



Letter

Title	Consequential amendments to Guidelines B-10 and B-13 related to foreign branches
Category	Sound Business and Financial Practices
Date	February 22, 2024
Sector	Banks Foreign Bank Branches Foreign Insurance Branches Life Insurance and Fraternal Companies Property and Casualty Companies Trust and Loan Companies

Today, the Office of the Superintendent of Financial Institutions (OSFI) is publishing changes to Guideline B-10: Third-Party Risk Management and Guideline B-13: Technology and Cyber Risk Management. These changes clarify how those guidelines apply to foreign bank branches and foreign insurance company branches. They result from the release of the Integrity and Security Guideline on January 31, 2024.

Foreign bank branches and foreign insurance company branches are vulnerable to non-financial risks and events that could affect their ability to meet requirements and expectations. Their operations can be disrupted, and their data can be lost, stolen, or corrupted.

We've amended Guideline B-10 to clarify that it applies to foreign bank branches and foreign insurance company branches to the extent it is consistent with applicable requirements and legal obligations related to the branch's business in Canada. Foreign bank branches refers to foreign banks authorized to conduct business in Canada on a branch basis under Part XII.1 of the *Bank Act*. Foreign insurance company branches refers to foreign entities that are authorized to insure in Canada risks on a branch basis under Part XIII of the *Insurance Companies Act*. Expectations for branches are set out in [Guideline E-4 on Foreign Entities Operating in Canada on a Branch Basis](#).

Branches have until March 31, 2025, to adhere to Guideline B-10 in the manner set out above. We expect third-party arrangements starting on or after that date will adhere to Guideline B-10. Third-party arrangements entered-



into before that date should be reviewed and updated at the earliest opportunity so that they adhere to Guideline B-10 by March 31, 2025, or as soon as possible thereafter.

We've also amended Guideline B-13 with the same clarification for branch operations in Canada. This clarification does not change the guideline's practical application to branches. Branches should already adhere to Guideline B-13.

