



15 November 2016

Financial Institutions Division  
Financial Support Policy Branch  
Department of Finance Canada  
90 Elgin Street  
Ottawa, Canada, K1A 0G5

To whom it may concern:

Thank you for the opportunity to participate in the consultation process for the review of the federal financial sector framework. The invitation in your consultation document asks for the following:

- a clear indication of the name of the individual or organization that should be identified as having made the submission, and
- advice on whether the submitter consents to the disclosure of the submission in whole or in part.

On the first point, the attachment contains the submission made by HSBC Bank Canada (and not by any specific individual at HSBC Bank Canada).

On the second point, HSBC Bank Canada consents to disclosure of the whole of its submission contained in the attached.

If you have any questions regarding HSBC's submission, please don't hesitate to contact the undersigned at .

Yours truly,

HSBC BANK CANADA

A handwritten signature in black ink, appearing to read "Annelle Wilkins".

Per:

Annelle Wilkins  
Senior Vice-President and General Counsel



## **Comments on the First Phase of the Review of the Federal Financial Sector Framework**

(Submission by HSBC Bank Canada)

The HSBC Group is one of the world's largest banking and financial services organizations. Marking its 150th anniversary in 2015, HSBC has operations in 71 countries and territories, and global assets of more than US\$2.5 trillion.

HSBC Bank Canada is the largest foreign bank in Canada. Established in 1981 and headquartered in Vancouver, HSBC Bank Canada has now grown to over 6,000 employees with operations in almost every province. HSBC has long considered Canada to be one of its priority growth markets. With assets increased to \$95.2B as at 30 September 2016, our business here is comprised of three main parts: Commercial Banking which accounts for 50% of our revenues; Global Banking and Markets comprising 40% of our revenues; and Retail Banking and Wealth Management which accounts for the remaining 10% of our revenues in Canada. We are investing in all three lines of business in this country with the aim to serve more internationally-minded businesses and individuals.

No other foreign bank has our Canadian presence and no domestic bank has our international reach. Our international network covers trade and investment in countries that account for about 90% of global GDP. This extensive network allows us to provide critical support to Canadian companies that see international trade and finance as vital components in their longer-term growth strategies.

We can confirm that HSBC Bank Canada (as Canada's largest Schedule II bank) does not have any specific recommendations for legislative changes to the Bank Act, which relate specifically to the treatment of Schedule II banks.

At the same time, HSBC Bank Canada continues to contribute to the Canadian Bankers Association's discussions on the first phase of the review of the federal financial sector framework and we support the comments that are set out in its separate submission.

In closing, HSBC Bank Canada wishes to convey its appreciation for the opportunity to participate in the first phase of this important consultative exercise and we look forward to participating in the second phase following the release of the Government's policy paper in 2017.

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