Application for continuance . . . . .	18
33	Power to issue letters patent . . . . .	18
34	Effect of letters patent . . . . .	18
35	Copy of letters patent . . . . .	18
36	Effects of continuance . . . . .	19
37	Transitional . . . . .	19

***Discontinuance***

38	Transferring to other federal Acts . . . . .	20
39	Act ceases to apply . . . . .	21
40	[Repealed 2007, c. 6, s. 340.] . . . . .	21

***Corporate Name***

41	Prohibited names . . . . .	21
42	Trust company . . . . .	22
43	Affiliated company . . . . .	22
44	French or English form of name . . . . .	22
45	Reserved name . . . . .	22
46	Directing change of name . . . . .	22
47	Restriction re trust company name . . . . .	23
48	Subsidiaries . . . . .	23
48.1	Definition of “reserved name” . . . . .	23

**PART IV — ORGANIZATION AND COMMENCEMENT (SS. 49–61)**

***Organization Meetings***

49	First directors’ meeting . . . . .	24
50	Calling shareholders’ meeting . . . . .	24
51	Term of first directors . . . . .	25

***Commencement and Carrying on of Business***

52	Order to commence and carry on business . . . . .	25
53	Authority to make order . . . . .	25
54	No payments before order . . . . .	25
55	Deposits and investments before order . . . . .	26
56	Conditions for order . . . . .	26
57	Authorization in order . . . . .	26
58	Variations . . . . .	27
59	Public notice . . . . .	27

## Table of Contents

60	Cessation of existence . . . . .	27
61	Allowed disbursements . . . . .	27
<b>PART V — CAPITAL STRUCTURE (SS. 62–138)</b>		
<b><i>Share Capital</i></b>		
62	Power to issue shares . . . . .	28
63	Common shares . . . . .	28
64	Classes of shares . . . . .	29
65	Shares issued in series . . . . .	29
66	One share, one vote . . . . .	30
67	Shares non-assessable . . . . .	30
68	Consideration for share . . . . .	30
69	Stated capital account . . . . .	30
70	Stated capital of continued company . . . . .	31
71	Pre-emptive right . . . . .	32
72	Conversion privileges . . . . .	32
73	Holding of own shares . . . . .	33
74	Purchase and redemption of shares . . . . .	33
75	Holding as personal representative . . . . .	33
75.1	Exception — conditions before acquisition . . . . .	33
76	Cancellation of shares . . . . .	34
77	Subsidiary holding shares . . . . .	34
78	Reduction of capital . . . . .	34
79	Recovery by action . . . . .	35
80	Adjustment of stated capital account . . . . .	35
81	Addition to stated capital account . . . . .	36
82	Declaration of dividend . . . . .	36
<b><i>Subordinated Indebtedness</i></b>		
83	Restriction on subordinated indebtedness . . . . .	37
<b><i>Security Certificates and Transfers</i></b>		
84	Definitions . . . . .	37
85	Provisions governing transfers of securities . . . . .	38
86	Security a negotiable instrument . . . . .	38
87	Status of guarantor . . . . .	38
88	Rights of holder . . . . .	38
89	Signatures . . . . .	39
90	Contents of share certificate . . . . .	39
91	Restrictions and charges . . . . .	39
92	Particulars of class . . . . .	40
93	Fractional share . . . . .	40
94	Scrip certificates . . . . .	40
95	Holder of fractional shares . . . . .	40
96	Dealings with registered owner . . . . .	40
97	Minors . . . . .	41
98	Joint shareholders . . . . .	41
99	Transmission of securities . . . . .	41
100	Over-issue . . . . .	42
101	Burden of proof . . . . .	43
102	Securities fungible . . . . .	43
103	Notice of defect . . . . .	43

Table of Contents

104	Unauthorized signature . . . . .	44
105	Completion or alteration . . . . .	44
106	Warranties of agents . . . . .	44
107	Title of purchaser . . . . .	44
108	Deemed notice of adverse claim . . . . .	44
109	Notice of fiduciary duty . . . . .	45
110	Staleness as notice . . . . .	45
111	Warranties to issuer . . . . .	45
112	Right to compel endorsement . . . . .	46
113	Definition of “appropriate person” . . . . .	46
114	Endorsement . . . . .	46
115	Immunity of endorser . . . . .	46
116	Partial endorsement . . . . .	47
117	Effect of failure by fiduciary to comply . . . . .	47
118	Effect of endorsement without delivery . . . . .	47
119	Endorsement in bearer form . . . . .	47
120	Effect of unauthorized endorsement . . . . .	47
121	Warranties of guarantor of signature . . . . .	47
122	Constructive delivery of a security . . . . .	48
123	Constructive ownership of security . . . . .	48
124	Delivery of security . . . . .	48
125	Right to reclaim possession . . . . .	49
126	Right to requisites for registration . . . . .	50
127	Seizure of security . . . . .	50
128	No conversion if good faith delivery . . . . .	50
129	Duty to register transfer . . . . .	50
130	Assurance of endorsements . . . . .	50
131	Notice from additional documentation . . . . .	51
132	Limited duty of inquiry . . . . .	51
133	Inquiry into adverse claims . . . . .	51
134	Duration of notice of adverse claim . . . . .	52
135	Limitation on issuer’s liability . . . . .	52
136	Lost or stolen security . . . . .	52
137	Authenticating agent’s duty . . . . .	53
138	Notice to agent . . . . .	53
<b>PART VI — CORPORATE GOVERNANCE (SS. 139–374)</b>		
<b><i>Shareholders</i></b>		
139	Place of meetings . . . . .	53
140	Calling meetings . . . . .	54
141	Notice of meeting . . . . .	55
142	Notice not required . . . . .	55
143	Notice of adjourned meeting . . . . .	55
144	Special business . . . . .	56
145	Waiver of notice . . . . .	56
146	Proposals . . . . .	56
147	Notice of refusal . . . . .	57
148	List of shareholders entitled to notice . . . . .	58
149	Quorum . . . . .	58
150	One shareholder meeting . . . . .	59

## Table of Contents

151	One share — one vote . . . . .	59
152	Representative shareholder . . . . .	59
153	Joint shareholders . . . . .	59
154	Voting by hands or ballot . . . . .	59
155	Resolution in lieu of meeting . . . . .	60
156	Requisitioned meeting . . . . .	60
157	Court may order meeting to be called . . . . .	61
158	Court review of election . . . . .	61
159	Notice to Superintendent . . . . .	61
160	Pooling agreement . . . . .	62
<b><i>Proxies</i></b>		
160.01	Definitions . . . . .	62
160.02	Appointing proxyholder . . . . .	63
160.03	Deposit of proxies . . . . .	64
160.04	Mandatory solicitation . . . . .	64
160.05	Soliciting proxies . . . . .	64
160.06	Attendance at meeting . . . . .	65
160.07	Duty of intermediary . . . . .	65
160.071	Regulations . . . . .	66
160.08	Restraining order . . . . .	66
<b><i>Directors and Officers</i></b>		
<b><i>Duties</i></b>		
161	Duty to manage . . . . .	67
162	Duty of care . . . . .	67
<b><i>Qualification and Number — Directors</i></b>		
163	Minimum number of directors . . . . .	68
164	Disqualified persons . . . . .	68
165	No shareholder requirement . . . . .	69
166	Affiliated person . . . . .	69
166.1	Affiliated director determination . . . . .	69
167	Unaffiliated directors . . . . .	69
168	Limit on directors . . . . .	70
<b><i>Election and Tenure — Directors</i></b>		
169	Number of directors . . . . .	70
169.1	Election or appointment as director . . . . .	70
170	Term of directors . . . . .	70
171	Determining election of directors . . . . .	71
172	Cumulative voting . . . . .	71
173	Re-election of directors . . . . .	72
<b><i>Incomplete Elections and Director Vacancies</i></b>		
174	Void election or appointment . . . . .	72
175	Directors where elections incomplete or void . . . . .	73
176	Ceasing to hold office . . . . .	73
177	Removal of director . . . . .	73
178	Statement of director . . . . .	74
179	Circulation of statement . . . . .	74
180	Shareholders filling vacancy . . . . .	74
181	Directors filling vacancy . . . . .	74
182	Class vacancy . . . . .	75

