

Inter Office
Communication



Comptroller of Florida
Division of Banking

DATE: July 25, 1996

TO: Karon Beyer, Department of State
Division of Corporations - Bureau of Commercial Recording

FROM: *JAP* John A. Pullen, Licensing and Chartering

SUBJECT: New State-Licensed International Bank Representative Office
in Florida

Please file the attached "Application by Foreign Corporation for
Authorization to Transact Business in Florida" (original and one copy)
for National Bank of Canada, using July 25, 1996, as the effective
date.

Please make the following distribution of certified copies:

(1) One copy to: Division of Banking
Office of Licensing and Chartering
Suite 1401, The Capitol
Tallahassee, Florida 32399-0350

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****122.50 ****122.50

Also attached is a check, in the amount of \$122.50, which represents
payment of the filing applicable fees. If you have any questions,
please call 487-1410.

JAP:bms

cc: Federal Reserve Bank of Atlanta, Atlanta, Georgia
Bureau of International Banking

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SECRETARY OF STATE
DIVISION OF CORPORATIONS
96 JUL 25 AM 9:01
H-7/26

File

OFFICE OF COMPTROLLER
DEPARTMENT OF BANKING AND FINANCE
STATE OF FLORIDA
TALLAHASSEE
32399-0350

ROBERT M. MILLIGAN
COMPTROLLER OF FLORIDA

June 27, 1996

Board of Directors
National Bank of Canada
c/o Richards & O'Neil, LLP
885 Third Avenue
New York, New York 10022-4873

Dear Members of the Board:

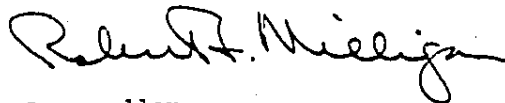
Re: Application by National Bank of Canada to Establish an
International Bank Representative Office Located at 5200 Town
Center Circle, Boca Raton, Palm Beach County, Florida

The application by National Bank of Canada to establish an
international bank representative office in Boca Raton, Florida,
meets the requirements of Chapter 663, Florida Statutes.
Accordingly, the application is hereby approved.

This approval shall expire twelve (12) months from the date of
this letter. Any request for additional time to open the
office must be approved by the Department.

Please provide the Division of Banking, Licensing and Chartering
with at least 21 days advance notice of your proposed opening date
so that a Certificate of Authority to open the representative office
can be issued in a timely fashion.

Sincerely,



Comptroller

RFM/cjp

cc: Connie M. Friesen, Esquire, Richards & O'Neil, LLP
Federal Deposit Insurance Corporation, Atlanta, Georgia
Federal Reserve Bank of Atlanta, Atlanta, Georgia
Regional Administrator of National Banks, Atlanta, Georgia
Florida Department of State, Bureau of Corporations
Bureau of International Banking
Information Office, Office of Comptroller

**APPLICATION BY FOREIGN CORPORATION FOR
AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA**

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1. NATIONAL BANK OF CANADA
(Name of corporation: the word "INCORPORATED," "COMPANY," or "CORPORATION" or words or abbreviations of like import in language, as will clearly indicate that it is a corporation instead of a natural person or partnership if not so contained in the name at present.)
2. CANADA
(State or country under the law of which it is incorporated)
3. November 1st, 1992
(Date of Incorporation)
4. Perpetual
(Duration)
5. N/A
(Federal Employer Identification number, if applicable)
6. Upon Qualification
(Date first transacted business in Florida. See sections 607.1501, 607.1502, and 817.155, F.S.)
7. 600 de La Gauchetière Street West, Montreal, Quebec, Canada H3B 4L2
(Current mailing address)
8. Loan solicitation and liaison activities
(Brief description of the nature of the business in which it is engaged in the state of Florida)
9. Names and addresses of officers and or directors:

A. Directors:

Chairman: See attached list of Directors

Address: _____

Vice Chairman: _____

Address: _____

Director: _____

Address: _____

Director: _____

Address: _____

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DIVISION OF CORPORATIONS
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B. Officers:President: See attached list of Officers

Address: _____

Vice President: _____

Address: _____

Secretary: _____

Address: _____

Treasurer: _____

Address: _____

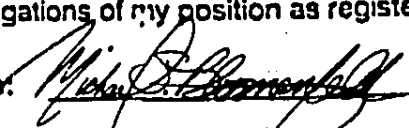
(If needed, you may attach an addendum to the application listing additional officers and/or directors.)

