

ANNEX III

Schedule of Canada

Financial Services

Headnotes

1. Commitments under this Agreement, in the sub-sectors listed in this Schedule, are undertaken subject to the limitations and conditions set forth in these headnotes and in the Schedule below.
2. To clarify the commitment of Canada with respect to Article 13.5 (Financial Services – Right of Establishment), enterprises supplying financial services and constituted under the laws of Canada are subject to non-discriminatory limitations on juridical form. For example, partnerships and sole proprietorships with limited or unlimited liability are generally not acceptable juridical forms for financial institutions in Canada. This headnote does not affect, or otherwise limit, a choice by an investor of the other Party between a branch or subsidiary.

ANNEX III

Schedule of Canada

Section I

Section II

Sector:	Financial Services
Sub-Sector:	Banking and Other Financial Services (Excluding Insurance)
Classification:	
Type of Reservation:	Right of Establishment (Article 13.5) National Treatment (Article 13.3)
Level of Government:	Federal
Description:	Canada reserves the right to adopt or maintain a measure requiring that a foreign bank establish a subsidiary in order to accept or maintain retail deposits of less than CAD\$150,000.

Sector:	Financial Services
Sub-Sector:	Banking and Other Financial Services (Excluding Insurance)
Classification:	
Type of Reservation:	Right of Establishment (Article 13.5) National Treatment (Article 13.3)
Level of Government:	Federal
Description:	Canada reserves the right to adopt or maintain a measure requiring that foreign banks that have been authorized to establish a branch in Canada be members of the Canadian Payments Association. Canada also reserves the right to adopt or maintain a measure prohibiting foreign lending branches from being members of the Canadian Payments Association.

Sector: Financial Services

Sub-Sector: All

Classification:

Type of Reservation: Most-Favoured-Nation Treatment (Article 13.4)

Level of Government: National and Sub-National

Description: Canada reserves the right to adopt or maintain a measure relating to cross-border trade in securities services.