

Regulations for Bill C-22

The Proceeds of Crime (Money Laundering) Act

(CG-I/GC-I)

Notice is hereby given, pursuant to subsection 73(2) of the Proceeds of Crime (Money Laundering) Act[a], that the Governor in Council proposes to make the annexed Proceeds of Crime (Money Laundering) Regulations, 2000.

Interested persons may make representations with respect to the proposed Regulations to the Minister of Finance within 90 days after the date of publication of this notice. All such representations must cite the Canada Gazette, Part I, and the date of publication of this notice, and be addressed to Chief, Financial Crimes Section, Financial Sector Division, Department of Finance, l'Esplanade Laurier, 140 O'Connor Street, 20th Floor, East Tower, Ottawa, Ontario K1A 0G5, Tel.: (613) 995-1814, Fax.: (613) 943-8436.
Ottawa, 2001

Marc O'Sullivan
Assistant Clerk of the Privy Council

(SOR/DORS)

Whereas, pursuant to subsection 73(2) of the Proceeds of Crime (Money Laundering) Act, a copy of the proposed Proceeds of Crime (Money Laundering) Regulations, 2000, substantially in the form set out in the annexed Regulations, was published in the Canada Gazette, Part I, on , 2000 and a reasonable opportunity was thereby given to interested persons to make representations to the Minister of Finance with respect to the proposed Regulations;

Therefore, Her Excellency the Governor General in Council, on the recommendation of the Minister of Finance, pursuant to section 73 of the Proceeds of Crime (Money Laundering) Act, hereby makes the annexed Proceeds of Crime (Money Laundering) Regulations, 2000.

(SOR/DORS)

PROCEEDS OF CRIME (MONEY LAUNDERING) REGULATIONS, 2000

Interpretation

1. (1) The definitions in this subsection apply for the purposes of the Act and in these Regulations.

"casino" means a person or entity that is licensed, registered, permitted or otherwise authorized to do business under any of paragraphs 207(1)(a) to (g) of the Criminal Code and that has an establishment

(a) that the person or entity holds out to be a casino and in which roulette or card games are carried on; or

(b) where there is a slot machine, which, for the purposes of this definition, does not include a video lottery terminal. (casino)

"monetary instruments" means

(a) securities, including stocks, bonds, debentures and treasury bills, in bearer form or in such other form as title to them passes upon delivery; and

(b) negotiable instruments in bearer form, including bankers drafts, cheques, travellers cheques and money orders, other than

(i) warehouse receipts or bills of lading, and

(ii) negotiable instruments that bear restrictive endorsements or a stamp for the purposes of clearing or

are made payable to a named person and have not been endorsed. (effets)

(2) The definitions in this subsection apply in these Regulations.

"accountant" means a chartered accountant, a certified general accountant or a certified management accountant. (comptable)

"Act" means the Proceeds of Crime (Money Laundering) Act. (Loi)

"cash" or "currency" means coins referred to in section 7 of the Currency Act, notes issued by the Bank of Canada pursuant to the Bank of Canada Act that are intended for circulation in Canada and coins or bank notes in the currency of countries other than Canada. (comptant ou espèces)

"client credit file" means a record that relates to a credit arrangement with a client and includes the name, address and financial capacity of the client, the terms of the credit arrangement, the nature of the principal business or occupation of the client, the name of the business and the address of the client's business or place of work. (dossier de crédit)

"client information record" means a record that sets out the client's name, address and the nature of the client's principal business or occupation. (dossier-client)

"deposit slip" means a record that sets out the date of a deposit, the holder of the account in whose name the deposit is made, the number of the account, the amount of the deposit and any part of the deposit that is made in cash. (relevé de dépôt)

"electronic funds transfer" means any transfer or transmission of funds, into or out of Canada, that is initiated by a client through any electronic, magnetic or optical device, telephone instrument or computer, and includes an order or authorization for such a transfer or transmission. (télévirement)

"financial entity" means an authorized foreign bank within the meaning of section 2 of the Bank Act in respect of its business in Canada or a bank to which that Act applies, a cooperative credit society, savings and credit union and caisse populaire that are regulated by a provincial Act, an association that is regulated by the Cooperative Credit Associations Act, a company to which the Trust and Loan Companies Act applies and a trust company and loan company regulated by a provincial Act. It also includes a department or agent of Her Majesty in right of Canada or of a province where it is carrying out an activity referred to in section 45. (entité financière)

"funds" means cash, currency, securities and negotiable instruments or other financial instruments, in any form, that indicate the person's title or interest in them. (fonds)

"inter vivos trust" means a personal trust, other than a trust created by will. (fiducie entre vifs)

"large cash transaction record" means a record that indicates the receipt of an amount of \$10,000 or more in cash in the course of a single transaction and that contains the following information:

(a) as the case may be

(i) if the amount is received for deposit by a financial entity, the name of each person or entity in whose account the amount is deposited, or

(ii) where subparagraph (i) does not apply, the name of the individual who in fact gives the amount, the individual's address and the nature of the individual's principal business or occupation, if the information is not readily obtainable from other records that the recipient keeps and retains under these Regulations;

(b) the date and nature of the transaction;

(c) where the transaction is a deposit that is made during normal business hours of the person or entity who receives it, the time of the deposit or, where the transaction is a deposit that is made by means of a night deposit before or after those hours, an indication that the deposit was a night deposit;

(d) the number of any account that is affected by the transaction, and the type of that account, the full name of any person or entity that holds the account and the currency in which account transactions are conducted;

(e) the purpose and details of the transaction, including other persons or entities involved and the type of transaction (such as cash, electronic funds transfer, deposit, currency exchange or the purchase or cashing of a cheque, money order, travellers' cheque or banker's draft);

(f) whether the cash is received by armoured car, in person, by mail or in any other way; and

(g) the amount and currency of the cash received. (relevé d'opération importante en espèces)

"life insurance broker or agent" means an individual who is

registered or licensed under provincial legislation to carry on the business of arranging contracts of life insurance. (représentant d'assurance-vie)

"life insurance company" means a life company or foreign life company to which the Insurance Companies Act applies or a life insurance company regulated by a provincial Act. (société d'assurance-vie)

"money services business" means a person that is engaged in the business of remitting or transmitting funds by any means through any entity or electronic funds transfer network, or of issuing or redeeming money orders, traveller's cheques or other similar negotiable instruments. It also includes a financial entity when it carries out one of those activities with a non-account holder. (entreprise de transfert de fonds ou de vente de titres négociables)

"public body" means

(a) any department or agent of Her Majesty in right of Canada or of a province;

(b) an incorporated city, town, village, metropolitan authority, township, district, county, rural municipality or other incorporated municipal body and an agent of any of them; and

(c) an organization that operates a public hospital and that is designated by the Minister of National Revenue as a hospital authority under the Excise Tax Act, and any agent of it. (organisme public)

"real estate broker or sales representative" means an individual who is registered or licensed under provincial legislation in respect of the sale or purchase of real estate. (courtier ou agent immobilier)

"securities dealer" means a person engaged in the business of dealing in securities, including portfolio management and investment counselling. (courtier en valeurs mobilières)

"senior officer", in respect of a person or entity that is not an individual, means, where applicable,

(a) a director of the person or entity and who is one of its full-time employees;

