



Reference: FBB

June 18, 2019

To: Foreign Bank Branches (FBBs)

Subject: Proposed changes to Foreign Bank Branch Deposit Requirement (Guideline A-10)

OSFI is releasing proposed revisions to Guideline A-10 to be implemented in Q1 2020 for Foreign Bank Branches (FBBs). The guideline addresses OSFI's expectations regarding the minimum deposit to be held in trust, which authorized foreign banks must maintain in respect of their business in Canada.

Revisions include changing the guideline's title to *Foreign Bank Branch Deposit Requirement* from *Capital Equivalency Deposit*, updates and simplifications, and changes to the deposit ratio calculation: off-balance sheet liabilities will no longer be included while accrued expenses will now be included in the calculation.

Questions and comments concerning these changes can be sent to Andrew Peterson, Director, Capital Division by email at andrew.peterson@osfi-bsif.gc.ca. OSFI will post a non-attributed summary of stakeholder comments and OSFI's responses when the final version of the guideline is released. Comments should be provided no later than July 30, 2019.

Yours truly,

Bernard Dupont
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