

3. The United States of America shall accord Canadian-controlled financial institutions the same treatment as that accorded United States financial institutions with respect to amendments to the *Glass-Steagall Act* and associated legislation and resulting amendments to regulations and administrative practices.

4. This Part shall not be construed as representing the mutual satisfaction of the Parties concerning the treatment of their respective financial institutions. Accordingly, the United States of America shall, subject to Canada's commitment to consult and to liberalize further the rules governing its markets and to extend the benefits of such liberalization to United States-controlled financial institutions established under the laws of Canada, continue to provide Canadian-controlled financial institutions established under the laws of the United States of America with the rights and privileges they now have in the United States market as a result of existing laws, regulations, practices and stated policies of the United States of America. The continued provision of such rights and privileges shall be subject to normal regulatory and prudential considerations.

#### **Article 1703: Commitments of Canada**

1. United States persons ordinarily resident in the United States of America shall not be subject to restrictions that limit foreign ownership of Canadian-controlled financial institutions and, in accordance with this obligation, such United States persons shall not be subject to:

- a) subsection 110(1) of the *Bank Act*;
- b) subsections 19(1) and 20(2) of the *Canadian and British Insurance Companies Act*;
- c) subsections 11(1) and 12(2) of the *Investment Companies Act*;
- d) subsections 45(1) and 46(2) of the *Loan Companies Act (Canada)*; or
- e) subsections 38(1) and 39(2) of the *Trust Companies Act (Canada)*.