(b) the person's or entity's chief executive officer, chief operating officer, president, secretary, treasurer, controller, chief financial officer, chief accountant, chief auditor or chief

actuary , or any individual who performs any of those functions; or

(c) any other officer who reports directly to the person's or entity's board of directors, chief executive officer or chief operating officer. (cadre dirigeant)

"signature" includes an electronic signature. (signature)

"signature card", with respect to an account, means any record that is signed by an individual who is authorized to give instructions in respect of the account. (fiche-signature)

"transaction ticket" means a record respecting a foreign currency exchange transaction which may take the form of an entry in a transaction register that sets out

(a) the date, amount and currency of the purchase or sale;

(b) the method, amount and currency of the payment made or received; and

(c) in the case of a transaction of \$3,000 or more that is carried out by an individual, the name and address of that individual. (fiche d'opération)

"trust company" means a company to which the Trust and Loan Companies Act applies or a trust company regulated by a provincial Act. (société de fiducie)

General

Canadian Currency

2. In these Regulations, any reference, in respect of a transaction, to an amount of money that is expressed in dollars is a reference to Canadian dollars or its equivalent in a foreign currency, based on the official conversion rate of the Bank of Canada as published in the Bank of Canada's Daily Memorandum of Exchange Rates that is in effect at the time of the transaction.

Single Transactions

3. In these Regulations, two or more cash transactions or electronic funds transfers of less than \$10,000 each that are done within 24 consecutive hours and that total \$10,000 or more are considered to be a single transaction of \$10,000 or more if

(a) where the person who is required to keep a large cash transaction record or to report an electronic funds transfer in

accordance with these Regulations is an individual, the person knows that the transactions or transfers are conducted by, or on behalf of, the same person or entity; and

(b) where the person or entity that is required to keep a large transaction record or to report an electronic funds transfer in accordance with these Regulations is not an individual, an employee or a senior officer of the person or entity knows that the transactions or transfers are conducted by, or on behalf of, the same person or entity.

Reporting

4. (1) A report that is required to be made to the Centre shall be sent electronically in accordance with guidelines for report submissions that are prepared by the Centre, where the sender has the technical capabilities to do so.

(2) A sender who does not have the technical capabilities to send the report electronically shall send it to the Centre in paper format, in accordance with guidelines for report submissions that are prepared by the Centre.

Reporting Time Limits

5. (1) A report that is required to be made under these Regulations in respect of an electronic funds transfer shall be sent to the Centre no later than two working days after the transfer.

(2) A report in respect of a transaction for which a large cash transaction record must be kept and retained under these Regulations shall be sent to the Centre

(a) within 30 days after the transaction, where the transaction occurs within 12 months after the coming into force of this section; or

(b) in any other case, within 15 days after the transaction.

(3) A report that is required to be made under these Regulations in respect of a foreign currency exchange transaction that involves a payment at a rate of exchange that is more than the posted rate or of transaction fees that are more than the posted fees shall be sent to the Centre no later than 15 days after the transaction.

(4) A report that is required to be made by a casino in respect of any transaction of \$3,000 or more where an individual receives payment in casino cheques made out to third parties or without a specified payee shall be sent to the Centre no later than 15 days after the transaction.

Transactions Conducted on Behalf of Employer

6. For the purposes of these Regulations, an individual acting on behalf of his or her employer is acting on behalf of a third party except where the individual

- (a) is depositing cash into the employer's account;
- (b) is a legal counsel who is carrying out an activity referred to in section 31; or
- (c) is an accountant who is carrying out an activity referred to in section 34.

Third Party Determination

7. (1) Every person or entity that is required to keep a large cash transaction record under these Regulations shall take reasonable measures to determine whether the individual who in fact gives the cash in respect of which the record is kept is acting on behalf of a third party.

(2) Where the person or entity determines that the individual is acting on behalf of a third party, the person or entity shall obtain and retain a statement, signed by the individual, that sets out

- (a) the third party's name, address and the nature of the principal business or occupation of the third party, if the third party is an individual;
- (b) the third party's name, address and the nature of the principal business of the third party, if the third party is a person or entity other than an individual; and
- (c) the nature of the relationship between the third party and the individual who signs the statement.

(3) Where the person or entity is not able to determine if the individual is acting on behalf of a third party but there are reasonable grounds to suspect that the individual is so acting, the person or entity shall obtain and retain a statement that is signed by the individual, stating that the individual is not acting on behalf of a third party.

8. (1) Every person or entity that is required to keep a signature card or an account operating agreement in respect of an account under these Regulations, or would be so required if it were not for subsection 23(2), shall, at the time that the account is opened, take reasonable measures to determine whether the account is to be used by or on behalf of a third party.

(2) Subject to subsection (4), where the person or entity determines that the account is to be used by or on behalf of a third party, the person or entity shall obtain and retain a statement, signed by an individual who has signing

authority in respect of the account, that sets out

(a) the third party's name, address and the nature of the principal business or occupation of the third party, if the third party is an individual;

(b) the third party's name, address and the nature of the principal business of the third party, if the third party is a person or entity other than an individual; and

(c) the nature of the relationship between the third party and the account holder.

(3) Where the person or entity is not able to determine if the account is to be used by or on behalf of a third party but there are reasonable grounds to suspect that it will be so used, the person or entity shall obtain and retain a statement that is signed by the individual who is authorized to act in respect of the account, stating that the account is not to be used by or on behalf of a third party.

(4) Subsection (2) does not apply where a securities dealer is required to keep an account operating agreement in respect of an account holder who is engaged in the business of dealing in securities only outside of Canada, or would be so required if it were not for subsection 23(2), if the securities dealer

(a) obtains and retains a record signed by an individual who is authorized to give instructions in respect of the account, stating that the third party has been identified by the account holder in a manner similar to that set out in paragraph 63(1)(c); and

(b) ascertains, by taking reasonable measures, that the account holder has implemented anti-money laundering measures that are at least equivalent to the measures referred to in subsection 71(2).

9. (1) Every person or entity that is required to keep a client information record under these Regulations in respect of a client shall, at the time that the client information record is created, take reasonable measures to determine whether the client is acting on behalf of a third party.

(2) Where the person or entity determines that the client is acting on behalf of a third party, the person or entity shall obtain and retain a statement, signed by the client, that sets out

(a) the third party's name, address and the nature of the principal business or occupation of the third party, if the third party is an individual;

(b) the third party's name, address and the nature of the principal business of the third party, if the third party is a person or

entity other than an individual; and

(c) the relationship between the third party and the client.

(3) Where the person or entity is not able to determine that the client in respect of whom the client information record is kept is acting on behalf of a third party but there are reasonable grounds to suspect that the client is so acting, the person or entity shall obtain and retain a statement that is signed by the client, stating that the client is not acting on behalf of a third party.

10. A trust company that keeps a record in respect of an inter vivos trust in accordance with these Regulations shall keep a statement, signed by the settlor of the trust, that sets out the name, address and the nature of the principal business and occupation, of each of the beneficiaries that are known at the time that the trust company becomes a trustee for the trust.

Reporting of Suspicious Transactions

11. (1) Subject to subsection 51(1), a report under section 7 of the Act concerning a financial transaction in respect of which there are reasonable grounds to suspect that the transaction is related to the commission of a money laundering offence shall contain the information set out in Schedule 1.