10. Name and Street address of Florida registered agent:Name: Michael S. BloomenfeldOffice Address: 5200 Town Center Circle, Suite 306Boca Raton, Florida 33486

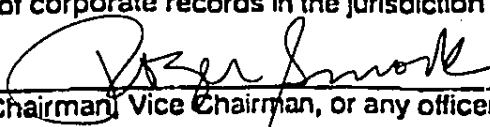
Zip Code

11. Registered agent's acceptance:

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Registered agent's signature: 

12. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

13. 
(Signature of Chairman, Vice Chairman, or any officer listed in number 9 of the application)

14. Roger Smock, Senior Vice President
(Name and capacity of person signing application)

**LIST OF DIRECTORS OF
NATIONAL BANK OF CANADA**

(February 8, 1995)

(30 members)

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
ANDRÉ BÉRARD Chairman of the Board and Chief Executive Officer National Bank of Canada Secretary: Line Gagné	* 600 de La Gauchetière Street West 4th floor Montreal (Quebec) H3B 4L2 Tel.: (514) 394-6547 Fax.: (514) 394-8434 Tel.: (514) 394-6548	11 O'Reilly Street app. 509 Ile-des-Sœurs Verdun (Quebec) H3E 1T6 Tel.: (514) 362-7332
MARC BOURGIE Chairman of the Board Urgel Bourgie Ltée (Funeral homes) Secretary: Lorraine Carrière	* 160 Graham Street Ville Mont-Royal (Quebec) H3P 3C9 Tel.: (514) 735-2025 Fax.: (514) 735-0505 Tel.: (514) 735-2025	3, chemin Ile-Roussin Laval-sur-le-Lac (Quebec) H7R 1B1 Tel.: (514) 627-2722 (514) 933-4811
MAURICE J. CLOSS Corporate Director	Glen Eagles 885 Greensward Lane Delray Beach Florida 33445 Tel.: (407) 499-2473 Fax.: (407) 495-7371	* 136 Marine Drive East St. Clair Beach (Ontario) N8N 3Z4 Tel.: (519) 979-8808 Fax : (519) 979-9542
GERARD COULOMBE Senior Partner Desjardins Ducharme Stein Monast Secretary: Mireille Royal	* 600, de la Gauchetière Street West Room 2400 Montreal (Quebec) H3B 4L8 Tel.: (514) 878-5526 Fax.: (514) 878-9092 Tel.: (514) 878-9411 ext. 350	243, chemin St-Guillaume Ste-Marthe (Quebec) J0P 1W0 Tel.: (514) 459-4518

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
LÉON COURVILLE President and Chief Operating Officer National Bank of Canada Secretary: Johanne Laferrière	* 600 de La Guichetière Street West 4th floor Montreal (Quebec) H3B 4L2 Tel.: (514) 394-6559 Fax.: (514) 394-8434 Tel.: (514) 394-8511	1175 Bernard Street West App. 55 Outremont (Quebec) H2V 1V5 Tel.: (514) 277-7299 (514) 243-0266
FRANCOIS JEAN COUTU President and Chief Operating Officer Le Groupe Jean Coutu (PJC) Inc. (Franchisor of a chain of pharmacies and distributor of pharmaceuticals and other products) Secretary: Rita Gravel	* 530 Bériault Street Longueuil (Quebec) J4G 1S8 Tel.: (514) 646-9760 Fax : (514) 646-5649 Tel.: (514) 646-9760	33 Glencoe Street Outremont (Quebec) H3T 1R1 Tel.: (514) 735-4940
SHIRLEY A. DAWE President Shirley Dawe Associates Inc. (Consultants)	* 119 Crescent Road Toronto (Ontario) M4W 1T8 Tel.: (416) 963-9446 Fax.: (416) 963-8654	119 Crescent Road Toronto (Ontario) M4W 2T8 Tel.: (416) 967-3332
JEAN DOUVILLE Chairman of the Board and Chief Executive Officer UAP Inc. (Distributor of automotive parts) Secretary: Marina Picard	* 7025 Ontario Street East Montreal (Quebec) H1N 2B3 Tel.: (514) 256-5031 Fax.: (514) 256-5685 Tel.: (514) 256-5031	120 Ferland Street App. 10-A Ilc-des-Sœurs Verdun (Quebec) H3E 1L1 Tel.: (514) 768-3403
MARCEL DUTIL Chairman of the Board, President and Chief Executive Officer Canam Manac Group Inc. (Industrial and holding company - frames, joists and steel decks, steelworks and transportation equipment) Secretary: Line Richard	* 270 chemin du Tremblay Boucherville (Quebec) J4B 5X9 Tel.: (514) 641-4000 Fax.: (514) 641-5503 Tel.: (514) 641-4000	1296 Redpath Crescent Montreal (Quebec) H3G 2K1 Tel.: (514) 844-6156

