



## Index A No. 7.5

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### PART XII: ESTABLISHMENT OF A LIMITED COMMERCIAL BRANCH

#### Legislative Authorities

- Section 522.19 and paragraph 522.22(1)(h) 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 applicant’s position that it is an entity to which Part XII applies<sup>1</sup>;
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);<sup>2</sup>
4. the name under which and principal places where the proposed business activities will be carried out; and
5. a detailed description of the applicant’s proposed business activities, including confirmation that:
  - (a) activities referred to in paragraphs 522.08(1)(a) to (f) of the Act and paragraphs (a) to (g) of the definition “financial services entity”<sup>3</sup> will not exceed 10% of its business in Canada, calculated in accordance with the requirements of section 6 of the [Manner of Calculation \(Foreign Banks\) Regulations](#),
  - (b) activities referred to in paragraphs 522.08(1)(a) to (f) of the Act and paragraphs (a) to (h) of the definition “financial services entity” do not and will not exceed 10% of its business outside of Canada, calculated in accordance with the requirements of section 7 of the [Manner of Calculation \(Foreign Banks\) Regulations](#),
  - (c) the business in Canada will not include any leasing activities<sup>4</sup>, and
  - (d) the business in Canada is the same as, or similar, related or incidental to, the business outside Canada of the applicant or an entity associated with the applicant.

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<sup>1</sup> By virtue of section 508 of the Act.

<sup>2</sup> See subsections 507(15) and (16) of the Act.

<sup>3</sup> See subsection 507(1) of the Act.

<sup>4</sup> As defined in subsection 507(1) of the Act.

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## Administrative Guidance

1. For further guidance on the concept of “financial establishment in Canada” and other elements of Part XII of the Act, refer to the [Advisory No. 2006-01-R1 – Legislative Framework for Foreign Banks](#).
2. This approval is subject to a service charge.<sup>5</sup> A wire transfer, cheque or bank draft should be made payable to the Receiver General for Canada.
3. 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](mailto: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.*

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