(2) The report shall be sent to the Centre within 30 days after the person or entity or any of its employees or officers first detects a fact respecting a transaction that constitutes reasonable grounds to suspect that the transaction is related to the commission of a money laundering offence.

Reporting of Other Financial Transactions and Record Keeping

Financial Entities

12. Subject to section 50 and subsection 51(1), every financial entity shall report the following transactions to the Centre:

(a) any receipt from a client of an amount in cash of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 2, unless the cash is received from another financial entity or a public body;

(b) the sending of an electronic funds transfer of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 3; and

(c) the receipt of an electronic funds transfer of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 4.

13. Subject to subsection 51(2), a financial entity shall keep a large cash

transaction record in respect of every amount in cash of \$10,000 or more that is received by a client in the course of a single transaction, unless the cash is received from another financial entity or a public body.

14. Every financial entity shall keep the following records:

(a) where it opens an account, a signature card in respect of each account holder for that account;

(b) where it opens an account in respect of a person that is a corporation, a copy of the part of official corporate records that contain any provision relating to the power to bind the corporation in respect of the account;

(c) where it opens an account in respect of a person who is not a corporation, the person's name, address and principal business or occupation;

(d) every account operating agreement that it creates in the normal course of business;

(e) a deposit slip in respect of every deposit that is made to an account;

(f) every debit and credit memo that it creates or receives in the normal course of business, except debit memos that relate to another account at the same branch of the financial entity that created the debit memo;

(g) a copy of every account statement that it sends to a client, if the information in the statement is not readily obtainable from other records that are kept and retained by it under these Regulations;

(h) every cleared cheque that is drawn on, and a copy of every cleared cheque that is deposited to, an account, unless

(i) the account on which the cheque is drawn and the account to which the cheque is deposited are at the same branch of the financial entity, or

(ii) the following conditions are met, namely,

(A) an image of the cheque has been recorded on microfilm or on an electronic medium,

(B) an image of the cheque can be readily reproduced from the microfilm or electronic medium,

(C) it is possible to readily ascertain where the image

of any particular cheque is recorded, and

(D) the microfilm or electronic medium is retained for a period of at least five years;

(i) every client credit file that it creates in the normal course of business; and

(j) a transaction ticket in respect of every foreign currency exchange transaction.

15. (1) Every trust company shall, in addition to the records referred to in sections 13 and 14, keep the following records in respect of a trust for which it is trustee:

(a) a copy of the trust deed;

(b) the settlor's name, address and the nature of the principal business or occupation of the settlor; and

(c) where the trust is an institutional trust and the settlor is a corporation, a copy of the part of official corporate records that contain any provision relating to the power to bind the settlor in respect of that trust.

(2) In this section, "institutional trust" means a trust that is established by a corporation, partnership or other entity for a particular business purpose and includes pension plan trusts, pension master trusts, supplemental pension plan trusts, mutual fund trusts, pooled fund trusts, registered retirement savings plan trusts, registered retirement income fund trusts, registered education savings plan trusts, group registered retirement savings plan trusts, deferred profit sharing plan trusts, employee profit sharing plan trusts, retirement compensation arrangement trusts, employee savings plan trusts, health and welfare trusts, unemployment benefit plan trusts, foreign insurance company trusts, foreign reinsurance trusts, reinsurance trusts, real estate investment trusts, environmental trusts and trusts established in respect of endowments, foundations and registered charities.

Life Insurance Companies and Life Insurance Brokers or Agents

16. Part 1 of the Act applies to life insurance brokers or agents.

17. Subject to subsection 51(1), every life insurance company and life insurance broker or agent who receives from a client an amount in cash of \$10,000 or more in the course of a single transaction shall report the transaction to the Centre, with the information referred to in Schedule 2, except

(a) if the amount is received from a financial entity or a public body; or

(b) in respect of transactions referred to in subsection 61(1).

18. Subject to subsection 51(2), every life insurance company and life insurance broker or agent shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that is received by a client in the course of a single transaction, unless the cash is received from a financial entity or a public body or the transaction is a transaction referred to in subsection 61(1).

19. (1) Subject to subsection (3), every life insurance company and life insurance broker or agent shall keep a client information record for every purchase from it of an immediate or deferred annuity or of a life insurance policy for which the client may pay \$10,000 or more over the duration of the annuity or policy, irrespective of the means of payment.

(2) Subject to subsection (3), in the case of a life insurance policy that is a group life insurance policy or in the case of a group annuity, the client information record shall be kept in respect of the applicant for the policy.

(3) Subsections (1) and (2) do not apply to a purchase of

(a) an exempt policy as defined in subsection 306(1) of the Income Tax Regulations, as it read on May 1, 1992; or

(b) a group life insurance policy that does not provide for a cash surrender value or a savings component.

20. Any life insurance company or life insurance broker or agent who keeps a client information record in respect of a corporation in accordance with subsection 19(1) shall also keep a copy of the part of official corporate records that contain any provision relating to the power to bind the corporation in respect of the transaction with the life insurance company or life insurance broker or agent.

Securities Dealers

21. Subject to subsection 51(1), every securities dealer who receives from a client an amount in cash of \$10,000 or more in the course of a single transaction shall report the transaction to the Centre, with the information set out in Schedule 2, unless the amount is received from a financial entity or a public body.

22. Subject to subsection 51(2), every securities dealer shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that is received by a client in the course of a single transaction, unless the cash is received from a financial entity or a public body.

23. (1) Subject to subsection (2), every securities dealer shall keep the following records:

(a) in respect of every account that the securities dealer opens, the account operating agreement or account application, which bears the signature of the individual who is authorized to give instructions in respect of the account and which sets out the number of a bank, trust company, credit union or caisse populaire account in the name of that individual or in respect of which that individual is authorized to give instructions;

(b) where the securities dealer opens an account in respect of a corporation, a copy of the part of official corporate records that contain any provision relating to the power to bind the corporation in respect of that account;

(c) where the securities dealer opens an account in the name of a person that is not a corporation, the person's name, address and the nature of the principal business or occupation of the person;

(d) every new account application, confirmation of purchase or sale, guarantee, trade authorization, power of attorney and joint account agreement, and all correspondence that pertains to the operation of accounts, that the securities dealer creates in the normal course of business; and

(e) a copy of every statement that the securities dealer sends to a client.

(2) Paragraph (1)(a) does not apply in respect of an account in the name of, or in respect of which instructions are authorized to be given by, a financial entity or securities dealer.

Persons Engaged in the Business of Foreign Exchange Dealing

24. Subject to subsection 51(1), every person engaged in the business of foreign exchange dealing shall report the following transactions to the Centre:

(a) the receipt from a client of an amount in cash of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 2, unless the cash is received from a financial entity or a public body;

(b) the sending of an electronic funds transfer of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 3; and

(c) the receipt of an electronic funds transfer of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 4;

(d) a foreign currency exchange transaction that involves a payment at a rate of exchange that is more than the posted rate or of transaction fees that are more than the posted fees.

25. Subject to subsection 51(2), every person engaged in the business of foreign exchange dealing shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that is received by a client in the course of a single transaction, unless the cash is received from a financial entity or a public body.