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
ROLAND GIGUERE President Succession J.A. DeSève (Non-profit organization)	* 505 Sherbrooke Street East Suite 2402 Montreal (Quebec) H2L 4N3 Tel.: (514) 844-3820 Fax.: (514) 499-9899 Secretary: Lise Messier	149 Highfield Street St-Hilaire (Quebec) J3H 3W3
PAUL Gobeil Vice-Chairman of the Board Métro-Richelieu Inc. (Distributor of food products)	* 11011, Maurice-Duplessis Blvd. Montreal (Quebec) H1C 1V6 Tel.: (514) 643-1298 Fax.: (514) 643-1208 Secretary: Louise Bellefeuille	3757 Marlowe Street Montreal (Quebec) H4A 3L9 Tel.: (514) 487-9012
DONALD M. GREEN Chairman of the Board and Chief Executive Officer Tridon Ltd. (Automotive and industrial parts manufacturer)	* 1150 Corporate Drive Box 5029 Burlington (Ontario) L7R 4A2 Tel.: (905) 332-2901 Fax.: (905) 332-2929 Secretary: Darlene Tolman	364 North Shore Blvd. East Burlington (Ontario) L7T 1W9 Tel.: (905) 632-3705
MARY S. LAMONTAGNE Corporate Director		* 8 Jardins Mérici App. 1405 Quebec (Quebec) G1S 4N9 Tel.: (418) 682-3636 Fax : (418) 682-3636
SUZANNE LECLAIR President and Chief Executive Officer Transit Truck Bodies Inc. (Manufacturer of truck bodies)	* 3600 Industriel Blvd. Laval (Quebec) H7L 4R9 Tel.: (514) 382-0104 Fax.: (514) 383-5636	4450 Promenade Paton Suite 1013 Laval (Quebec) H7W 5J7 Tel.: (514) 686-9757

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
BERNARD LEBMAIRE Chairman of the Board Casendes Inc. (Manufacturer of paper and plastic)	* 404 Marie-Victorin Street P.O. Box 30 Kingsley Falls (Quebec) J0A 1B0 Tel.: (819) 363-2245 Fax : (819) 363-5166 Secretary: Pamela Marlasine Tel.: (819) 363-2245	402 Marie-Victorin Street Kingsley Falls (Quebec) J0A 1B0 Tel.: (819) 363-2207
PIERRE LORTIE President Regional Aircraft Division Bombardier Inc. (Design, development, manufacturing and marketing in the fields of transportation equipment, civil and military aerospace, and motorized consumer products)	* 400 Côte Vertu West 7th floor Dorval (Quebec) H4S 1Y9 Tel.: (514) 855-7950 Fax : (514) 855-7902 Secretary: Marlène Girard Tel.: (514) 855-7955	243 Montrose St-Lambert (Quebec) J4R 1X4 Tel.: (514) 923-1136
GASTON MALETTE Chairman of the Board, Chief Executive Officer and President Malette Inc. (Kraft pulp and forestry products company)	* P.O. Box 1100 Timmins (Ontario) P4N 7H9 Tel.: (705) 268-1462 Fax : (705) 268-3070 Secretary: Gisèle Lemire Tel.: (705) 268-1462	630 Lonergan Blvd. App. 104 Timmins (Ontario) P4P 1H3 Tel.: (705) 268-9692
LÉONCE MONTAMBAULT Corporate Director		* 2201 chemin St-Louis App. 604 Sillery (Quebec) G1T 1P9 Tel.: (418) 688-1919 Fax : (418) 688-2020
GORDON F. OSBALDESTON Professor Emeritus Western Business School University of Western Ontario (Educational institution)	School of Business Administration University of Western Ontario London (Ontario) N6A 3K7	* 1353 Corley Drive North London (Ontario) N6G 4L4 Tel.: (519) 438-9772 Fax : (519) 433-7605

