



STATUS		
Council Approved	Y	N
CAO Approved:	Y	N

TITLE: Investment Policy	NO.:
	Effective Date: May 25, 2006
	Latest Revision Date:

POLICY STATEMENT:

A policy governing the management of surplus funds and investments.

APPLICATION:

All Regional employees who are responsible for the control, administration, management and reporting on the Corporation’s surplus funds and investments.

PURPOSE:

This policy establishes the objectives, standards of care, eligible investments, reporting requirements and responsibilities for the prudent management of the Corporation’s surplus funds and investments.

DEFINITIONS:

Asset Backed Securities: fixed income securities (other than a government security) issued by a Special Purpose Entity, substantially all of the assets of which consist of Qualifying Assets.

CHUMS Financing Corporation (CHUMS): A subsidiary of the Municipal Finance Officers Association of Ontario (MFOA) which in conjunction with the Local Authority Services Limited operates the ONE Fund.

Corporation: the Regional Municipality of York, its Boards and Subsidiaries.

Credit Risk: the risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Diversification: a process of investing assets among a range of security types by class, sector, maturity, and quality rating.

Duration: a measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

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Forward Rate Agreement (FRA): a contract with a qualified financial institution (eg. bank) that allows an investor to fix a rate of interest to be received on an investment for a specified term beginning at a specified future date.

Interest Rate Risk : the risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Investment-grade Obligations: an investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated “BBB” or higher by a rating agency.

Liquidity: a measure of an asset’s convertibility to cash.

Local Authorities Service Limited (LAS): a subsidiary of the Association of Municipalities of Ontario (‘AMO’) which in conjunction with CHUMS operates the ONE Fund.

ONE - the Public Sector Group of Funds (the “ONE Fund”): a professionally managed group of investment funds composed of pooled investments that meet eligibility criteria as defined by regulations under the Municipal Act.

Market Risk: the risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value: current market price of a security.

Maturity: the date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See “Weighted Average Maturity”.

Prudent Person Rule: an investment standard outlining the fiduciary responsibilities relating to the investment practices of public fund investors.

Safekeeping: holding of securities by a qualified financial institution (e.g. bank) on behalf of the investor.

Schedule I banks: Schedule I banks are domestic banks and are authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation (see Appendix 3).

Schedule II banks: Schedule II banks are foreign bank subsidiaries authorized under the *Bank Act* to accept deposits, which may be eligible for deposit insurance provided by the Canada Deposit and Insurance Corporation. Foreign bank subsidiaries are controlled by eligible foreign institutions (see Appendix 3).

Schedule III banks: Schedule III banks are foreign bank branches of foreign institutions that have been authorized under the *Bank Act* to do banking business in Canada. These branches have certain restrictions (see Appendix 3).

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Sinking Fund: securities and/or deposits accumulated on a regular basis in a separate safekeeping and/or bank account that will be used to redeem debt securities at maturity.

Supranational: an agency sponsored by either a single or group of highly rated foreign banks or governments that will issue debt to fund loans in developing countries or large infrastructure projects. Supranational institutions may be owned or guaranteed by a consortium of national governments and their debt is typically rated “AA” or higher.

Weighted Average Maturity (WAM): the average maturity of all the securities that comprise a portfolio.

DESCRIPTION:

Objectives of the Corporation’s Investment Program

The primary objectives of the investment program, in priority order, shall be:

- Adherence to statutory requirements;
- Preservation of capital;
- Maintaining liquidity; and
- Earning a competitive rate of return.

- **Adherence to Statutory Requirements:**

All investment activities shall be governed by the *Municipal Act* as amended. Investments, unless limited further by Council, will be those deemed eligible under Ontario Regulation 438/97 or as authorized by subsequent provincial regulations, including O.Reg 399/02 and O.Reg 655/05.

- **Preservation of Capital:**

Safety of principal is an important objective of the investment program. Investments shall be undertaken in a manner that seeks to minimize the risk to capital in the overall portfolio. Staff shall endeavor to mitigate credit and interest rate risk as follows:

Credit Risk:

- Limiting investments to safer types of securities;
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Corporation does business;
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized; and

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- Setting dollar limits on the size of portfolio investments in asset sectors (fixed income and equities) and in individual credit names.