## Table of Contents

183	Unexpired term . . . . .	75
183.1	Additional directors . . . . .	75
<b>Meetings of the Board</b>		
184	Meetings required . . . . .	75
185	Notice of meeting . . . . .	76
186	Quorum . . . . .	76
187	Resident Canadian majority . . . . .	76
187.1	Presence of unaffiliated director . . . . .	77
188	Electronic meeting . . . . .	77
188.1	Resolution outside board meeting . . . . .	77
189	Dissent of director . . . . .	77
190	Record of attendance . . . . .	78
191	Meeting required by Superintendent . . . . .	78
<b>By-laws</b>		
192	By-laws . . . . .	78
193	Shareholder proposal of by-law . . . . .	79
194	By-laws of former-Act company . . . . .	79
195	By-laws re remuneration . . . . .	79
196	Deemed by-laws . . . . .	79
<b>Committees of the Board</b>		
197	Committees . . . . .	80
198	Audit committee . . . . .	80
199	Conduct review committee . . . . .	80
<b>Directors and Officers — Authority</b>		
200	Chief executive officer . . . . .	81
201	Appointment of officers . . . . .	81
202	Limits on power to delegate . . . . .	82
203	Exercise of trustee powers . . . . .	82
204	Remuneration of directors, officers and employees . . . . .	82
205	Validity of acts . . . . .	82
206	Right to attend meetings . . . . .	82
<b>Conflicts of Interest</b>		
207	Disclosure of interest . . . . .	83
208	Director to abstain . . . . .	83
209	General notice . . . . .	84
210	Avoidance standards . . . . .	84
211	Court may set aside or require accounting . . . . .	85
<b>Liability, Exculpation and Indemnification</b>		
212	Director liability . . . . .	85
213	Contribution . . . . .	85
214	Limitation . . . . .	86
215	Directors liable for wages . . . . .	86
216	Defence — due diligence . . . . .	87
217	Indemnification . . . . .	87
218	Directors' and officers' insurance . . . . .	88
219	Application to court for indemnification . . . . .	88

Table of Contents

**Fundamental Changes**

**Amendments**

220	Incorporating instrument . . . . .	88
221	Letters patent to amend . . . . .	88
222	By-laws . . . . .	89
223	Class vote . . . . .	89
224	Separate resolutions . . . . .	90
225	Revoking resolution . . . . .	90
226	Proposal to amend . . . . .	90
227	Rights preserved . . . . .	91

**Amalgamation**

228	Application to amalgamate . . . . .	91
229	Amalgamation agreement . . . . .	91
230	Approval of agreement by Superintendent . . . . .	92
231	Shareholder approval . . . . .	92
232	Vertical short-form amalgamation . . . . .	92
233	Joint application to Minister . . . . .	93
234	Issue of letters patent . . . . .	94
234.1	Court enforcement . . . . .	94
235	Effect of letters patent . . . . .	94
236	Transitional . . . . .	95

**Transfer of Business**

237	Sale by company . . . . .	96
238	Agreement to Superintendent . . . . .	96
239	Shareholder approval . . . . .	96
240	Abandoning sale . . . . .	97
241	Application to Minister . . . . .	97

**Corporate Records**

**Head Office and Corporate Records**

242	Head office . . . . .	97
243	Company records . . . . .	98
244	Place of records . . . . .	98
245	Shareholder lists . . . . .	99
246	Option holders . . . . .	100
247	Use of shareholder list . . . . .	100
248	Form of records . . . . .	100
249	Protection of records . . . . .	100
250	Requirement to maintain copies and process information in Canada . . . . .	100
251	Retention of records . . . . .	101
252	Regulations . . . . .	102

**Securities Registers**

253	Central securities register . . . . .	102
254	Branch registers . . . . .	103
255	Agents . . . . .	103
256	Location of central securities register . . . . .	103
257	Effect of registration . . . . .	103
258	Particulars in branch register . . . . .	103
259	Destruction of certificates . . . . .	103

## Table of Contents

<b>Corporate Name and Seal</b>		
260	Publication of name . . . . .	104
261	Corporate seal . . . . .	104
262	[Repealed 1997, c. 15, s. 366.] . . . . .	104
263	[Repealed 1997, c. 15, s. 366.] . . . . .	104
264	[Repealed 1997, c. 15, s. 366.] . . . . .	104
265	[Repealed 1997, c. 15, s. 366.] . . . . .	104
266	[Repealed 1997, c. 15, s. 366.] . . . . .	104
267	[Repealed 1997, c. 15, s. 366.] . . . . .	104
268	[Repealed 1997, c. 15, s. 366.] . . . . .	104
269	[Repealed 1997, c. 15, s. 366.] . . . . .	104
<b>Insiders</b>		
270	Definitions . . . . .	104
<b>Insider Reporting</b>		
271	Insider report . . . . .	105
272	Exemption by Superintendent . . . . .	105
272.1	[Repealed 2005, c. 54, s. 421.] . . . . .	105
273	Regulations . . . . .	105
274	[Repealed 2005, c. 54, s. 421.] . . . . .	105
<b>Insider Trading</b>		
275	Meaning of “insider” . . . . .	106
<b>Civil remedies</b>		
276	Extended meaning of “insider” . . . . .	106
276.1	Tipping — compensation to sellers and purchasers . . . . .	108
277	Measure of damages . . . . .	108
<b>Prospectus</b>		
278	Distribution . . . . .	109
279	Order of exemption . . . . .	109
<b>Going-private Transactions and Squeeze-out Transactions</b>		
280	Going-private transactions . . . . .	109
281	Squeeze-out transactions . . . . .	109
282	Right to dissent . . . . .	110
283	[Repealed 2005, c. 54, s. 422.] . . . . .	112
284	[Repealed 2005, c. 54, s. 422.] . . . . .	112
285	[Repealed 2005, c. 54, s. 422.] . . . . .	112
286	[Repealed 2005, c. 54, s. 422.] . . . . .	112
287	[Repealed 2005, c. 54, s. 422.] . . . . .	112
<b>Compulsory Acquisitions</b>		
288	Definitions . . . . .	112
289	Right to acquire shares . . . . .	114
290	Offeror’s notice to dissenters . . . . .	114
291	Share certificates and election . . . . .	114
291.1	Deemed election . . . . .	115
292	Payment to offeree company . . . . .	115
292.1	Fiduciary capacity of company . . . . .	115
293	Duty of offeree company . . . . .	115
294	Court may fix fair value . . . . .	116
295	Parties and notice . . . . .	116

