

Key Elements of Agreement on Financial Services

Canada Agrees:

1. Canada agrees that U.S. nationals and U.S. controlled companies will receive treatment as favorable as persons of Canada with respect to the ability to purchase shares of Canadian controlled financial institutions.
2. Canada agrees to exempt U.S. bank subsidiaries, individually and collectively, from the limitations on the total domestic assets of foreign bank subsidiaries in Canada.
3. Canada agrees not to use review powers governing the entry of U.S. controlled financial institutions in a manner inconsistent with the aims of this Agreement.
4. Each party agrees that this agreement shall not be construed as representing the mutual satisfaction of the parties concerning the treatment of their respective financial institutions; accordingly, Canada agrees, subject to the U.S.'s commitment to consult and to liberalize further the rules governing its markets and to extend the benefits of such liberalization to Canadian controlled financial institutions established under the laws of the United States, to continue to provide, subject to normal regulatory and prudential considerations, U.S. controlled financial institutions established under the laws of Canada with the rights and privileges they now have in the Canadian market as a result of existing laws, regulations, practices and stated policies of the Canadian Government.