Interest Rate Risk:

- Structuring the investment portfolio so that securities mature to meet ongoing cash flow requirements, thereby reducing the need to sell securities on the open market prior to maturity;
- Investing operating funds primarily in shorter-term securities or approved liquid investment pools;
- Diversifying longer-term holdings to mitigate effects of interest rate volatility;
- Use of Forward Rate Agreements when appropriate; and
- Investing in shares or equities of Canadian corporations through the ONE Fund.

- **Maintaining Liquidity:**

The investment portfolio shall remain sufficiently liquid to meet all operating or cash flow requirements and limit temporary borrowing requirements. This shall be done where possible by structuring the portfolio such that securities mature concurrent with anticipated cash demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets. A portion of the portfolio may be placed in local government investment pools (eg. ONE Fund) which offer liquidity for short-term funds.

- **Competitive Rate of Return:**

Without compromising other objectives, the Corporation shall maximize the rate of return earned on its portfolio by implementing a dynamic investment strategy as part of its investment program. Trends in macro-economic variables will be monitored including interest rates inflation, and foreign exchange rates, as affected through the political arena and international developments and perceptions.

Diversification, and ensuring safety of principal by limiting exposure to credit, sector or term risks, also provides opportunities to enhance the investment returns of the Corporation's portfolio by means of prudent and timely adjustments to asset mix.

STANDARD OF CARE

- **Prudence**

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers and employees exercising due diligence and acting in accordance with written procedures and this Policy shall be relieved of personal responsibility for an individual security's credit risks or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidation or the sale of securities are carried out in accordance with the terms of the Policy.

- **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Officers and employees shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of the Corporation.

- **Delegation of Authority**

The Commissioner of Finance and Treasurer will have overall responsibility for the prudent investment of the Corporation's portfolio. However, the Director of Policy, Risk and Treasury will be responsible and have the authority for the implementation of the investment program and the establishment of investment procedures consistent with the Policy. Such procedures shall include the explicit delegation of the authority needed by staff in order to complete investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy. The Director shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate officers and employees and shall exercise control over them. The Director may delegate responsibility for the day-to-day management of the portfolio to subordinate investment officers within established guidelines.

- **Competitive Selection of Investment Instruments**

All securities' purchase/sales will be transacted through a competitive process only with financial institutions approved by the Commissioner of Finance and Treasurer or the Director of Policy, Risk & Treasury. The Corporation will accept the offer which (a) has the highest

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rate of return within the maturity required; and (b) optimizes the investment objectives of the overall portfolio. When selling a security, the Corporation will select the bid that generates the highest sale price or the transaction which will yield the best return for the portfolio. If there is a tie bid between one or more brokers, the Corporation will award the winning bid to the brokers on a rotating basis.

It will be the responsibility of authorized investment officers and employees involved with each purchase/sale to produce and retain written records of each transaction including the name of the financial institutions solicited (at least 2 brokers), rate quoted or interpolated, description of the security, investment selected, and any special considerations that had an impact on the decision. If the lowest priced security (highest yield) was not selected for purchase, an explanation describing the rationale shall be included in this record.

SUITABLE AND AUTHORIZED INVESTMENTS

The following Canadian Dollar investments are authorized for the purposes of this Policy within the limitations set out in Investment Parameters section and Appendix 1.

- Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by:
 1. Canada or a province or territory of Canada,
 2. an agency of Canada or a province or territory of Canada,
 3. a country other than Canada,
 4. a municipality in Canada including the municipality making the investment,
 5. the Ontario Strategic Infrastructure Financing Authority,
 6. a school board or similar entity in Canada (money must be used for school purposes),
 7. a post-secondary educational institution,
 8. the board of governors of a college of applied arts and technology of Ontario,
 9. a local board as defined in the *Municipal Affairs Act* or a conservation authority,
 10. a board of a public hospital,
 11. a non-profit housing corporation,
 12. a local housing corporation,
 13. the Municipal Finance Authority of British Columbia,
 14. the International Bank for Reconstruction and Development,
 15. a supranational financial institution or a supranational governmental organization,
 16. asset-backed securities, with a minimum credit rating of “AAA”

