



Index A No. 7.2

PART XII: ACQUISITION OF CONTROL OF, OR A SUBSTANTIAL INVESTMENT IN, A NON-FINANCIAL SERVICES ENTITY (OTHER THAN A LIMITED COMMERCIAL ENTITY)

Legislative Authorities

- Paragraph 522.22(1)(c), (d), (d.1) or (e) of the [Bank Act](#) (the “Act”).

Information Requirements

The applicant is generally expected to provide:

1. the name of the applicant, the address of its head office and its jurisdiction of incorporation;
2. an analysis in support of the applicant’s conclusion that it is required to seek this approval, including an analysis supporting the applicant’s position that it is an entity to which Part XII applies¹;
3. a confirmation that the applicant currently has, or is currently deemed to have, a financial establishment in Canada (together with details in support of the confirmation);²
4. the name, or proposed name, of the non-financial services entity (NFSE) being acquired, together with a detailed description of the NFSE’s current or proposed business activities, including an analysis setting out why each of its business activities are authorized³ and not restricted⁴;
5. details regarding whether the applicant (or the NFSE) requires any regulatory approval, other than under the Act, in connection with the transaction or is required to notify any regulator about the transaction, and where any of these requirements apply, information regarding the status of meeting them; and
6. a description of the transaction that will result in the applicant acquiring control of, or a substantial investment in, the NFSE, including the rationale for the transaction.

¹ By virtue of section 508 of the Act.

² See subsections 507(15) and (16) of the Act.

³ Business activities that are authorized are listed in subsection 522.08(1) of the Act.

⁴ Business activities that are restricted are generally listed in subsection 522.08(2) of the Act.

Administrative Guidance

1. For further guidance on Part XII of the Act, refer to the [Advisory No. 2006-01-R1 – Legislative Framework for Foreign Banks](#).
2. An NFSE is an entity referred to in paragraphs 522.22(1)(c) to (e) of the Act (i.e. a “permitted Canadian entity” that is not a “financial services entity” or a “limited commercial entity”, as defined by subsection 507(1) of the Act).
3. Where the acquisition will result in more than one person, directly or indirectly, acquiring control of the NFSE, any one of those persons may submit the application for approval on behalf of all others. That person is expected to provide the name, head office address and jurisdiction of incorporation of all persons who will be acquiring control of the NFSE.
4. Where an NFSE engages only in information technology activities, no approval is required where the conditions in sections 2 of the [Information Technology Activities \(Foreign Banks\) Regulations](#) are met.
5. This approval is subject to a service charge.⁵ A wire transfer, cheque or bank draft should be made payable to the Receiver General for Canada.
6. The following email address should be used for the initial submission of documents in support of requests for approval(s) that are addressed in this document: approvalsandprecedents@osfi-bsif.gc.ca. Once the initial submission has been received, a case officer will be assigned to the matter. Thereafter, all case-related documents and correspondence should be directed to the case officer.

The information requirements and administrative guidance are intended to satisfy typical applications. They have been derived from OSFI's experience in assessing applications. Applicants who provide all information and material requested can generally expect a more timely assessment of their applications. As appropriate to the circumstances, OSFI may request additional information, take into account other matters, impose terms and conditions, or require undertakings.

⁵ Please see [Charges for Services Provided by the Office of the Superintendent of Financial Institutions Regulations 2002](#).