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
J.-ROBERT OUMET President and Chief Executive Officer Oulmet-Cordon Bleu Inc. (Manufacturing and marketing of food products)	* 300 Léo Parizeau Street Suite 2120 Montreal (Quebec) H2W 2M1 Tel.: (514) 352-3000 Fax : (514) 499-8409	1260 Redpath Crescent Montreal (Quebec) H3G 2K1 Tel.: (514) 286-7800
Secretary: Yvette Habibbol	Tel.: (514) 352-3000	
ROBERT PARIZEAU President and Chief Executive Officer Sodarcam Inc. (Insurance and reinsurance holding company)	* 1140 de Maisonneuve Blvd. West Suite 701 Montreal (Quebec) H3A 1M8 Tel.: (514) 288-0100 Fax.: (514) 282-9841	3556 Grey Avenue Montreal (Quebec) H4A 3N6 Tel.: (514) 484-9787
Secretary: Thérèse Des Ruisseaux	Tel.: (514) 288-0100	
MICHEL PERRON Chairman of the Board and Chief Executive Officer Somiper (1992) Inc. (Investment company)	* 2080 René-Lévesque Blvd. West Suite 1300 Montreal (Quebec) H3H 1R6 Tel.: (514) 935-1005 Fax.: (514) 935-6303	2 Westmount Square App. PH-D Westmount (Quebec) H3Z 2S4 Tel.: (514) 933-1046
Secretary: Rollande Morel	Tel.: (514) 935-1005	
CHARLES A. POISSANT Chairman of the Board Donohue Inc. (Forestry products)	* 612 St-Jacques Street West 12th floor Montreal (Quebec) H3C 4M8 Tel.: (514) 877-5126 Fax.: (514) 877-9758	333 Somerville Street Montreal (Quebec) H3L 1A4 Tel.: (514) 389-7711
Secretary: Ginette Danscreau	Tel.: (514) 877-5159	

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
JAMES D. RAYMOND Investor and Corporate Director Secretary: Diane Tierman	* 1170 Peel Street Suite 410 Montreal (Quebec) H3B 4P2 Tel.: (514) 393-1095 Fax.: (514) 393-1743 Tel.: (514) 393-3053	38 Oakland Avenue Westmount (Quebec) H3Y 1P2 Tel.: (514) 488-0731
RAYMOND ROYER President and Chief Operating Officer Bombardier Inc. (Design, development, manufacturing and marketing in the field of transportation equipment, civil and military aerospace, and motorized consumer products) Secretary: Francine Chartrand	* 800 René-Lévesque Blvd. West 29th floor Montreal (Quebec) H3B 1Y8 Tel.: (514) 861-9481 Fax.: (514) 861-7053 Tel.: (514) 861-9481	2199 chemin Bord du Lac Ile Bizard (Quebec) H7P 1C3 Tel.: (514) 626-7147
GUY ST-GERMAIN President Placements Laugerma inc. (Investment company)	* 48 Robert Street Outremont (Quebec) H3S 2P2 Tel.: (514) 739-0521 Fax.: (514) 739-0521	48 Robert Street Outremont (Quebec) H3S 2P2 Tel.: (514) 739-7252
LINO SAPUTO President and Chief Executive Officer Saputo Cheese Limited (Manufacturer of dairy products) Secretary: Tina Violo	* 6869 Metropolitain Blvd. East St-Léonard (Quebec) H1P 1X8 Tel.: (514) 328-6662 Fax : (514) 328-3322 Tel.: (514) 328-6662	6100 chemin Deacon App. PHJ-16 Montreal (Quebec) H3S 2V6 Tel.: (514) 345-0050
CLAUDE F. SAVOIE President Acadian Construction Ltd. (General contractors) Secretary: Nicole Cormier	* 1127 Champlain Street Dieppe (New Brunswick) E1A 1P9 Tel.: (506) 857-1909 Fax : (506) 857-0342 Tel.: (506) 857-1909	550 Shediac Road Moncton (New Brunswick) E1A 2T1 Tel.: (506) 856-8084