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17. a corporation that is incorporated under the laws of Canada or a province of Canada with a maturity of not more than 5 years provided it has a minimum credit rating of “AA-”.
- Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by,
 - i. a bank listed in Schedule I, II or III to the *Bank Act* (Canada),
 - ii. a loan corporation or trust,
 - iii. a credit union or league, or
 - iv. the Province of Ontario Savings Office.
 - Negotiable promissory notes or commercial paper, other than asset-backed securities, maturing one year or less from the date of issue, if that note or commercial paper has been issued by a corporation that is incorporated under the laws of Canada or a province of Canada.
 - Bonds, debentures, promissory notes, other evidence of indebtedness or securities of a corporation if the Corporation first acquires the bond, debenture, promissory note or other evidence of indebtedness as a gift in a will and the gift is not made for a charitable purpose (can only be held for 90 days).
 - Bonds, debentures, promissory notes or other evidence of indebtedness issued by a corporation that is incorporated under the laws of Canada or a province in Canada, the terms of which provide that the principal and interest shall be fully repaid more than five years after the date the Corporation makes the investment provided that the investment is done through the ONE Fund.
 - Shares of a corporation if,
 - i. the corporation has a debt payable to the Regional Municipality of York,
 - ii. under a court order, the corporation has received protection from its creditors,
 - iii. the acquisition of the shares in lieu of the debt is authorized by the court order, and
 - iv. the Commissioner of Finance and Treasurer is of the opinion that the debt will be uncollectible by the Region unless the debt is converted to shares under the court order.
 - Shares issued by a corporation that is incorporated under the laws of Canada or a province of Canada, provided that the investment is done through the ONE Fund.

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INVESTMENT PARAMETERS

Fixed income investments shall be diversified by:

- Diversifying investments to avoid over-concentration in securities from a specific issuer or sector (excluding Government of Canada securities);
- Limiting investment in securities to those that have higher credit ratings;
- Investing in securities with varying maturities; and
- Investing in mainly liquid, marketable securities which have an active secondary market, to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

In order to promote diversification of the Corporation's investment portfolio, percentage weightings for class and type of securities shall be established and maintained. Column "d" of Appendix 1 sets out the maximum allowable exposure for each classification of security as a percentage of the total portfolio. Column "e" of Appendix 1 sets out the maximum allowable exposure for each specific issuer in a security class as a percentage of the total portfolio. Column "f" of Appendix 1 sets out the maximum term limit for each investment class and issuer.

The Corporation shall adopt weighted average maturity limitations consistent with investment objectives. The Corporation shall also hold sufficient funds in short term investment instruments in order to maintain adequate liquidity. Appendix 2 sets out minimum and maximum term exposures in order to ensure liquidity requirements are maintained. In line with the provincial regulation, the Corporation shall sell an investment within 30 to 90 days (depending on the specific investment) after the day the investment rating falls below the standard as set out in Appendix 1.

REPORTING REQUIREMENTS

• Reports to Council

The Commissioner of Finance and Treasurer shall submit an investment report for Council at least annually, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last year. This management summary will be prepared in a manner which will allow Council to ascertain whether investment activities during the reporting period have conformed to the Policy. The investment report will include the following:

- Listing of individual securities held at the end of the reporting period;
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements);