## Table of Contents

296	Powers of court . . . . .	116
297	Status of dissenter . . . . .	117
298	Payment of unclaimed money . . . . .	117
298.1	Obligation to acquire shares . . . . .	117
	<b>Trust Indentures</b>	
299	Definitions . . . . .	117
300	Application . . . . .	118
301	Exemption . . . . .	118
302	Conflict of interest . . . . .	118
303	Validity despite conflict . . . . .	118
304	Removal of trustee . . . . .	118
305	Trustee qualifications . . . . .	118
306	List of security holders . . . . .	118
307	Compliance with trust indentures . . . . .	119
308	Trustee may require evidence . . . . .	120
309	Notice of default . . . . .	120
310	Duty of care . . . . .	120
311	No exculpation . . . . .	120
	<b>Financial Statements and Auditors</b>	
	<b>Annual Financial Statement</b>	
312	Financial year . . . . .	121
313	Annual financial statement . . . . .	121
314	Annual statement — approval . . . . .	122
315	Statements: subsidiaries . . . . .	122
316	Annual statement — distribution . . . . .	122
317	Copy to Superintendent . . . . .	123
	<b>Auditor</b>	
318	Definitions . . . . .	123
319	Appointment of auditor . . . . .	123
320	Qualification of auditor . . . . .	123
321	Duty to resign . . . . .	125
322	Revocation of appointment . . . . .	125
323	Ceasing to hold office . . . . .	125
324	Filling vacancy . . . . .	125
325	Right to attend meetings . . . . .	125
326	Statement of auditor . . . . .	126
327	Duty of replacement auditor . . . . .	126
328	Auditor's examination . . . . .	126
329	Right to information . . . . .	127
330	Auditor's report and extended examination . . . . .	127
331	Auditor's report . . . . .	128
332	Report on directors' statement . . . . .	128
333	Report to officers . . . . .	128
334	Auditor of subsidiaries . . . . .	129
335	Auditor's attendance . . . . .	129
336	Calling meeting . . . . .	129
337	Notice of errors . . . . .	129
338	Qualified privilege for statements . . . . .	130

## Table of Contents

	<b>Remedial Actions</b>	
339	Derivative action . . . . .	130
340	Powers of court . . . . .	130
341	Status of shareholder approval . . . . .	130
342	No security for costs . . . . .	131
343	Application to rectify records . . . . .	131
	<b>Liquidation and Dissolution</b>	
344	Definition of “court” . . . . .	131
345	Application of subsection (2) and sections 346 to 373 . . . . .	131
346	Returns to Superintendent . . . . .	132
	<b>Simple Liquidation</b>	
347	No property and no liabilities . . . . .	132
348	Proposing liquidation . . . . .	132
349	Shareholders’ resolution . . . . .	132
350	Approval of Minister required . . . . .	132
351	Dissolution instrument . . . . .	133
	<b>Court-supervised Liquidation</b>	
352	Application for court supervision . . . . .	133
353	Court supervision thereafter . . . . .	133
354	Powers of court . . . . .	134
355	Cessation of business and powers . . . . .	135
356	Appointment of liquidator . . . . .	135
357	Vacancy in liquidator’s office . . . . .	135
358	Duties of liquidator . . . . .	135
359	Due diligence . . . . .	136
360	Examination of others . . . . .	137
361	Costs of liquidation . . . . .	137
362	Final accounts . . . . .	137
363	Final order . . . . .	137
364	Right to distribution of money . . . . .	138
365	Dissolution by letters patent . . . . .	138
	<b>General</b>	
366	Definition of “shareholder” and “incorporator” . . . . .	138
367	Continuation of actions . . . . .	138
368	Limitations on liability . . . . .	139
369	Where creditor cannot be found . . . . .	139
370	Vesting in Crown . . . . .	139
371	Unclaimed money on winding-up . . . . .	139
372	Liability of Bank of Canada . . . . .	140
373	Custody of records after dissolution . . . . .	140
374	Insolvency . . . . .	140
	<b>PART VII — OWNERSHIP (SS. 374.1–408)</b>	
	<b>DIVISION I — INTERPRETATION</b>	
374.1	Definitions . . . . .	141
374.2	Associates . . . . .	141
	<b>DIVISION II — CONSTRAINTS ON OWNERSHIP</b>	
375	Constraining acquisition . . . . .	142
375.1	No acquisition of control without approval . . . . .	142

## Table of Contents

376	Constraining registration . . . . .	143
376.1	Exception — small holdings . . . . .	143
377	Where approval not required . . . . .	143
378	Where approval not required . . . . .	145
379	Public holding requirement . . . . .	145
380	Limit on assets . . . . .	146
381	Increase of capital . . . . .	146
382	Exemption by Minister . . . . .	146
382.1	Continuation of exemption . . . . .	146
383	Exception . . . . .	147
384	Acquisition of control permitted . . . . .	147
385	Application of section 379 . . . . .	148
386	Restriction on voting rights . . . . .	148
<b>Approval Process</b>		
387	Application for approval . . . . .	148
388	Matters for consideration . . . . .	148
389	Terms and conditions . . . . .	149
390	Certifying receipt of application . . . . .	149
391	Notice of decision to applicant . . . . .	149
392	Reasonable opportunity to make representations . . . . .	150
393	Notice of decision . . . . .	150
394	Deemed approval . . . . .	151
394.1	[Repealed 1994, c. 47, s. 207.] . . . . .	151
395	[Repealed 1994, c. 47, s. 207.] . . . . .	151
396	Constraining registration: Crown and foreign governments . . . . .	151
397	[Repealed 1994, c. 47, s. 208.] . . . . .	152
398	[Repealed 1994, c. 47, s. 208.] . . . . .	152
399	. . . . .	152
400	[Repealed 1994, c. 47, s. 210.] . . . . .	152
400.1	[Repealed 1994, c. 47, s. 210.] . . . . .	152
<b>DIVISION III — DIRECTIONS</b>		
401	Disposition of shareholdings . . . . .	153
401.1	Disposition — threat to integrity or security . . . . .	153
402	Application to court . . . . .	154
<b>General Provisions</b>		
403	Interest of securities underwriter . . . . .	154
404	Arrangements to effect compliance . . . . .	154
405	Reliance on information . . . . .	155
406	[Repealed 1994, c. 47, s. 211.] . . . . .	155
407	Exemption regulations . . . . .	155
408	Competition Act . . . . .	155
<b>PART VIII — BUSINESS AND POWERS (SS. 409–448)</b>		
<b>General Business</b>		
409	Main business . . . . .	155
410	Additional activities . . . . .	156
411	Networking . . . . .	158
411.1	[Proposed] Regulations . . . . .	158
412	Restriction on fiduciary activities . . . . .	159
413	Restriction on deposit taking . . . . .	159