26. Every person engaged in the business of foreign exchange dealing shall keep the following records:

(a) every client information record that is created for the purpose of an ongoing business relationship between the person and a client;

(b) where a client information record is created in respect of a client that is a corporation, a copy of the part of official corporate records that contain any provision relating to the power to bind the corporation in respect of transactions with the person;

(c) a transaction ticket in respect of every foreign currency exchange transaction;

(d) every client credit file that the person creates in the normal course of business; and

(e) every internal memorandum that the person receives or creates in the normal course of business and that concerns account operations.

Persons Engaged in Money Services Businesses

27. Every money services business is subject to Part 1 of the Act when it remits or transmits funds by any means through any entity or electronic funds transfer network, or issues or redeems money orders, traveller's cheques or other similar negotiable instruments.

28. Subject to subsection 51(1), every money services business shall report the following transactions to the Centre:

(a) the receipt from a client of an amount in cash of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 2, unless the cash is received from a financial entity or a public body;

(b) the sending of an electronic funds transfer of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 3;

(c) the receipt of an electronic funds transfer of \$10,000 or more in the course of a single transaction, along with the information referred to in Schedule 4; and

(d) a foreign currency exchange transaction that involves a payment at a rate of exchange that is more than the posted rate or of transaction fees that are more than the posted fees.

29. Subject to subsection 51(2) , every money services business shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that is received by a client in the course of a single transaction, unless the cash is received from a financial entity or a public body.

30. Every money services business shall keep the following records in respect of any of the activities referred to in section 27:

(a) every client information record that is created for the purpose of an ongoing business relationship between the money services business and a client;

(b) where a client information record is in respect of a client that is a corporation, a copy of the part of official corporate records that contain any provision relating to the power to bind the corporation in respect of transactions with the money services business;

(c) where \$3,000 or more is received in consideration of the issuance of traveller's cheques, money orders or other similar instruments, the date, amount received, the name and address of the individual who in fact gives the amount and whether the amount received was in cash, cheques, traveller's cheques, money orders or other similar negotiable instruments;

(d) where money orders of \$3,000 or more are cashed, the name and address of the individual cashing the money orders and the name of the issuer of the money orders; and

(e) where \$3,000 or more is remitted or transmitted by any means through any entity, including an electronic network, the name and address of the client who initiated the transaction.

Legal Counsel

31. Every legal counsel is subject to Part 1 of the Act when they engage in any of the following activities on behalf of a third party, including the giving of instructions on behalf of a third party in respect of those activities:

(a) the receipt or payment of funds, other than those received or

paid in respect of professional fees, disbursements, expenses or bail;

(b) the purchase or sale of securities, real properties or business assets or entities ; and

(c) the transfer of any funds or securities by any means.

32. Subject to subsection 51(1), every legal counsel who, while engaging in an activity described in section 31, receives an amount in cash of \$10,000 or more in the course of a single transaction shall report the transaction to the Centre, with the information set out in Schedule 2, unless the amount is received from a financial entity or a public body.

33. Subject to subsection 51(2), every legal counsel, while engaging in an activity described in section 31, shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that they receive in the course of a single transaction, unless the cash is received from a financial entity or a public body.

Accountants

34. (1) Every accountant is subject to Part 1 of the Act when they

(a) engage in any of the following activities on behalf of a third party:

(i) the receipt or payment of funds,

(ii) the purchase or sale of securities, real properties or business assets or entities,

(iii) the transfer of any funds or securities by any means;

(b) give instructions on behalf of a third party in respect of any activity referred to in paragraph (a); and

(c) receive professional fees in respect of any activity referred to in paragraph (a) or act under paragraph (b).

(2) For greater certainty, subsection (1) is not in respect of auditing.

35. Subject to subsection 51(1), every accountant who, while engaging in an activity described in section 34, receives an amount in cash of \$10,000 or more in the course of a single transaction shall report the transaction to the Centre, with the information set out in Schedule 2, unless the cash is received from a financial entity or a public body.

36. Subject to subsection 51(2) , every accountant, while engaging in an activity described in section 34, shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that they receive in

the course of a single transaction, unless the cash is received from a financial entity or a public body.

Real Estate Brokers or Sales Representatives

37. Every real estate broker or sales representative is subject to Part 1 of the Act when they engage in any of the following activities on behalf of a third party in the course of a real estate transaction:

- (a) the receipt or payment of funds;
- (b) the deposit or withdrawal of funds; and
- (c) the transfer of funds by any means.

38. Subject to subsection 51(1), every real estate broker or sales representative who, while engaging in an activity described in section 37, receives an amount in cash of \$10,000 or more in the course of a single transaction shall report the transaction to the Centre, with the information set out in Schedule 2, unless the amount is received from a financial entity or a public body.

39. Subject to subsection 51(2), every real estate broker or sales representative, while engaging in an activity described in section 37, shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that they receive in the course of a single transaction, unless the cash is received from a financial entity or a public body.

Casinos

40. Subject to subsection 51(1), every casino shall report the following transactions to the Centre, with the information set out in Schedule 2:

- (a) the receipt of an amount in cash of \$10,000 or more in the course of a single transaction, unless the amount is received from a financial entity ;
- (b) any transaction of \$3,000 or more where an individual receives payment in casino cheques made out to third parties or without a specified payee; and
- (c) a foreign currency exchange transaction that involves a payment at a rate of exchange that is more than the posted rate or of transaction fees that are more than the posted fees.

41. (1) Subject to subsection 51(2), every casino shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that it receives in the course of a single transaction, unless the amount is received from a financial entity.

(2) For greater certainty, the transactions in respect of which a casino is required to keep large cash transaction records in accordance with subsection (1) include the following transactions involving an amount in cash of \$10,000 or more:

- (a) the sale of chips, tokens and plaques;
- (b) front cash deposits;
- (c) safekeeping deposits;
- (d) the repayment of any form of credit, including repayment by markers or counter cheques;
- (e) bets of currency; and
- (f) sales of the casino's cheques.

42. (1) Subject to section 44, where the total amount of cash disbursed is \$10,000 or more, a casino shall keep a large cash disbursement record in respect of the following transactions:

- (a) the redemption of chips, tokens and plaques;
- (b) front cash withdrawals;
- (c) safekeeping withdrawals;
- (d) advances on any form of credit, including advances by markers or counter cheques;
- (e) payments on bets, including slot jackpots;
- (f) payments to a client of funds received for credit to that client or any other client;
- (g) the cashing of cheques or other negotiable instruments; and
- (h) reimbursement to clients of travel and entertainment expenses.

(2) For the purposes of subsection (1), the large cash disbursement record shall set out

- (a) the name of the individual to whom the disbursement is made;
- (b) the individual's address and the nature of the principal business or occupation of the individual; and
- (c) the date and nature of the disbursement.

43. Every casino shall keep the following records:

- (a) with respect to every client account that it opens,
 - (i) a signature card in respect of each account holder,
 - (ii) every account operating agreement that is received or created in the normal course of business,
 - (iii) a deposit slip in respect of every deposit that is made to the account, and
 - (iv) every debit and credit memo that is received or created in the normal course of business;
- (b) where it opens a client account in respect of a corporation, a copy of the part of the official corporate records that contain any provision relating to the power to bind the corporation in respect of the account;
- (c) where it opens a client account in the name of a person that is not a corporation, the person's name, address and the nature of the principal business or occupation of the person;
- (d) with respect to every extension of credit to a client of \$3,000 or more, an extension of credit record that indicates
 - (i) the client's name, address and the nature of the principal business or occupation of the client,
 - (ii) the terms and conditions of the extension of credit, and
 - (iii) the date and amount of the extension of credit; and
- (e) with respect to every foreign currency exchange transaction, a transaction ticket.