NAME AND OCCUPATION	BUSINESS ADDRESS	HOME ADDRESS
PAUL-GASTON TREMBLAY President Primo-Gestlon Inc. (Management Consultant and Corporate Director)	5140 Marquette Street Montreal (Quebec) H2J 3Z3 Tel.: (514) 523-9982	* 1048 D'Avaugour Street Chicoutimi (Quebec) G7H 2T1 Tel.: (418) 549-1212 Fax : (418) 696-1476
LOUISE B. VAILLANCOURT Corporate Director	* 600 de La Gauchetière Street West 10th floor Montreal (Quebec) H3B 4L2 Tel.: (514) 394-8954 Fax.: (514) 394-6401	115 chemin Côte Ste-Catherine App. 702 Outremont (Quebec) H2V 4R3 Tel.: (514) 272-6046 Fax.: (514) 272-8100

Rev. 95/02/08

* Mailing address

NATIONAL BANK OF CANADA

PHONE NUMBERS OF SENIOR OFFICERS

ANDRE BERARD, CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER	394-6547
♦ <i>Jean-Pierre Bélanger, E.V.P. and Chairman of the Credit Committee</i>	394-8215
Patricia Curadeau-Grou, V.P. - Special Loans - Quebec Atlantic and Syndication	394-6610
Frank De Vries, V.P. - Special Loans - Ontario, Western Canada and United States	(416) 864-7848
Gervais Lefebvre, V.P. - Credit - Canada	394-6970
♦ <i>Gisèle Desrochers, S.V.P. - Human resources and administration</i>	394-8711
Paul-André Malo, V.P. - Audit	394-6584
Johanne L. Romillard, V.P. - Legal Affairs and Corporate Secretary	394-6374
Jean Turmel, S.E.V.P. - Treasury, Brokerage and Corporate Banking	394-6398
Guy Bérard, V.P. - Risk management and Financial Markets	394-8368
♦ <i>Pierre Brunet, President and Chief Executive Officer - Lévesque Beaubien Geoffrion</i>	879-2450
♦ <i>Réal Raymond, S.V.P. - Treasury and Financial Markets</i>	394-6408
Robert Courchesne, V.P. - Sales and Business Development	394-8639
Christopher Elgar, V.P. Treasury - Europe	ext.: 257 4471-7266571
Pierrette Lacroix, V.P. - Treasury - United-States	(212) 632-8650
Marlin Ouellet, V.P. - Treasury and Financial Markets	394-8974
Alain Pelchat, V.P. - Capital Markets	394-8560
♦ <i>Mario Lecaldare, S.V.P. - Corporate Banking - Canada</i>	394-6615
Jean-Pierre Lambert, V.P. Corporate Banking - Eastern Canada	394-8513
Denis Pellerin, V.P. - Corporate Banking - Center Canada	394-8850
Lili J. Shain, V.P. - Corporate Banking - Center Canada	(416) 864-7753
Léon Courville, President and Chief Operating Officer	394-6559
Nicole Rondou, V.P. - Marketing	394-8694
♦ <i>Pierre Desbiens, S.V.P. - Insurance</i>	394-8840
♦ <i>Pierre Desroches, President and Chief Executive Officer - General Trust of Canada</i>	871-7180
André Bélanger, V.P. - Business Development, Corporate Services	871-7452
General Trust of Canada	871-7555
Jacques Daoust, E.V.P. - General Trust of Canada	394-6116
André Bolduc, V.P. - Finance and Administration - National Bank Securities	
Richard Leclerc, V.P. - Business Development	
National Bank Securities and General Trust of Canada	394-8405