## Table of Contents

413.1	Notice before opening account or providing prescribed product . . .	159
413.2	Deposits less than \$150,000 . . . . .	160
413.3	Shared premises . . . . .	160
414	Restriction on guarantees . . . . .	161
415	Restriction on securities activities . . . . .	161
415.1	Prohibition . . . . .	161
416	Restriction on insurance business . . . . .	162
417	Restriction on leasing . . . . .	162
418	Restriction on residential mortgages . . . . .	162
418.1	Restriction on charges to borrowers . . . . .	163
419	Policies re security interests . . . . .	164
419.1	Regulations and guidelines . . . . .	164
419.2	Exception . . . . .	164
420	Restriction on receivers . . . . .	164
421	Restriction on partnerships . . . . .	164
	<b>Fiduciary Activities</b>	
422	Separate and distinct . . . . .	164
	<b>Deposit Acceptance</b>	
423	Deposit acceptance . . . . .	164
	<b>Unclaimed Balances</b>	
424	Unclaimed balances . . . . .	165
425	Notice of unpaid amount . . . . .	167
	<b>Accounts</b>	
425.1	Definitions . . . . .	168
426	Account charges . . . . .	168
427	Disclosure on opening account . . . . .	168
428	Disclosure in advertisements . . . . .	168
429	Disclosure regulations . . . . .	168
430	[Repealed 2001, c. 9, s. 540.] . . . . .	169
431	Disclosure required on opening a deposit account . . . . .	169
432	Disclosure of charges . . . . .	169
433	No increase or new charges without disclosure . . . . .	170
434	Application . . . . .	170
	<b>Registered Products</b>	
434.1	Disclosure required concerning registered products . . . . .	170
	<b>Borrowing Costs</b>	
435	Definition of “cost of borrowing” . . . . .	171
435.1	Rebate of borrowing costs . . . . .	171
436	Disclosing borrowing costs . . . . .	171
437	Calculating borrowing costs . . . . .	171
438	Additional disclosure . . . . .	171
438.1	Renewal statement . . . . .	173
439	Disclosure in advertising . . . . .	173
440	Regulations re borrowing costs . . . . .	173
	<b>Complaints</b>	
441	Procedures for dealing with complaints . . . . .	174
441.1	Obligation to be member of complaints body . . . . .	174
442	Information on contacting Agency . . . . .	174

## Table of Contents

	<b><i>Miscellaneous</i></b>	
442.1	Charges for prescribed products or services . . . . .	175
443	Prepayment protected . . . . .	175
443.1	Regulations respecting the holding of funds . . . . .	176
443.2	Regulations — activities . . . . .	176
444	Regulations re customer information . . . . .	176
444.1	Notice of branch closure . . . . .	177
444.2	Public accountability statements . . . . .	177
444.3	Regulations re disclosure . . . . .	178
445	<i>Bank Act</i> security . . . . .	178
446	Transmission in case of death . . . . .	178
447	Branch of account with respect to deposits . . . . .	179
448	Effect of writ, etc. . . . .	179
	<b>PART IX — INVESTMENTS (SS. 449–472)</b>	
	<b><i>Definitions and Application</i></b>	
449	Definitions . . . . .	181
	<b><i>General Constraints on Investments</i></b>	
450	Investment standards . . . . .	185
450.1	Limit — business growth fund . . . . .	185
451	Restriction on control and substantial investments . . . . .	185
452	Regulations . . . . .	187
	<b><i>Subsidiaries and Equity Investments</i></b>	
453	Permitted investments . . . . .	188
453.1	[Proposed] Regulations . . . . .	194
454	Approval for indirect investments . . . . .	194
455	Undertakings . . . . .	195
	<b><i>Exceptions and Exclusions</i></b>	
456	Temporary investments in entity . . . . .	195
457	Loan workouts . . . . .	196
458	Realizations . . . . .	197
459	Regulations restricting ownership . . . . .	198
	<b><i>Portfolio Limits</i></b>	
460	Exclusion from portfolio limits . . . . .	198
	<b><i>Commercial Loans</i></b>	
461	Lending limit: companies with regulatory capital of \$25 million or less . . . . .	199
462	Lending limit: regulatory capital over \$25 million . . . . .	199
463	Meaning of “total assets” . . . . .	199
	<b><i>Real Property</i></b>	
464	Limit on total property interest . . . . .	199
	<b><i>Equities</i></b>	
465	Limits on equity acquisitions . . . . .	200
	<b><i>Aggregate Limit</i></b>	
466	Aggregate limit . . . . .	200
	<b><i>Miscellaneous</i></b>	
467	Regulations . . . . .	201
468	Divestment order . . . . .	201

Table of Contents

469	Deemed temporary investment . . . . .	202
470	Asset transactions . . . . .	202
471	Transitional . . . . .	203
472	Saving . . . . .	204
	<b>PART X — ADEQUACY OF CAPITAL AND LIQUIDITY (S. 473)</b>	
473	Adequacy of capital and liquidity . . . . .	204
	<b>PART XI — SELF-DEALING (SS. 473.1–494)</b>	
	<b><i>Interpretation and Application</i></b>	
473.1	Definition of “senior officer” . . . . .	204
474	Related party of company . . . . .	205
475	Non-application of Part . . . . .	206
476	Meaning of “transaction” . . . . .	207
	<b><i>Prohibited Related Party Transactions</i></b>	
477	Prohibited transactions . . . . .	208
	<b><i>Permitted Related Party Transactions</i></b>	
478	Nominal value transactions . . . . .	208
479	Secured loans . . . . .	208
480	Deposits . . . . .	208
481	Borrowing, etc., from related party . . . . .	208
482	Acquisition of assets . . . . .	208
483	Services . . . . .	209
483.1	Transactions with holding companies . . . . .	210
483.2	Restriction . . . . .	210
483.3	Assets transactions . . . . .	211
484	Directors and officers and their interests . . . . .	212
485	Board approval required . . . . .	213
486	Margin loans . . . . .	214
487	Exemption by order . . . . .	214
488	Prescribed transactions . . . . .	214
	<b><i>Restrictions on Permitted Transactions</i></b>	
489	Market terms and conditions . . . . .	214
490	[Repealed 1997, c. 15, s. 404.] . . . . .	215
491	[Repealed 1997, c. 15, s. 404.] . . . . .	215
	<b><i>Disclosure</i></b>	
492	Company obligation . . . . .	215
493	Notice to Superintendent . . . . .	215
	<b><i>Remedial Actions</i></b>	
494	Order to void contract or to grant other remedy . . . . .	215
	<b>PART XII — REGULATION OF COMPANIES — SUPERINTENDENT (SS. 495–520)</b>	
	<b><i>Supervision</i></b>	
	<b>Returns</b>	
495	Required information . . . . .	216
496	[Repealed 2007, c. 6, s. 379.] . . . . .	216
497	[Repealed 2007, c. 6, s. 379.] . . . . .	216
498	[Repealed 2007, c. 6, s. 379.] . . . . .	216
499	Names of directors and auditors . . . . .	216

