

TABLE 1

EXISTING OWNERSHIP RULES FOR FINANCIAL INSTITUTIONS

	<u>Canadians</u>	<u>Foreigners</u>	<u>Americans* after FTA</u>
Banks			
1. Schedule I banks	10% max. shareholding for individuals	10% max. shareholding by individuals aggregate limit of 25%	same as for Canadians
2. Schedule II banks foreign	N/A	wholly owned	same as for foreigners
domestic	can initially be wholly owned but must be widely held in ten years	N/A	N/A
Trusts			
new trusts	no restrictions**	no restrictions in principle (but legislative moratorium)	same as for foreigners
existing trusts			
federal	no restrictions***	10/25	no restrictions***
provincial	no restrictions	10/25****	10/25****
Insurance			
(same as trusts) +			
Securities			
	no restrictions	no restrictions + +	no restrictions + +

* Americans were treated as foreigners prior to the FTA.

** Can be subject to ministerial approval.

*** May incorporate "big cannot buy big" provision.

**** Provinces need not put controls on, but they are allowed to do so. Some provinces do.

+ Except that, for new foreign and American entry, there is greater flexibility (e.g. a foreigner can enter via a branch or subsidiary).

+ + Could be subject to foreign bank rules.