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- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks;
- Listing of investment by maturity date;
- Percentage of the total portfolio which each type of investment represents;
- A statement about the performance of the investment portfolio during the period covered by the report;
- An estimated ratio of the total long-term and short-term securities compared to the total investments and a description of the change, if any, in that estimated proportion since the previous year's report;
- A statement by the Commissioner of Finance and Treasurer as to whether or not, in his or her opinion, all investments were made in accordance with the investment policies and goals adopted by the Corporation;
- If an investment made by the Corporation is in the opinion of the Commissioner of Finance and Treasurer not consistent with the Policy, the inconsistency shall be reported to Council within 30 days (or the next earliest opportunity) after becoming aware of it.
- A record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security;
- If the Corporation has any existing forward rate agreements in a fiscal year, the Commissioner of Finance and Treasurer shall prepare and present to Council once in that fiscal year, or more frequently if Council so desires, a detailed report on all of those agreements, which will contain:
 - A statement about the status of the forward rate agreements during the period of the report, including a comparison of the expected and actual results of using the agreements.
 - A statement by the Commissioner of Finance and Treasurer indicating whether, in his or her opinion, all of the forward rate agreements entered during the period of the report are consistent with the Corporation's statement of policies and goals relating to the use of forward rate agreements.
- Such other information that the Council may require or that, in the opinion of the Commissioner of Finance and Treasurer, should be included.
- **Performance Benchmarks**

It is anticipated that the investment portfolio will earn an average rate of return that is at least commensurate with the investment risk constraints and cash flow needs of the Corporation. Therefore, the actual rate of return earned on the portfolio will be regularly compared to

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performance benchmarks that have been previously established. The benchmark(s) may vary from time to time as determined by the Director of Policy, Risk and Treasury in order to be comparable to the composition and average term of the current holdings of the investment portfolio. The performance of the General Portfolio will be compared using two sets of performance benchmarks – an index-based benchmark and a managed portfolio benchmark.

The index benchmark will be based on a proportional blend of the following indices:

- 91 day Canada Treasury Bill Rate;
- Scotia Capital's All Government Short-Term Bond Index;
- Scotia Capital's All Government Medium-Term Bond Index; and
- Scotia Capital's All Government Long-Term Bond Indexes

The managed portfolio benchmark will be based on a proportional blend of rate of returns earned by the following funds:

- ONE Fund Money Market Fund; and
- ONE Fund Bond Market

- **Marking to Market**

The market value of the investment portfolio shall be calculated monthly or more frequently if determined necessary by the Director of Policy, Risk and Treasury.

SAFEKEEPING AND CUSTODY

All securities shall be held for safekeeping by a financial institution approved by the Corporation. Individual accounts shall be maintained for each portfolio. All securities shall be held in the name of the Corporation.

The depository shall issue a safekeeping receipt to the Corporation listing the specific instrument, rate, maturity and other pertinent information. On a monthly basis, the depository will also provide reports which list all securities held for the Corporation, the book value of holdings and the market value as of month-end.

SECURITIES LENDING

The Corporation may engage in the practice of securities lending as provided in Section 418 of the *Municipal Act* to enable the corporation to increase its return on its custodial portfolio by lending certain assets to recognized borrowers for a fee.

FORWARD RATE AGREEMENTS

The Corporation may enter into Forward Rate Agreements (FRAs). FRAs may only be used to reduce the risk of future interest rate changes associated with known cash inflows and will be subject to the conditions set out in Appendix 2.

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The FRA agreement must specify:

- the forward amount, which is the principal on which the interest rate is based upon;
- a settlement date;
- the forward interest rate;
- the reference rate of interest; and
- a schedule of approximate payments/cost to or by the Corporation should the reference rate and the forward rate differ.

A report analyzing the risks and return profile of the transaction, the risk exposure to the Corporation without the FRA and specific risk control measures must be approved by the Commissioner of Finance or Treasurer prior to entering into a FRA agreement.

RESPONSIBILITIES:

Commissioner of Finance and Treasurer and the Director of Policy, Risk & Treasury:

- Develops and maintains all necessary operating procedures for effective control and management of the investment function and reasonable assurance that the Corporation's investments are properly managed and adequately protected.
- Ensures that a Cash Management and Investment Procedure manual, which describes the daily trading functions, remains up to date and accessible to all investment officers and employees.
- Enters into arrangements with banks, investment dealers and brokers, and other financial institutions for the purchase, sale, redemption, issuance, transfer and safekeeping of securities.
- Will delegate the responsibilities and functions of Treasury Division of the Policy, Risk and Treasury Branch to investment officers and employees in a manner that would delineate between front, back office and a potential risk management committee. The duties performed by the trading desk and back office will be clearly segregated to maintain the integrity of the financial records. The function of executing and confirming trades will be separated from investment officers or employees directly responsible for the trade.
- May delegate all or part of the day-to-day management of investments to a qualified investment officer (eg. Manager, Treasury and Reserves).
- Ensures that a review of the investment portfolio is performed daily to verify its compliance with the sector and credit exposure limitations set out in Appendix 1 by the appropriate investment officers or employees within the Treasury Division.
- Ensures that any investment that is not consistent with this Policy will be disposed of within 30 days after becoming aware of it.