44. A casino is not required to keep a large cash disbursement record if the information that is required to be found in it is readily obtainable from other records that must be kept and retained by the casino under these Regulations.

Departments and Agents of Her Majesty in Right of Canada or of a Province

Acceptance of Deposit Liabilities

45. Every department and agent of Her Majesty in right of Canada or of a province is subject to Part 1 of the Act when it accepts deposit liabilities in the course of providing financial services to the public.

Sale of Money Orders

46. Every department and agent of Her Majesty in right of Canada or of a province is subject to Part 1 of the Act when it sells money orders in the course of providing financial services to the public.

47. Subject to subsection 51(1), every department and agent of Her Majesty in right of Canada or of a province that, while engaging in the activity referred to in section 46, receives from a client an amount in cash of \$10,000 or more in the course of a single transaction shall report the transaction to the Centre, with the information set out in Schedule 2, unless the amount is received from a financial entity or a public body.

48. Subject to subsection 51(2), every department and agent of Her Majesty in right of Canada or of a province, while engaging in the activity referred to in section 46, shall keep a large cash transaction record in respect of every amount in cash of \$10,000 or more that it receives from a client in the course of a single transaction, unless the amount is received from a financial entity or a public body.

49. Every department and agent of Her Majesty in right of Canada or of a province that engages in the activity referred to in section 46 shall keep the following records in respect of that activity:

(a) every client information record that is created for the purpose of an ongoing business relationship between the department or agent and a client;

(b) where the client information record is in respect of a corporation, a copy of the part of official corporate records that contain any provision relating to the power to bind the corporation in respect of transactions with the department or agent;

(c) where the department or agent receives \$3,000 or more in consideration of the issuance of money orders or other similar instruments, the date, amount received, the name and address of the individual who in fact gives the amount and whether the amount was in cash, cheques, traveller's cheques, money orders or other similar negotiable instruments; and

(d) where money orders of \$3,000 or more are cashed, the name and address of the individual cashing the money orders and the name of the issuer of the money orders.

Exceptions

50. (1) A financial entity is not required to report a transaction under paragraph 12(a) in respect of a client, if the following conditions are met:

(a) subject to subsection (3), the client is a corporation that carries on business as a store retailer that

(i) deals principally in the provision of goods to the public,

(ii) receives most of its payments in cash, and

(iii) has net assets of \$10,000,000 or more on its last audited balance sheet;

(b) the client has been a client of the financial entity in respect of that business for at least 12 months;

(c) the amounts received from the client are deposited into an account maintained by the client for the purposes of that business;

(d) the financial entity has records that indicate that the client has deposited \$10,000 or more in cash into that account on an average of at least three times every week for at least 12 months;

(e) the financial entity has taken reasonable measures to determine the source of the cash for those deposits; and

(f) the financial entity has provided the following information to the Centre, namely,

(i) the name and address of the client,

(ii) the nature of that business,

(iii) the registration number of the client's business or its date and jurisdiction of incorporation, where applicable,

(iv) the frequency and size of the client's cash deposits in respect of that business,

(v) details concerning the ownership of the client's business, including whether the business is incorporated or is a partnership, an association or other legal entity, and

(vi) the names of the directors and signing officers of the client's business.

(2) For the purposes of subsection (1), "store retailer" has the same meaning as in sectors 44 and 45 of the North American Industry Classification System as they read on the coming into force of this section.

(3) Paragraph (1)(a) does not apply to a corporation that carries on a business related to pawnbroking, or a corporation whose principal business is the sale of vehicles, vessels, farm machinery, aircraft, mobile homes, jewellery, precious gems or metals and antiques or art.

(4) A financial entity that does not report transactions of more than \$10,000 in accordance with subsection (1) but maintains a list in accordance with subsection 9(3) of the Act shall, at least once every 12 months,

(a) verify that the conditions referred to in subsection (1) are still met in respect of each client that is on the list;

(b) verify that deposits made by each client on the list are consistent with its usual practice in respect of the business referred to in paragraph (1)(a); and

(c) send a report to the Centre setting out the names and addresses of each client on the list, along with a statement signed by a senior officer that confirms that the conditions referred to in subsection (1) are still being met in respect of each client.

(5) The financial entity shall, without delay, inform the Centre of any change in the information referred to in paragraph (1)(f).

(6) Subsection (1) ceases to apply if the financial entity determines that

(a) there is a significant departure from the client's usual practice in respect of deposits that cannot be reasonably explained; or

(b) any of the conditions referred to in subsection (1) are no longer met.

51. (1) The requirement to report information set out in Schedules 1 to 4 does not apply to a person or entity in respect of information that is marked with an asterisk in those schedules if, after taking reasonable measures, the person or entity is unable to obtain the information.

(2) The requirement that a person or entity keep or retain a large cash transaction record or include information in it does not apply if the information that must be found in the report is readily obtainable from other records that the person or entity must keep or retain under these Regulations.

Ascertaining Identity

Persons or Entities Required to Keep Large Cash Transaction Records

52. Subject to section 62, every person or entity that is required to keep and retain a large cash transaction record under these Regulations shall

ascertain, in accordance with paragraph 63(1)(d), the identity of every individual with whom the person or entity conducts a transaction in respect of which that record must be kept, other than a deposit to a corporate account or by means of an automated banking machine.

Financial Entities and Casinos

53. (1) Subject to subsection 61(2) and section 62, every financial entity and casino shall ascertain

(a) in accordance with paragraph 63(1)(a), the identity of every individual who signs a signature card in respect of an account that it opens unless, in respect of a corporate account whose signature card is signed by more than three individuals authorized to act with respect to the account, it has ascertained the identity of at least three of those individuals;

(b) in accordance with paragraph 63(1)(a), the identity of any individual who initiates an electronic funds transfer of \$10,000 or more, unless the individual has signed a signature card in respect of an account held with it;

(c) in accordance with paragraph 63(1)(a), the identity of any individual who conducts with it a foreign currency exchange transaction of \$3,000 or more, unless the individual has signed a signature card in respect of an account held with it;

(d) in accordance with section 64, the existence, name and address of every corporation for which it opens an account and the names of the corporation's directors; and

(e) in accordance with section 65, the existence of any person that is neither a corporation nor an individual for which it opens an account.

(2) For the purpose of paragraph (1)(a), where the individual who signs a signature card is under 12 years of age, the financial entity shall identify the father, mother or guardian of the individual in accordance with paragraph 63(1)(a).

54. Subject to subsection 61(4) and section 62, every trust company shall, in addition to complying with section 53, ascertain

(a) in accordance with paragraph 63(1)(a), the identity of every individual who is the settlor of an inter vivos trust in respect of which the company is required to keep records under section 15;

(b) in accordance with section 64, the existence, name and address of every corporation that is the settlor of an institutional trust in respect of which the company is required to keep records in

accordance with section 15;

(c) in accordance with section 65, the existence of any person that is neither a corporation nor an individual and that is the settlor of an institutional trust in respect of which the company is required to keep records in accordance with section 15;

(d) where a person that is not an individual is authorized to act as a co-trustee of any trust

(i) in accordance with section 64 or 65, as the case may be, the identity of the person, and

(ii) in accordance with paragraph 63(1)(a), the identity of all individuals - up to three - who are authorized to give instructions with respect to the person's activities as co-trustee; and

(e) in accordance with paragraph 63(1)(a), the identity of each individual who is authorized to act as co-trustee of any trust.