## Table of Contents

500	Copy of by-laws . . . . .	217
501	Register of companies . . . . .	217
502	Production of information and documents . . . . .	217
503	Confidential information . . . . .	218
503.1	Regulations . . . . .	218
504	Evidentiary privilege . . . . .	218
504.01	No waiver . . . . .	219
504.1	Disclosure by Superintendent . . . . .	219
504.2	Disclosure by a company . . . . .	220
504.3	Exceptions to disclosure . . . . .	220
504.4	Report respecting disclosure . . . . .	220
	<b>Inspection of Companies</b>	
505	Examination of companies . . . . .	220
506	Power of Superintendent on inquiry . . . . .	221
	<b>Remedial Powers</b>	
	<b>Prudential Agreements</b>	
506.1	Prudential agreement . . . . .	221
	<b>Directions of Compliance</b>	
507	Superintendent’s directions to company . . . . .	221
508	[Repealed 1996, c. 6, s. 125.] . . . . .	222
509	Court enforcement . . . . .	222
	<b>Disqualification and Removal of Directors or Senior Officers</b>	
509.01	Meaning of “senior officer” . . . . .	222
509.1	Application . . . . .	222
509.2	Removal of directors or senior officers . . . . .	223
	<b>Supervisory Intervention</b>	
510	Superintendent may take control . . . . .	224
511	[Repealed 1996, c. 6, s. 128.] . . . . .	226
512	[Repealed 1996, c. 6, s. 128.] . . . . .	226
513	[Repealed 1996, c. 6, s. 128.] . . . . .	226
514	Powers of directors and officers suspended . . . . .	226
515	Expiration of control . . . . .	227
515.1	Superintendent may request winding-up . . . . .	227
516	Requirement to relinquish control . . . . .	227
517	Advisory committee . . . . .	228
518	Expenses payable by company . . . . .	228
519	Priority of claim in liquidation . . . . .	228
520	Application of assessment . . . . .	228
	<b>PART XII.1 — REGULATION OF COMPANIES — COMMISSIONER (SS. 520.1–520.5)</b>	
520.1	Required information . . . . .	228
520.2	Confidential information . . . . .	229
520.3	Examination . . . . .	229
520.4	Power of Commissioner on inquiry . . . . .	229
520.5	Compliance agreement . . . . .	229
	<b>PART XIII — ADMINISTRATION (SS. 520.6–532)</b>	
	<b>Notices and Other Documents</b>	
520.6	Execution of documents . . . . .	230

Table of Contents

521	Notice to directors and shareholders . . . . .	230
522	Presumption from return . . . . .	230
523	Presumption of receipt . . . . .	230
524	Service on a company . . . . .	230
525	Certificate of company . . . . .	230
526	Entry in securities register . . . . .	231
527	Verification of documents or fact . . . . .	231
527.1	Alternative means of publication . . . . .	231
	<b>Approvals</b>	
527.2	Definition of “approval” . . . . .	231
527.3	Matters to take into account — Minister . . . . .	231
527.4	Minister — terms, conditions and undertakings . . . . .	232
527.5	Revocation, suspension or amendment of approval — Minister . . . . .	232
527.51	Confidential undertaking . . . . .	233
527.6	Effect of non-compliance on approval . . . . .	233
527.7	Multiple approval — other approvals . . . . .	234
527.8	Exemption in relation to notices of intention . . . . .	234
	<b>Exceptions to Generally Accepted Accounting Principles</b>	
527.81	Calculations — generally accepted accounting principles . . . . .	234
	<b>Orders to Exempt or Adapt</b>	
527.9	Order . . . . .	235
	<b>Orders and Directives</b>	
528	Not statutory instruments . . . . .	237
529	Form . . . . .	237
	<b>Applications to Superintendent</b>	
529.1	Content of applications . . . . .	237
	<b>Applications for Certain Approvals</b>	
529.2	Application for certain approvals . . . . .	237
	<b>Appeals</b>	
530	Appeal to Federal Court . . . . .	238
	<b>Regulations</b>	
531	Power to make regulations . . . . .	239
	<b>Delegation</b>	
532	Delegation . . . . .	239
	<b>PART XIV — SANCTIONS (SS. 533–539)</b>	
533	Offence . . . . .	239
534	Punishment . . . . .	240
535	Liability of officers, directors, etc. . . . .	240
535.1	Limitation period . . . . .	241
536	Effect of offence on contracts . . . . .	241
537	Restraining or compliance order . . . . .	241
538	Appeal of final order . . . . .	241
539	Recovery and application of fines . . . . .	241
	<b>PART XIV.1 — DOCUMENTS IN ELECTRONIC OR OTHER FORM (SS. 539.01–539.14)</b>	
539.01	Definitions . . . . .	242
539.02	Application . . . . .	242
539.03	Use not mandatory . . . . .	242

Table of Contents

539.04	Consent and other requirements . . . . .	242
539.05	Creation or provision of information . . . . .	242
539.06	Creation of information in writing . . . . .	243
539.07	Provision of information in writing . . . . .	243
539.08	Multiple copies . . . . .	243
539.09	Registered mail . . . . .	243
539.1	Statutory declarations and affidavits . . . . .	243
539.11	Signatures . . . . .	243
539.12	Regulations — provision and receipt of documents . . . . .	244
539.13	Content and form of notices and documents . . . . .	244
539.14	Exemption . . . . .	244
<b>PART XV — GENERAL (SS. 540–563)</b>		
<i>Transitional</i>		
540	Transitional . . . . .	244
<b>Consequential Amendments</b>		
<b>Canada Deposit Insurance Corporation Act [R.S., c. C-3]</b>		
541	. . . . .	245
542	. . . . .	245
543	R.S., c. 18 (3rd Supp.), s. 54 . . . . .	245
544	R.S., c. 18 (3rd Supp.), s. 60 . . . . .	245
545	. . . . .	245
<b>Canadian Payments Association Act [R.S., c. C-21]</b>		
546	Societies and federations . . . . .	246
<b>Competition Act [R.S., c. C-34; c. 19 (2nd Supp.), s. 19]</b>		
547	R.S., c. 19 (2nd Supp.), s. 30(5) . . . . .	246
548	R.S., c. 19 (2nd Supp.), s. 34 . . . . .	246
549	R.S., c. 19 (2nd Supp.), s. 45 . . . . .	247
550	R.S., c. 19 (2nd Supp.), s. 45 . . . . .	248
<b>Canada Business Corporations Act [R.S., c. C-44]</b>		
551	Limitations on business that may be carried on . . . . .	248
552	Sale of constrained shares by corporation . . . . .	248
553	Notation of constraint . . . . .	248
554	. . . . .	249
555	Continuance (export) . . . . .	249
556	Discretionary continuance . . . . .	249
<b>Office of the Superintendent of Financial Institutions Act [R.S., c. 18 (3rd Supp.), Part I]</b>		
557	. . . . .	249
558	Superintendent to ascertain amounts and assets . . . . .	250
<b>Amendments to this Act if Bill C-19 is assented to</b>		
559	References in this Act to the <i>Bank Act</i> . . . . .	250
<b>Amendments to this Act if Bill C-34 is assented to</b>		
560	Addition of reference to central cooperative credit societies to which Part XVI of Bill C-34 applies . . . . .	251
<b>Repeals</b>		
561	R.S., c. L-12 . . . . .	251
562	R.S., c. T-20 . . . . .	251

Table of Contents

**Coming into Force**

563 Coming into force . . . . . 251

**REGULATIONS**

Affiliated Persons (Trust and Loan Companies) Regulations — Can. Reg. 92-327 . . . . . 253

