



**Reference:** Guideline for Foreign Bank  
Branches

**Our File:** P3100-1

**April 25, 2002**

**Subject: Guideline A-10, Capital Equivalency Deposit**

OSFI has revised Guideline A-10, *Capital Equivalency Deposit*, to reflect the legislative changes of Bill C-8. In addition, OSFI has amended the Standard Form Deposit Agreement (SDA), Appendix I to the Guideline, taking into account further comments received from the industry.

The only changes to the Guideline relate to capital requirements. That is, the initial capital requirement of full-service branches has been reduced to \$5 million from \$10 million. A full-service branch must maintain its capital equivalency deposit at the greater of \$5 million or five per cent of Canadian liabilities.

With respect to the changes to the SDA, OSFI wishes to draw your attention to two new headings, Existing Agreements and Miscellaneous, and to revisions under the headings: Deposited Assets, Accountability of Depository, and Appointment of New Depository.

Questions on this Guideline should be addressed to Mr. Brad Shinn, Specialist, Capital Division, at (613) 998-9793 or by email at [brad.shinn@osfi-bsif.gc.ca](mailto:brad.shinn@osfi-bsif.gc.ca). However, questions concerning the SDA should be addressed to Ms. Sharon Allamby, Securities Administration Unit, at (416) 954-5784, by facsimile at (416) 973-1171, or by e-mail at [sharon.allamby@osfi-bsif.gc.ca](mailto:sharon.allamby@osfi-bsif.gc.ca).

The Guideline is available in English and French on OSFI's Internet web site at <http://www.osfi-bsif.gc.ca> under the Publications section. It may also be obtained by contacting Mr. Stéphane Dupel, General Services Division, by e-mail at [pub@osfi-bsif.gc.ca](mailto:pub@osfi-bsif.gc.ca) or by facsimile at (613) 954-4331.

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