Life Insurance Companies and Life Insurance Brokers or Agents

55. (1) Subject to subsection (2) and sections 61 and 62, every life insurance company and life insurance broker or agent shall ascertain, in accordance with paragraph 63(1)(b), the identity of every individual who conducts, on the individual's own behalf or on behalf of a third party, a transaction with that life insurance company or life insurance broker or agent for which a client information record must be kept and retained under section 19.

(2) A life insurance company or life insurance broker or agent is not required to ascertain the identity of an individual where there are reasonable grounds to believe that the individual's identity has been ascertained under subsection (1) by another life insurance company or life insurance broker or agent in respect of the same transaction or of a transaction that is part of a series of transactions that includes the original transaction.

(3) Every life insurance company and life insurance broker or agent shall ascertain, in accordance with section 64, the existence, name and address of every corporation in respect of which a client information record is kept and the names of its directors.

(4) Every life insurance company and life insurance broker or agent shall ascertain, in accordance with section 65, the existence of any person that is neither an individual nor a corporation in respect of which a client information record is kept.

56. (1) Subject to subsections (2) and (5) and 61(2) and section 62, every securities dealer shall ascertain, in accordance with paragraph 63(1)(c), the identity of each individual who is authorized to give instructions in respect of an account for which a record must be kept and retained by the securities dealer under subsection 23(1).

(2) Subsection (1) does not apply

(a) to corporate accounts in respect of which the securities dealer has already ascertained the identity of at least three individuals who are authorized to give instructions in respect of the account;

(b) to accounts opened for the deposit and sale of shares from a corporate demutualization, an employee stock purchase plan or the privatization of a Crown corporation;

(c) to registered plan accounts, including locked-in retirement plan accounts, registered retirement savings plan accounts and group registered retirement savings plan accounts; and

(d) to accounts in the name of foreign affiliates of a financial entity.

(3) Every securities dealer shall ascertain, in accordance with section 64, the existence, name and address of every corporation that opens an account with it, and the names of the corporation's directors.

(4) Every securities dealer shall ascertain, in accordance with section 65, the existence of any person that is neither an individual nor a corporation for which it opens an account.

(5) A securities dealer is not required to ascertain the identity of an individual who is authorized to give instructions in respect of an account that is opened for the sale of mutual funds where there are reasonable grounds to believe that the individual's identity has been ascertained in accordance with paragraph 63(1)(c) by another securities dealer in respect of

(a) the sale of the mutual funds for which the account has been opened; or

(b) a transaction that is part of a series of transactions that includes that sale.

Persons Engaged in the Business of Foreign Exchange Dealing

57. (1) Subject to section 62, every person that is engaged in the business of foreign exchange dealing shall ascertain, in accordance with paragraph 63(1)(d), the identity of

(a) every individual in respect of whom a client information record is kept or who conducts a transaction on behalf of a person or entity in respect of which a client information record is kept; and

(b) every individual who conducts a transaction of \$3,000 or more with that person and in respect of whom no client information record is kept.

(2) Every person that is engaged in the business of foreign exchange dealing shall ascertain, in accordance with section 64, the existence, name and address of every corporation in respect of which it keeps a client information record and the names of the corporation's directors.

(3) Every person that is engaged in the business of foreign exchange dealing shall ascertain, in accordance with section 65, the existence of any person that is neither an individual nor a corporation and in respect of which a client information record is kept.

Money Services Businesses

58. Subject to section 62, every money services business shall ascertain

(a) in accordance with paragraph 63(1)(d), the identity of every individual who gives \$3,000 or more for the issuance of money orders or who conducts any of the following transactions, if the transaction is \$3,000 or more and no client information record is kept in respect of that individual, namely,

(i) the issuance or redemption of money orders, traveller's cheques or other similar negotiable instruments, and

(ii) the remittance or transmission of \$3,000 or more by any means through any entity, including an electronic network;

(b) in accordance with paragraph 63(1)(d), the identity of every individual in respect of whom a client information record is kept;

(c) in accordance with paragraph 63(1)(d), the identity of every individual who initiates an electronic funds transfer of \$10,000 or more and in respect of whom no client information record is kept;

(d) in accordance with section 64, the existence, name and address of every corporation in respect of which a client information record is kept and the names of its directors; and

(e) in accordance with section 65, the existence of any person that is neither an individual nor a corporation in respect of which a client information record is kept.

Casinos

59. Subject to section 62, every casino shall ascertain, in accordance with paragraph 63(1)(d), the identity of every individual who conducts

- (a) a transaction with it for which a large cash disbursement record must be kept and retained under subsection 42(1);
- (b) a transaction with it for which an extension of credit record must be kept and retained under paragraph 43(d); or
- (c) a foreign currency exchange transaction with it for which a transaction ticket must be kept and retained under paragraph 43(e).

Departments or Agents of Her Majesty in Right of Canada or of a Province that
Sell Money Orders

60. Subject to section 62, a department or agent of Her Majesty in right of Canada or of a province that engages in the activity referred to in section 46 shall ascertain

- (a) in accordance with paragraph 63(1)(b), the identity of every individual in respect of whom a client information record is kept under paragraph 49(a);
- (b) in accordance with paragraph 63(1)(d), the identity of every individual in respect of whom no client information record is kept and who conducts a transaction that involves an amount of \$3,000 or more for the issuance or redemption of money orders or other similar instruments;
- (c) in accordance with section 64, the existence, name and address of every corporation in respect of which a client information record is kept under paragraph 49(a), and the names of its directors; and
- (d) in accordance with section 65, the existence of any person that is neither an individual nor a corporation and in respect of which a client information record is kept under paragraph 49(a).

Exceptions to Ascertaining Identity

61. (1) Subsection 55(1) does not apply in respect of the following transactions:

- (a) the purchase of an immediate or deferred annuity that is paid for entirely with funds that are directly transferred from a registered pension plan within the meaning of the Income Tax Act or from a pension plan that is required to be registered under the

Pension Benefits Standards Act, 1985, or similar provincial legislation;

(b) the purchase of a registered annuity policy or a registered retirement income fund for the purposes of the Income Tax Act;

(c) the purchase of an immediate or deferred annuity that is paid for entirely with the proceeds of a group life insurance policy; or

(d) a transaction that is part of a reverse mortgage or of a structured settlement.

(2) Paragraph 53(1)(a) and subsection 56(1) do not apply if

(a) the individual already has an account with the financial entity, the casino or the securities dealer, as the case may be; or

(b) there are reasonable grounds to believe that the account holder is a public body or a corporation that has minimum net assets of \$75 million on its last audited balance sheet and whose shares are traded on a Canadian stock exchange, the New York Stock Exchange, the NASDAQ Market or the American Stock Exchange.

(3) Section 55 does not apply if the entity in respect of which a client information record must be kept is a public body or a corporation referred to in paragraph (2)(b).