Aggregate Financial Exposure (Trust and Loan Companies) Regulations — Can. Reg. 2001-365 . . . . . 255

Annual Statement (Trust and Loan Companies) Regulations — Can. Reg. 2010-232 . . . . . 256

Civil Remedies (Trust and Loan Companies) Regulations — Can. Reg. 2006-302 . . . . . 257

Commercial Loan (Trust and Loan Companies) Regulations — Can. Reg. 92-349 . . . . . 259

Complaint Information (Trust and Loan Companies) Regulations — Can. Reg. 2001-375 . . . . . 261

Corporate Interrelationships (Trust and Loan Companies) Regulations — Can. Reg. 2008-60 . . . . . 262

Cost of Borrowing (Trust and Loan Companies) Regulations — Can. Reg. 2001-104 . . . . . 264

Disclosure of Charges (Trust and Loan Companies) Regulations — Can. Reg. 92-328 . . . . . 283

Disclosure of Interest (Trust and Loan Companies) Regulations — Can. Reg. 92-322 . . . . . 287

Disclosure on Account Opening by Telephone Request (Trust and Loan Companies) Regulations — Can. Reg. 2001-473 . . . . . 289

Distributing Trust and Loan Company Regulations — Can. Reg. 2006-306 . . . . . 291

Electronic Documents (Trust and Loan Companies) Regulations — Can. Reg. 2010-240 . . . . . 293

Entity Member of Group Regulations — Can. Reg. 2002-132 . . . . . 296

Equity of a Trust and Loan Company Regulations — Can. Reg. 2001-379 . . . . . 298

Exemption for Public Notices or Documents (Trust and Loan Companies) Regulations — Can. Reg. 2010-235 . . . . . 299

Exemption from Approval for Certain Investments in Intragroup Service Entities (Trust and Loan Companies) Regulations — Can. Reg. 2003-245 . . . . . 300

Exemption from Restrictions on Investments (Trust and Loan Companies) Regulations — Can. Reg. 2001-386 . . . . . 301

Factoring Entity Regulations — Can. Reg. 2001-387 . . . . . 302

Finance Entity Regulations — Can. Reg. 2001-388 . . . . . 303

Financial Consumer Protection Framework Regulations — Can. Reg. 2021-181 . . . . . 304

Financial Leasing Entity Regulations — Can. Reg. 2001-389 . . . . . 344

Foreign Institutions Subject to the Canadian Residency Requirements Regulations (Trust and Loan Companies) — Can. Reg. 2003-186 . . . . . 347

Going-Private Transaction (Trust and Loan Companies) Regulations — Can. Reg. 2006-309 . . . . . 348

Information Technology Activities (Trust and Loan Companies) Regulations — Can. Reg. 2003-69 . . . . . 349

Insider Reports (Trust and Loan Companies) Regulations — Can. Reg. 2006-313 . . . . . 352

## Table of Contents

Insurance Business (Trust and Loan Companies) Regulations — Can. Reg. 92-331	354
Investment Limits (Trust and Loan Companies) Regulations — Can. Reg. 2001-398	362
Meetings and Proposals (Trust and Loan Companies) Regulations — Can. Reg. 2006-317	370
Minority Investment (Trust and Loan Companies) Regulations — Can. Reg. 2001-406	372
Mortgage Insurance Business (Banks, Authorized Foreign Banks, Trust and Loan Companies, Retail Associations, Canadian Insurance Companies and Canadian Societies) Regulations — Can. Reg. 2010-68	375
Name Use (Trust and Loan Companies) Regulations — Can. Reg. 92-257	378
Notice of Branch Closure (Trust and Loan Companies) Regulations — Can. Reg. 2002-106	379
Notices of Uninsured Deposits Regulations (Trust and Loan Companies) — Can. Reg. 2008-64	385
Prescribed Deposits (Trust and Loan Companies Without Deposit Insurance) Regulations — Can. Reg. 2008-66	387
Prospectus (Trust and Loan Companies) Regulations — Can. Reg. 2006-321	389
Protection of Assets (Trust and Loan Companies) Regulations — Can. Reg. 92-350	391
Public Inquiry (Trust and Loan Companies) Rules — Can. Reg. 92-296	394
Regulatory Capital (Trust and Loan Companies) Regulations — Can. Reg. 92-530	397
Related Party Transactions (Trust and Loan Companies) Regulations — Can. Reg. 96-277	399
Resident Canadian (Trust and Loan Companies) Regulations — Can. Reg. 92-283	401
Securities Dealing Restrictions (Trust and Loan Companies) Regulations — Can. Reg. 92-272	402
Security Certificate Transfer Fee (Trust and Loan Companies) Regulations — Can. Reg. 92-256	404
Shared Premises Regulations (Trust and Loan Companies) — Can. Reg. 2008-68	405
Specialized Financing (Trust and Loan Companies) Regulations — Can. Reg. 2001-431	406
Subsidiaries Holding Company Shares (Trust and Loan Companies) Regulations — Can. Reg. 92-297	410
Supervisory Information (Trust and Loan Companies) Regulations — Can. Reg. 2001-55	411
Support Orders and Support Provisions (Trust and Loan Companies) Regulations — Can. Reg. 2002-266	413
Total Assets for Public Holding Requirements (Trust and Loan Companies) Regulations — Can. Reg. 2001-435	415

### **CANADA DEPOSIT INSURANCE CORPORATION ACT**

Canada Deposit Insurance Corporation	417
Canada Deposit Insurance Corporation Act, Section 7	419
CDIC Application for Deposit Insurance By-law — Can. Reg. 2006-236	420

## Table of Contents

Bank Recapitalization (Bail-in) Conversion Regulations — Can. Reg. 2018-57	432
Compensation Regulations — Can. Reg. 2018-59	436
CDIC Data and System Requirements By-law — Can. Reg. 2010-292	442
Deposit Insurance Application Fee By-law — Can. Reg. 2000-277	446
CDIC Deposit Insurance Information By-law — Can. Reg. 96-542	447
CDIC Deposit Insurance Policy By-law — Can. Reg. 93-516	455
CDIC Differential Premiums By-law — Can. Reg. 99-120	467
Discretionary Interest By-law — Can. Reg. 96-544	510
Eligible Financial Contract Regulations (Canada Deposit Insurance Corporation Act) — Can. Reg. 2007-255	511
CDIC Eligible Financial Contracts By-law, SOR/2022-55	513
Exemption from Deposit Insurance By-law (Exemption Fee) — Can. Reg. 99-382	515
Exemption from Deposit Insurance By-law (Foreign Currency Deposits) — Can. Reg. 99- 384	516
Exemption from Deposit Insurance By-law (Interest on Deposits) — Can. Reg. 99-383	517
Exemption from Deposit Insurance By-law (Notice to Depositors) — Can. Reg. 99-381	518
Exemption from Deposit Insurance By-law (Prescribed Deposits) — Can. Reg. 2000-42	520
Interest Payable on Certain Deposits By-law — Can. Reg. 99-224	522
CDIC Co-owned and Trust Deposit Disclosure By-law, SOR/2019-312	526
CDIC Notice Regulations (Compensation in Respect of the Restructuring of Federal Mem- ber Institutions) — Can. Reg. 2000-177	534
CDIC Prescribed Practices Premium Surcharge By-law — Can. Reg. 94-142	537
CDIC Resolution Planning By-law — Can. Reg. 2019-138	539