- ♦ *Michel Labonté, S.V.P. - Finance and Control* 394-0011
 Richard Barikault, V.P. - Taxation 304-0501
 Jean-Paul Caron, V.P. - Corporate Affairs 304-0417

- ♦ *Roger P. Smock, S.V.P. - United States* (212) 032-0555
 Tom Doss, V.P. - Credit - United States (212) 032-0560
 John Richter, V.P. - Eastern United States (212) 032-0521

- ♦ *Harvey L. Brooks, S.V.P. - Ontario and Western Canada* (416) 864-7830
 Ian A. Dalrymple, V.P. - Central Ontario (416) 864-7897
 Jacques Grandmison, V.P. - Ontario East and North (013) 241-0887

- ♦ *Richard Cartor, S.V.P. - Research and Product Management* 394-0494
 Sylvio Dupuis, V.P. - Data Processing Systems Development 394-4127
 Ronald Gollnas, V.P. - Gouvernemental Affairs 394-0426

- ♦ *Jean Houde, S.V.P. - Banking* (418) 647-6011
 Gilles Bissonnette, V.P. - South Shore 046-3897
 André Bolleau, V.P. - Chaudière/Appalaches (418) 837-5619
 Luc Bordeleau, V.P. - Lower St-Lawrence/Gaspé (418) 725-5876
 Michel Brouillette, V.P. - Drummond/Bols Francs (819) 474-2353
 Diane Cadieux, V.P. - Montérégie Sud (514) 377-9400
 Jean-Marie Canuel, V.P. - Eastern Townships (819) 564-1484
 Yvan Desrosiers, V.P. - Saguenay/Lac St-Jean/North Shore (418) 690-3409
 Lévis Doucet, V.P. - Richelieu/Yamaska (514) 771-6917
 Christian Leclerc, V.P. - Quebec City (418) 622-3206
 Renaud Nadeau, V.P. - Maurice (819) 691-4021
 Marc Taillon, V.P. - Ste-Foy/Portneuf (418) 647-6008

- ♦ *Tony P. Mett, S.V.P. - Banking* 394-6638
 Laurent Bilodeau, V.P. - Outaouais (819) 595-4692
 Gilles Choquet, V.P. - Laurentians/Lanaudière (514) 565-8857
 Philippe Desrosiers, V.P. - Atlantic (506) 859-2200
 Francine Gaudreault, V.P. - Abitibi/Témiscamingue (819) 874-3090
 Raymond Keroack, V.P. - Bank Tower and North/Central Montreal 394-4040
 Réjean Lévesque, V.P. - Western Montreal 630-5841
 Benoît Loranger, V.P. - Central Montreal 394-8844
 Paul-André Paradis, V.P. - Eastern Montreal 327-3216
 Gérard Proulx, V.P. - Laval/North Shore 686-2444

- ♦ *Roland Robichaud, E.V.P. - Independent Business Development* 394-6440

Pierre Paquette, E.V.P. - Operations

394-6787

- Michel Faubert, V.P. - Operations Support 394-8079
- Jules G. Gagné, V.P. - Centralized Operations 394-6565
- Pasquale Minicucci, V.P. - Continuous Improvement Program 394-4028

- ♦ *Jim Dysart, S.V.P. - Real Estate* (416) 864-7868
- Carmen Lanteigne, V.P. - Real Estate 394-6446

♦ *Gaby Touma, S.V.P. - International*
Jacques Latondresseo, V.P. - Nassau
Jacques Pichó, V.P. - International Commercial Operations
Vincent Solla, V.P. - Asia

394-6713
(009) 322-4025
394-6814
(052) 801-7555

Johanno L. Rémillard, Vice-President - Legal Affairs and Corporate Secretary
Andrée Grimard, First Assistant Secretary
Françoise Bureau, Assistant Secretary

394-6374
394-6312
394-4079

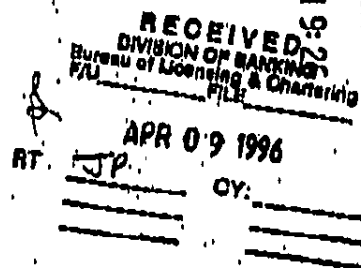
November 2, 1995

Office of the Superintendent
of Financial Institutions CanadaSee About Report
Bureau Canada
R1A 003Bureau du surintendant
des institutions financières CanadaSee the Report
Bureau Canada
R1A 003

Our reference: P3450-N2-1

April 3, 1996

Mr. John A. Pullen
Financial Specialist
Bureau of International Banking
Division of Banking
Office of the Comptroller
Suite 1401, The Capitol
Tallahassee, Florida
32399-0350 U.S.A.