(4) Paragraphs 53(1)(a) and 54(b) and (c) and subsections 55(1) and 56(1) do not apply if the account holder or settlor is a pension fund that has minimum net assets of \$75 million on its last audited balance sheet and that is regulated by or under an Act of Parliament or of the legislature of a province.

62. Where a person who is an individual has ascertained the identity of another individual in accordance with section 63, the person is not required to subsequently ascertain that identity if the person recognizes the other individual.

Measures for Ascertaining Identity

63. (1) The identity of an individual shall be ascertained, at the time referred to in subsection 2,

(a) in the cases referred to in paragraphs 53(1)(a) to (c) and 54(a), (d) and (e),

(i) by referring to the individual's birth certificate, driver's licence, provincial health insurance card, passport or any similar record, other than the individual's social insurance card, or

(ii) where the individual is not physically present when the account is opened, by confirming that a cheque drawn by the individual on an account of a financial entity has been cleared;

(b) in the cases referred to in subsection 55(1) and paragraph 60(a)

(i) by referring to the individual's birth certificate, driver's licence, provincial health insurance card, passport or any similar record, other than the individual's social insurance card,

(ii) where the individual is not physically present when the client information record is created, by confirming that

(A) a cheque drawn by the individual on an account of a financial entity has been cleared, or

(B) the individual holds an account in the individual's name with a financial entity;

(c) in a case referred to in section 56,

(i) by referring to the individual's birth certificate, driver's licence, provincial health insurance card, passport or any similar record, other than the individual's social insurance card, or

(ii) where the individual is not physically present when the account is opened, by confirming that

(A) a cheque drawn by the individual on an account of a financial entity has been cleared, or

(B) the individual holds an account in the individual's name with a financial entity;

(d) in the cases referred to in section 52, subsection 57(1), paragraphs 58(a) to (c), section 59 and paragraph 60(b), by referring to the individual's birth certificate, driver's licence, provincial health insurance card, passport or any similar record, other than the individual's social insurance card.

(2) The identity shall be ascertained

(a) in the case referred to in paragraph 53(1)(a), before any transaction other than an initial deposit is carried out on an

account;

(b) in the cases referred to in section 52, paragraphs 53(1)(b) and (c), subsection 57(1), paragraphs 58(a) to (c), section 59 and paragraph 60(b), at the time of the transaction;

(c) in the cases referred to in paragraphs 54(a), (c) and (d), within 15 days after the trust company becomes the trustee;

(d) in the cases referred to in subsection 55(1) and paragraph 60(a), within 6 months after the client information record is created; and

(e) in the case referred to in section 56, within six months after the account is opened.

64. (1) The existence, name and address of a corporation, and the names of its directors shall be ascertained as of the time referred to in subsection (2), by referring to its certificate of corporate status, a record that it is required to file annually under the applicable provincial securities legislation or any other record that ascertains its existence as a corporation. The records may be in paper form or in an electronic version that is obtained from a source that is accessible to the public.

(2) The information shall be ascertained,

(a) in the case referred to in paragraph 53(1)(d), before any transaction other than the initial deposit is carried out on the account;

(b) in the cases referred to in paragraphs 54(b) and (d), within 15 days after the trust company becomes the trustee;

(c) in the cases referred to in subsections 55(3) and 57(2) and paragraphs 58(d) and 60(c), within 6 months after the client information record is created; and

(d) in the case referred to in subsection 56(3), within 6 months after the opening of the account.

(3) Where the information has been ascertained by referring to an electronic version of a record, the person or entity required to ascertain the information shall keep a record that sets out the corporation's registration number, the type of record consulted and the source of the electronic version of the record.

(4) Where the information has been ascertained by referring to a paper copy of a record, the person or entity required to ascertain the information shall retain the record or a copy of it.

65. (1) The existence of a person that is neither an individual nor a corporation shall be ascertained as of the time referred to in subsection (2), by referring to a partnership agreement, articles of association or other similar record that ascertains its existence. The records may be in paper form or in an electronic version that is obtained from a source that is accessible to the public.

(2) The existence of the person shall be ascertained

(a) in the case referred to in paragraph 53(1)(e), before any transaction other than the initial deposit is carried out on the account;

(b) in the cases referred to in paragraphs 54(c) and (d), within 15 days after the trust company becomes the trustee;

(c) in the cases referred to in subsections 55(4) and 57(3) and paragraphs 58(e) and 60(d), within 6 months after the client information record is created; and

(d) in the case referred to in subsection 56(3), within 6 months after the account is opened.

(3) Where the existence of the person has been ascertained by referring to an electronic version of a record, the person or entity required to ascertain that information shall keep a record that sets out the registration number of the person whose existence is being ascertained, the type of record consulted and the source of the electronic version of the record.

(4) Where the existence of the person has been ascertained by referring to a paper copy of a record, the person or entity required to ascertain that information shall retain the record or a copy of it.

66. Every person or entity that is required to ascertain the identity of an individual in accordance with any of sections 52 to 60 shall set out on the signature card, client information record, transaction ticket, large cash transaction record, large cash disbursement record, extension of credit record, account operating agreement or account application form, as the case may be,

(a) the date of birth of the individual;

(b) the type and reference number of the record that is relied on to ascertain the identity of the individual, where the record is a birth certificate, driver's licence, provincial health insurance card, passport or any similar record, and the place of issuance of that record;

(c) the financial entity and account number of the account on which the cheque was drawn, where the clearing of a cheque from a

financial entity is relied on to ascertain the identity of the individual; and

(d) the financial entity at which an account is held and the number of the account, where the identity of the individual is ascertained by confirming that the individual holds an account with a financial entity.

Retention of Records

67. Where any record is required to be kept under these Regulations, a copy of it may be kept

(a) in a machine-readable form, if a paper copy can be readily produced from it; or

(b) in an electronic form, if a paper copy can be readily produced from it and an electronic signature of the individual who must sign the record in accordance with these Regulations is retained.

68. (1) Subject to subsection (2), every person or entity that is required to obtain, keep or create records under these Regulations shall retain those records for a period of at least five years following

(a) in respect of signature cards, account operating agreements, client credit files, account application forms, and records referred to in paragraph 8(4)(a), the day of the closing of the account to which they relate;

(b) in respect of client information records, certificates of corporate status, records that are required to be filed annually under the applicable provincial securities legislation or other similar records that ascertain the existence of a corporation, and records that ascertain the existence of a person that is not an individual or a corporation, including partnership agreements and articles of association, the day on which the last business transaction is conducted; and

(c) in respect of all other records, the day on which they were created.

(2) Where records that an individual is required to keep under these Regulations are the property of the individual's employer or a person or entity with which the individual is in a contractual relationship, the individual is not required to retain the records after the end of the individual's employment or contractual relationship.

69. Every record that is required to be kept under these Regulations shall be retained in such a way that it can be provided to an authorized person within 30 days after a request is made to examine it under section 62 of the Act.