### **OTHER PERTINENT LEGISLATION**

Competition Act, Section 49	543
Financial Consumer Agency of Canada Act	545
Financial Consumer Agency of Canada Assessment of Financial Institutions Regulations — Can. Reg. 2001-474	568
Financial Consumer Agency of Canada Designated Violations Regulations — Can. Reg. 2002-101	574
Office of the Superintendent of Financial Institutions Act	575
Administrative Monetary Penalties (OSFI) Regulations — Can. Reg. 2005-267	589
Assessment of Financial Institutions Regulations, 2017 — Can. Reg. 2016-297	599
Charges for Services Provided by the Office of the Superintendent of Financial Institutions Regulations, 2002 — Can. Reg. 2002-337	608
Personal Information Protection and Electronic Documents Act	613
Electronic Alternatives Regulations for the Purposes of the Federal Real Property and Fed- eral Immovables Act — Can. Reg. 2004-308	622
Regulations Specifying Publicly Available Information — Can. Reg. 2001-7	624
Organizations in the Province of Alberta Exemption Order — Can. Reg. 2004-219	625
Organizations in the Province of British Columbia Exemption Order — Can. Reg. 2004-220	626

## Table of Contents

Organizations in the Province of Quebec Exemption Order — Can. Reg. 2003-374 . . . . .	627
Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism — Can. Reg. 2001-360 . . . . .	628

## REGULATORY DOCUMENTS

### CAPITAL ADEQUACY REQUIREMENTS (CAR)

Guideline 11/2023[1] Capital Adequacy Requirements (CAR) Chapter 1 — Overview of Risk-based Capital Requirements . . . . .	635
Guideline 11/2023[2] Capital Adequacy Requirements (CAR) Chapter 2 — Definition of Capital . . . . .	657
Guideline 04/2025[1] Liquidity Adequacy Requirements (LAR) Chapter 1 — Overview . . . . .	703
Guideline 02/2023 Leverage Requirements Guideline . . . . .	711
Guideline 04/2025[2] Small and Medium-Sized Deposit-Taking Institutions (SMSBs) Capital and Liquidity Requirements . . . . .	729
Guideline 11/2025 Small and Medium-Sized Deposit-Taking Institutions (SMSBs) Capital and Liquidity Requirements (2026) . . . . .	759
Guideline 11/2022 Assurance on Capital, Leverage and Liquidity Returns . . . . .	790
Guideline 04/2018 Total Loss Absorbing Capacity (TLAC) . . . . .	801

### PRUDENTIAL LIMITS AND RESTRICTIONS

Guideline B-2[1] Large Exposure Limits . . . . .	806
Guideline B-2[2] Large Exposure Limits for Domestic Systemically Important Banks . . . . .	811
Guideline B-4 Securities Lending — Property and Casualty Insurance Companies . . . . .	831
Guideline B-6 Liquidity Principles . . . . .	834
Guideline B-11 Pledging . . . . .	851
Guideline E-2 Commercial Lending Criteria . . . . .	855
Guideline E-6 Materiality Criteria for Related Party Transactions . . . . .	860
Draft Guideline E-6 [Draft] Materiality Criteria for Related Party Transactions . . . . .	863
Guidance Note 03/2001 Large Exposure Limits . . . . .	867
05/23/2019 Revised Covered Bond Limit Calculation . . . . .	869

### ACCOUNTING AND DISCLOSURE

Guideline 06/2016 IFRS 9 Financial Instruments and Disclosures . . . . .	871
Guideline 02/2025[1] Pillar 3 Disclosure Guideline for Small and Medium-Sized Deposit-Taking Institutions (SMSBs) . . . . .	925
Guideline 02/2025[2] Pillar 3 Disclosure Guideline for Domestic Systemically Important Banks (D-SIBs) . . . . .	932
Guideline 05/2018 Total Loss Absorbing Capacity (TLAC) Disclosure Requirements . . . . .	939

## Table of Contents

### **SOUND BUSINESS AND FINANCIAL PRACTICES**

Guideline B-7	Derivatives Sound Practices . . . . .	953
Guideline B-10	Third-Party Risk Management Guideline . . . . .	970
Guideline B-12	Interest Rate Risk Management . . . . .	990
Guideline 01/2024	Integrity and Security . . . . .	1014
Guideline B-13	Technology and Cyber Risk Management . . . . .	1025
Guideline B-15	Climate Risk Management . . . . .	1041
Guideline B-20	Residential Mortgage Underwriting Practices and Procedures . . .	1050
Regulatory Notice 03/2024	Reinforcing residential mortgage risk management practices . . . . .	1066
Advisory B-20[1]	Clarification on the Treatment of Innovative Real Estate Secured Lending Products under Guideline B-20 . . . . .	1070
Guideline E-13	Regulatory Compliance Management (RCM) (formerly Legislative Compliance Management (LCM)) . . . . .	1075
Guideline E-17	Background Checks on Directors and Senior Management of FRES . . . . .	1083
Guideline E-18	Stress Testing . . . . .	1091
Guideline E-19	Internal Capital Adequacy Assessment Process (ICAAP) for Deposit-Taking Institutions . . . . .	1100
Guideline E-21	Operational Risk Management and Resilience . . . . .	1109
Guideline E-22	Margin Requirements for Non-Centrally Cleared Derivatives . . .	1122
Guideline E-23	Enterprise-Wide Model Risk Management for Deposit-Taking Institutions . . . . .	1138
Guideline E-24	Settlement Risk in Foreign Exchange Transactions . . . . .	1150
Guideline 09/2018	Corporate Governance . . . . .	1176
Advisory 08/2021[1]	Technology and Cyber Security Incident Reporting . . . . .	1188
Memorandum 08/2021[2]	Cyber Security Self-Assessment Guidance . . . . .	1194
Implementation Guide 04/2023	OSFI's Intelligence-led Cyber Resilience Testing (I-CRT) Framework . . . . .	1204
Regulatory Notice 04/2023	Culture Risk Management . . . . .	1225

### **APPLICATION AND APPROVAL GUIDES**

Instruction Guide 10/2001	Guide for Incorporating Banks and Federally Regulated Trust and Loan Companies . . . . .	1230
Instruction Guide 05/2016	Guide for Continuing a Body Corporate as a Bank or a Federally Regulated Trust or Loan Company . . . . .	1250
Instruction Guide 05/2004	Guide for Applications under Section 2 of the Information Technology Activities Regulations . . . . .	1270
Instruction Guide Index A No. 5	Change of Name — Letters Patent . . . . .	1277
Instruction Guide Index A No. 8	Substantial Investments Requiring Ministerial Approval — Permitted Entities . . . . .	1280
Instruction Guide Index A No. 10	Sale of All or Substantially All Assets by Deposit-Taking Institutions . . . . .	1284
Instruction Guide Index A No. 11	Voluntary Liquidation and Dissolution . . . . .	1291
Instruction Guide Index A No. 12	Amalgamations . . . . .	1296
Instruction Guide Index A No. 13	Continuation of a Body Corporate . . . . .	1305
Instruction Guide Index A No. 14	Discontinuance — Continuance under the <i>Canada Business Corporations Act</i> or the <i>Canada Not-For-Profit Corporations Act</i> . . . . .	1307

