

## Annex 2

USA	Canada	Australia
<p>In order to accept or maintain domestic retail deposits of less than \$ 100,000 a foreign bank must establish an insured banking subsidiary. This requirement does not apply to a foreign bank branch that was engaged in insured deposit-taking activities on December 19, 1991.</p>	<p>To undertake the business of banking in Canada, a foreign bank must:</p> <ul style="list-style-type: none"> <li>(i) Incorporate a bank subsidiary under the Bank Act; or</li> <li>(ii) Establish a bank branch under the Bank Act.</li> </ul> <p>Full service bank branches and lending branches cannot be member institutions of the Canada Deposit Insurance Corporation.</p> <p>In order to establish a bank branch, a foreign bank must be authorised under the Bank Act and must be incorporated by or under the laws of another jurisdiction outside Canada (i.e., an authorised foreign bank).</p> <p>No one person (Canadian or foreign) may own more than 10 per cent of any class of shares of a Schedule I bank</p>	<p>Foreign banks satisfying prudential requirements and that are able to demonstrate their potential contribution to competition in Australia may conduct banking in Australia. Foreign banks may undertake banking operations in Australia through locally incorporated subsidiaries and/or an authorised branch. However, a branch may not accept "retail" deposits. A foreign bank wishing to deposits must seek authorisation as a locally incorporated subsidiary for that purpose. Foreign bank branches may accept deposits (and other funds) in any amount from incorporated entities, non-residents and their own employees. Deposits (and other funds) may only be accepted from other sources where the initial deposit (or other funds) is greater than \$A250,000. Deposit-taking outside of this is considered to be "retail" banking business.</p>