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- Ensures that credit rating of securities held in the investment portfolio are being monitored regularly by appropriate investment officers or employees within the Treasury Division and any material negative changes are communicated in a timely manner to the Director, Policy Risk and Treasury and the Director, Financial Services or their designates.
- Executes and signs documents on behalf of the Corporation and performs all other related acts in the day-to-day operation of the investment and cash management program.
- Ensures all Reporting Requirements identified within this Policy are met.
- Obtains adequate insurance coverage to guard against any losses that may occur due to misappropriation, theft, or other unscrupulous acts of fraud with respect to the Corporation's financial assets.

REFERENCE:

Section 418 of *Municipal Act*
Ontario Regulation 438/97
Ontario Regulation 265/02
Ontario Regulation 299/02
Ontario Regulation 655/05

CONTACT:

Manager, Treasury and Reserves, Policy, Risk and Treasury Branch, Finance Department

APPROVAL INFORMATION

CAO Approval Date:

Committee:

Clause:

Report No:

Council Approval:

Minute No.

Page:

Date:

APPENDIX 1 – AUTHORIZED INVESTMENTS AND SECTOR LIMITATIONS

Sectors	Minimum Credit Rating	Money Market Rating	Sector/Credit Exposure Limitation ¹ (maximum)		Sector Term Limitation (Maximum)
			Portfolio Limit	Individual Limit	
(a)	(b)	(c)	(d)	(e)	(f)
Federal²					
Canada		R1 high	100%	100%	1 year
Federal Guarantees		R1 high	50%	25%	1 year
Canada	N/A		75%	75% (>1 year)	30 years
Federal Guarantees	N/A		50%	25%	30 years
Sub-total			100%		
Other Countries²					
Government	AAA		25%	10%	20 years
Government	AA (L)		20%	5%	10 years
Sub-total			25%		
Provincial²		R1 mid	80%	25%	1 year
		R1 low	10%	5%	1 year
	AA		75%	25%	30 years
	A		25%	15%	15 years
	BBB		10%	5%	5 years
Sub-total			80%		
Municipal					
Region of York ³	N/A		25%	25%	None
Other Municipalities ⁴	AAA		35%	5%	20 years
	AA		25%	5%	15 years
	A		10%	2%	10 years
	Not rated		5%	2%	10 years
Applied Arts, Housing Corp, Education & Hospitals	AA(L)		25%	5%	10 years
Sub-total			35%		

¹ exposure % limitations to be applied to the par value of the total portfolio

² includes guarantees

³ includes advances to area municipalities

⁴ OSIFA & BCMFA, School Boards, Local Boards & Conservation.

⁵ Investment in these securities are contingent upon the Region maintaining a credit rating at or above AA (L)

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Asset Backed⁵	AAA	R1 high	20%	5%	10 years
Banks					
Schedule I Banks		R1 mid	60%	25%	1 year
		R1 low	20%	5%	6 months
	AA(L)				
			30%	15%	10 years
Schedule II Banks		R1 mid	20%	25%	1 year
		R1 low	10%	5%	6 months
	AA(L)		20%	5%	10 years
Schedule III Banks		R1 high	15%	5%	6 months
		R1 mid	5%	5%	1 year
	AA(L)		5%	3%	5 years
Bank Short-term			60%		< 1 year
Bank Long-term			30%		> 1 year
Corporate					
Commercial paper & promissory notes ⁵		R1 mid	15%	5%	364 days
Corporate debt ⁵	AA(L)		25%	5%	5 years
Corporate Total			30%		
Supranational					
IBRD ⁵	AAA		10%	10%	15 years
Other governmental or financial institutions	AAA		15%	10%	15 years
Sub-total			20%		
ONE Fund					
Money Market	n/a		10%	n/a	
Bond Fund	n/a		10%	n/a	
Equity/Shares	n/a		10%	n/a	
Corporate Debt	A		10%	n/a	> 5 year
Sub-total			25%	n/a	
Other					
Loan or trust corporation, credit union, Province of Ontario Saving Bank	AA(L)		20%	5%	10 years