Dear Mr. Pullen:

Further to your letter of March 18, 1996, we are pleased to provide you with the following information regarding National Bank of Canada (NBC) and the regulatory functions of OSFI. This information is provided in respect of NBC's application to establish an international bank representative office in Florida.

We confirm that NBC is incorporated under and governed by the *Bank Act*, S.C. 1991, c. 45. In particular, that Act provides that NBC may carry on business in any jurisdiction outside Canada to the extent and in the manner that the laws of that jurisdiction permit. Therefore, we have no reason to object to NBC establishing a representative office in Florida.

The role of OSFI is to regulate and monitor federally incorporated financial institutions for solvency, liquidity and compliance with legislation, regulations and OSFI guidelines with a view to maintaining public confidence in the Canadian financial system. In this regard, financial institutions are required to file financial information with OSFI and are examined at least annually by the office.

We completed our most recent annual examination of NBC in June 1995 and concluded that NBC was in satisfactory financial condition. We are not aware of any instances of non-compliance with applicable laws and regulations that raised prudential or solvency concerns. NBC had satisfactory asset quality and met the applicable balance sheet and BIS capital requirements. The BIS capital in January 1996 was 10.57 per cent.

Canada

- 2 -

The supervision of Canadian domestic banks, including NBC, is done on a consolidated basis. The supervisory process comprises an annual on-site examination, including an independent assessment of asset quality; ongoing monitoring, including quarterly analysis of the bank's financial results; and regular contact with the bank's Chief Inspector's Division, Chief Accountant's Division and other senior management as appropriate.

The focus of our supervisory process is directed toward ensuring that a bank has sound corporate governance processes for managing the risks to which it is exposed. We broadly group those risks under the headings of capital, earnings, assets, liquidity, operation/systems and corporate governance. These form the basis for a risk profile which is updated regularly. When we assess a bank's corporate governance process, we do so globally; that is, we look to the entire system of checks and balances established by the bank to manage its risks on a worldwide basis. The most critical component of the corporate governance process is the bank's inspection division. A considerable amount of our examination time is spent reviewing the work of inspection and its role in the corporate governance process. We have concluded that we can rely on inspection to identify and bring forward any issues that could have a solvency impact on this consolidated bank.

With respect to a bank's domestic and international subsidiaries, we request and analyze specific information from those entities that have a material impact on the bank's operations. We also review inspection reports for the bank's major subsidiaries to ensure that no solvency issues have been raised. We also discuss the results of the external auditors' work on major subsidiaries with the bank's audit partners as part of our annual review of the external auditors' working papers.

With respect to the analysis of financial data, OSFI looks primarily at consolidated information. This is analyzed quarterly, along with the bank's operating results by division (e.g., corporate banking, retail banking, treasury). The analysis considers the bank's capitalization, asset quality, liquidity and earnings, both over time and against its peers.

We also meet at least annually with the area responsible for the bank's compliance whose mandate includes establishing compliance manuals and advising with respect to compliance with applicable regulations in all jurisdiction in which the bank operates.

This letter contains supervisory information that is not available to the public in Canada. We therefore request confidential treatment of the information contained in this letter.

Fax 1904-921-2365

Jul 26 '96

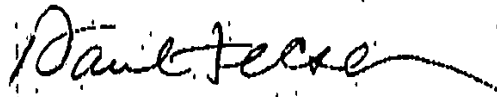
8:55

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I hope that this information is useful to you. If we may assist you further, please contact me at (613) 990-8798, or Gilles Babin, Regional Manager, at (514) 496-2192.

Yours truly,



Paul Fecser
Director
Rulings and Compliance Division

cc: Gilles Babin - OSFI Montreal