## Table of Contents

Instruction Guide	Index A No. 16	Extension of Divestiture Period for Control or Holding of a Substantial Investment Obtained as a Result of a Loan Default-Minister’s Approval . . . . .	1311
Instruction Guide	Index A No. 17	Extension of Divestiture Period for Control or the Holding of a Substantial Investment Obtained Through the Realization of a Security Interest-Minister’s Approval . . . . .	1312
Instruction Guide	Index A No. 18	Extension of Holding Period of Temporary Investments — Minister’s Approval . . . . .	1313
Instruction Guide	Index A No. 20	Name Reservation . . . . .	1314
Instruction Guide	Index A No. 22	Giving Up Control in Fact of an Entity while Maintaining Another Type of Control . . . . .	1316
Instruction Guide	Index A No. 23	Acquisition or Increase of a Significant Interest in, and/or Acquisition of Control of, a Federally Regulated Entity . . . . .	1318
Instruction Guide	Index DA No. 1	Issuance of Shares or Membership Shares in Consideration of Property . . . . .	1326
Instruction Guide	Index DA No. 2	Purchase or Redemption of Shares or Membership Shares . . . . .	1330
Instruction Guide	Index DA No. 3	Materiality Criteria for an Re or Its Subsidiaries to Hold Shares or Ownership Interests in a FRE or a FRE’s Controlling Entity . . . . .	1333
Instruction Guide	Index DA No. 4	Reduction of Stated Capital . . . . .	1334
Instruction Guide	Index DA No. 6	Issuance of Subordinated Debt in Consideration of Property . . . . .	1337
Instruction Guide	Index DA No. 7	Exemption from Requirements for Solicitation of Proxies by Dissidents . . . . .	1339
Instruction Guide	Index DA No. 8	Rectification of Non-Compliance Regarding Appointment of Board of Directors . . . . .	1340
Instruction Guide	Index DA No. 9	Change of Name — By-law . . . . .	1341
Instruction Guide	Index DA No. 11	Exemption from Restriction on Being a Partner in a Partnership . . . . .	1344
Instruction Guide	Index DA No. 13	Substantial Investments Requiring Superintendent Approval — Permitted Entities . . . . .	1345
Instruction Guide	Index DA No. 14	Giving Up Control of an Entity While Retaining a Substantial Investment . . . . .	1349
Instruction Guide	Index DA No. 15	Extension of Holding Period for a Temporary Investment . . . . .	1351
Instruction Guide	Index DA No. 16	Extension of Divestiture Period for the Control of or Holding of a Substantial Investment in, an Entity Obtained as a Result of a Loan Default . . . . .	1353
Instruction Guide	Index DA No. 17	Extension of Divestiture Period for the Control of or Substantial Investment in an Entity Obtained Through Realization of a Security Interest . . . . .	1354
Instruction Guide	Index DA No. 18	Asset Transaction Greater Than 10% of Assets . . . . .	1355
Instruction Guide	Index DA No. 19	Exemption from Self-Dealing Provisions Disallowing Issuance of Shares of a FRE in Exchange for Shares of Another Body Corporate . . . . .	1360
Instruction Guide	Index DA No. 20	Related Party Transactions of Nominal Value . . . . .	1361

## Table of Contents

Instruction Guide	Index DA No. 22	Related-Party Asset Transactions as Part of a Restructuring . . . . .	1362
Instruction Guide	Index DA No. 23	Related-Party Asset Transactions with a Financial Institution . . . . .	1366
Instruction Guide	Index DA No. 24 (Appendix A)	Acquisition or Disposal of Assets Exceeding 5% of a FI's Assets, To/From a Widely Held Bank or Insurance Holding Company or a Subsidiary of the Holding Company That is Related to FI . . . . .	1370

### REGULATORY AND LEGISLATIVE ADVISORIES

Advisory	2013-01	Business and Powers — Ownership Interests in Commodities . . .	1372
Advisory	2015-01	Substantial Investments . . . . .	1377
Advisory	2020-03	Control in Fact . . . . .	1407
Advisory	2003-04-R1	Capital Structure — Declaration and payment of dividends . . . . .	1413
Advisory	2003-01	Business and Powers — Commercial Lending Limit . . . . .	1415
Advisory	2002-02	Business and Powers — Information Respecting a Customer . . .	1417
Advisory	2020-02	Corporate Names, Registered Names and Trade Names . . . . .	1419
Advisory	2008-01	Undertaking for the sharing of information with insurers . . . . .	1424

### OSFI RULINGS

Ruling	2001-01	Conversion of Shares . . . . .	1427
Ruling	2001-02	Holding of Shares in the Federally Regulated Financial Institution or its Controlling Body Corporate . . . . .	1429
Ruling	2001-03	Deeming a Party to be a Related Party . . . . .	1431
Ruling	BP-2002-01	Acting as Trustee for a Trust . . . . .	1432
Ruling	BP-2003-01	Acting as a Service Provider . . . . .	1434
Ruling	2003-02	Voluntary Liquidation — Outstanding Deposit Liabilities . . . . .	1436
Ruling	2004-05	Physically Settled Commodity Trading . . . . .	1438
Ruling	2005-01	Conversion of Subordinated Debt . . . . .	1443
Ruling	2007-02	Control in Fact — Trustee or Manager . . . . .	1445
Ruling	2008-03	Control in Fact — Major Shareholder and Service Provider . . .	1448
Ruling	2008-05	Alternate Name — Use of a trade name . . . . .	1451
Ruling	2016-01	Promotion of a “Comprehensive Credit Insurance” Policy by a Bank . . . . .	1453
Ruling	2017-01	Acting jointly or in concert . . . . .	1456
Ruling	07/2020	Limited Recourse Capital Notes . . . . .	1459

### FILING INSTRUCTIONS, RETURNS AND PENALTIES

09/2025[1]	Reporting Requirements for Deposit-Taking Institutions . . . . .	1465
Instruction Guide	09/2025[2] Administrative Procedures for the Late and Erroneous Filing Penalty (LEFP) Framework . . . . .	1470
Letter	12/17/2018 New OSFI-525 and OSFI-590 Reporting Requirements . . . . .	1481
OSFI-525	Report Instructions . . . . .	1482
OSFI-590	Report Instructions . . . . .	1484

Table of Contents

**OTHER REGULATORY DOCUMENTS**

03/28/1988	Hockin-Kwinter Accord .....	1487
National Instrument 31-103	Registration Requirements, Exemptions and Ongoing Registrant Obligations .....	1498
02/2024	OSFI Supervisory Framework .....	1576
02/2008	Guide to Intervention for Federally Regulated Deposit-Taking Institutions .....	1594
Guideline 11/2023	Parental Stand-Alone (Solo) TLAC Framework for Domestic Systemically Important Banks (D-SIBs) .....	1605
Advisory 08/2022	Interim arrangements for the regulatory capital and liquidity treatment of cryptoasset exposures .....	1611
Index	.....	1617