APPENDIX 2 – PORTFOLIO TERM LIMITATIONS¹

Term Limitation	Percentage	
	<u>Minimum</u>	<u>Maximum</u>
Less than 90 days	10%	100%
Less than 1 year	20%	100%
From 1 year up to, but not including 5 years	0%	75%
From 5 years up to, but not including 10 years ²	0%	50%
From 10 years up to 30 years	0%	30%

Other Restrictions:

- 1) Term is limited to an individual maximum term of 30 years and the weighted average term shall not exceed 8 years for the general portfolio.
- 2) Investments for terms in excess of 1 year are restricted subject to investments specified and the credit rating limitation set out on Appendix 1.
- 3) Forward Rate Agreements (FRA's) may only be executed with Schedule I, II or III Banks whose credit rating is 'A' or better. The term of any FRA must be less than 1 year and not more than 25% of previous year's cash receipts.

¹ Term % limitations to be applied to the total amortized book value of the General Fund Portfolio.

² Unused percentages from longer-term tiers can be rolled down into short-term tiers to an overall maximum of 80% for beyond 1 year.

APPENDIX 3 – CANADIAN BANK CLASSIFICATION

JAN 2006 (CANADIAN BANKERS ASSOCIATION)

Schedule I banks are domestic banks and are authorized under the *Bank Act* to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corp.

Amicus Bank	Laurentian Bank of Canada
Bank West	Manulife Bank of Canada
BMO Bank of Montreal	National Bank of Canada
Canadian Tire Bank	Pacific & Western Bank of Canada
Canadian Western Bank	President's Choice Bank
CIBC	RBC Royal Bank
Citizens Bank of Canada	Scotiabank (The Bank of Nova Scotia)
CS Alterna Bank	TD Bank Financial Group
Dundee Wealth Bank	Ubiquity Bank of Canada
First Nations Bank of Canada	

Schedule II banks are foreign bank subsidiaries authorized under the *Bank Act* to accept deposits, which may be eligible for deposit insurance provided by the Canada Deposit and Insurance Corporation. Foreign bank subsidiaries are controlled by eligible foreign institutions.

Amex Bank of Canada	International Commercial Bank of Cathay
Bank Of China (Canada)	J.P. Morgan Bank Canada
Bank Of East Asia (Canada)	Korea Exchange Bank of Canada
Bank of Tokyo- Mitsubishi UFJ (Canada)	MBNA Canada Bank
BPCBank Canada	Mizuho Corporate Bank (Canada)
BNP Paribas (Canada)	National Bank of Greece (Canada)
Citibank Canada	Société Générale (Canada)
CTC Bank of Canada	State Bank Of India (Canada)
Habib Canadian Bank	Sumitomo Mitsui Banking Corporation Of Canada
HSBC Bank Canada	UBS Bank (Canada)
ICICI Bank Canada	
ING Bank of Canada	

Schedule III banks are foreign bank branches of foreign institutions that have been authorized under the *Bank Act* to do banking business in Canada.

ABN Amro Bank N.V.	Maple Bank GmbH
Bank Of America, National Association, Canada Branch	Mellon Bank, N.A. Canada Branch
Capital One Bank (Canada Branch)	National City Bank
Citibank, N.A.	Ohio Savings Bank Canadian Branch
Comerica Bank	Rabobank Nederland, Canadian Branch
Credit Suisse First Boston	State Street Bank And Trust Company
Deutsche Bank A.G.	U.S. Bank National Association
First Commercial Bank	UBS AG Canada Branch
HSBC Bank USA	Union Bank of California, N.A.
JPMorgan Chase Bank	United Overseas Bank Limited
	WestLB AG