Disclosure of Designated Information

70. For the purposes of paragraph 55(7)(e) of the Act, "designated information" means

(a) the following information concerning the client, importer or exporter, or any person acting on their behalf, namely,

(i) their date of birth,

(ii) their address,

(iii) their citizenship and passport numbers,

(iv) where the client, importer or exporter is a corporation, the date and jurisdiction of incorporation, and

(v) the name and address of any third party on whose behalf the financial transaction, importation or exportation is conducted; and

(b) in the case of a financial transaction, the following information, namely,

(i) the transit and account numbers,

(ii) the full name of every account holder,

(iii) any transaction number,

(iv) the time of the transaction,

(v) the type of transaction, and

(vi) the names of the parties to the transaction.

Compliance

71. (1) For the purposes of paragraph 3(a) of the Act, and to assist the Centre in carrying out its mandate under paragraph 40(e) of the Act, every person or entity to which any of paragraphs 5(a) to (l) of the Act applies, shall implement a regime for complying with the Act and these Regulations.

(2) The compliance regime shall include, as far as practicable,

(a) the appointment of an individual - who may be the person referred to in subsection (1) - who is to be responsible for the implementation of the regime;

(b) the development and application of compliance policies and procedures;

(c) a review as often as is necessary of those policies and procedures to test their effectiveness, to be conducted by an internal or external auditor, where the person or entity has one, or by the person or entity itself, where it does not have an internal or external auditor; and

(d) where the person or entity has employees, an on-going employee compliance training program.

Repeal

72. The provisions of the Proceeds of Crime (Money Laundering) Regulations are repealed on a day or days to be fixed by the Governor in Council.

Coming Into Force

73. The provisions of these Regulations come into force on a day or days to be fixed by the Governor in Council.

SCHEDULE 1

(subsections 11(1) and 51(1))

SUSPICIOUS TRANSACTIONS REPORT

PART A - Information on Person or Entity where Transaction Took Place

1. Person or entity identifier number, eg transit number (where applicable)
2. Full name of person or entity
3. Full address of person or entity
4. Name and telephone number of contact person

PART B - Information on transaction(s)

1. Date and time of transaction, and where the transaction is a night deposit that is made after the normal business hours of the person or entity that receives it, an indication to that effect
2. Posting date (if different from above)*
3. Purpose and details of the transaction, including other persons, entities and account numbers involved, and the type of transaction (cash, electronic funds transfer, deposit, currency

- exchange or the purchase or cashing of a cheque, money order, travellers' cheque, banker's draft, or other) currency and amount
4. Method by which the transaction is conducted (in-branch, ABM, armoured car, mail deposit, courier, other)
 5. Identification number of person who first detected the suspicious transaction (e.g. client service representative number)*

PART C - Account Information (where applicable)

1. Account number
2. Branch number/transit number
3. Type of account (personal or business)
4. Full name of each account holder
5. Type of currency of the account
6. Date account opened*
7. Date account closed*
8. Status of account (active or dormant)

PART D - Information on Individual Conducting Transaction

1. Individual's full name
2. Client Number provided by person or entity (where applicable)
3. Individual's full address*
4. Individual's country of residence*
5. Individual's personal telephone number*
6. Individual's identifier (driver's licence, birth certificate, provincial health card, passport, other)*
7. Place of issue of individual identifier (province, country)*
8. Individual's date of birth*
9. Individual's occupation*
10. Individual's business telephone number*
11. Individual's employer*
12. Employer's full address*
13. Employer's business telephone number*

PART E - Information on Person or Entity Other Than an Individual on Whose Behalf Transaction is Conducted (where applicable)

1. Full name of person or entity other than individual
2. The full name of each individual - up to three - who is authorized to bind the person or entity*
3. Type of business of person or entity
4. Full address of person or entity*
5. Telephone number of person or entity*

6. Incorporation number and place of issue (where applicable)*

PART F - Information on Individual on Whose Behalf Transaction is Conducted (where applicable)

1. Individual's full name*
2. Individual's full address*
3. Individual's home telephone number*
4. Individual's work telephone number*
5. Individual's identifier (driver's licence, birth certificate, provincial health card, passport, other)*
6. Place of issue of individual identifier (province, country)*
7. Individual's date of birth*
8. Individual's country of residence*
9. Individual's occupation*
10. Individual's employer*
11. Employer's full address*
12. Employer's phone number*
13. Relationship of individual conducting the transaction to the individual on whose behalf the transaction is being conducted.*

PART G - Description of Suspicious Activity

Detailed description of the grounds to suspect that the transaction is related to the commission of a money laundering offence.

PART H - Action Taken

1. Any other action taken as a result of suspicion (where applicable)

SCHEDULE 2

(Sections 12, 17, 21, 24, 28, 32, 35, 38, 40 and 47 and subsection 51(1))

LARGE CASH TRANSACTION REPORT

PART A - Information on Person or Entity where Transaction Took Place

1. Person or entity's full name
2. Person or entity's identifier number, eg. transit number (where applicable)
3. Person or entity's full address

PART B - Information on Transaction(s)

1. Date and time of transaction, and where the transaction is a night deposit that is made after the normal business hours of the person or entity that receives it, an indication to that effect
2. Posting date (if different from above)*
3. Purpose and details of the transaction, including other persons, entities and account numbers involved, and the type of transaction (cash, electronic funds transfer, deposit, currency exchange or the purchase of a cheque, money order, travellers' cheque or banker's draft, other) currency and amount.
4. Method by which the transaction is conducted (in branch, ABM, armoured car, mail deposit, courier, other)

PART C - Account Information (where applicable)

1. Account number
2. Branch number/transit number
3. Type of account (personal or business)
4. Full name of each account holder
5. Type of currency of the account

PART D - Information on Individual Conducting Transaction that is not a Deposit into a Corporate Account

1. Individual's full name
2. Client number provided by person or entity (where applicable)
3. Individual's full address
4. Individual's personal telephone number*
5. Individual's country of residence*
6. Individual's identifier (driver's licence, birth certificate, provincial health card, passport, other)
7. Place of issue of individual identifier (province, country)
8. Individual's date of birth
9. Individual's business telephone number*
10. Individual's occupation

PART E - Information on Individual Conducting Transaction that is a Deposit into a Corporate Account (where applicable)

1. Full name of individual

PART F - Information on Person or Entity Other Than an Individual on Whose

Behalf Transaction is Conducted (where applicable)

- 1.Full name of person or entity other than an individual
- 2.Incorporation number and place of issue (if applicable)
- 3.Type of business of person or entity
- 4.Full address of person or entity
- 5.Business telephone number of person or entity*
- 6.Full name of each individual - up to three - who is authorized to bind the person or entity*

PART G - Information on Individual on Whose Behalf Transaction is Conducted (where applicable)

- 1.Individual's full name
- 2.Individual's full address
- 3.Individual's personal telephone number*
- 4.Individual's business telephone number*
- 5.Individual's identifier (driver's licence, birth certificate, provincial health card, passport, other)
- 6.Place of issue of individual identifier (province, country)*
- 7.Individual's date of birth*
- 8.Individual's occupation*
- 9.Individual's country of residence*
- 10.Relationship of individual conducting the transaction to the individual on whose behalf the transaction is conducted*

SCHEDULE 3

(par. 12(b), 24(b), 28(b) and subsection 51(1))

OUTGOING ELECTRONIC FUNDS TRANSFER REPORT INFORMATION

PART A - Transaction Information

- 1.Transaction Reference Number (where applicable)
- 2.Value date (ie. date funds are available to recipient to disperse)
- 3.Date of transmission/receipt, if different from value date*
- 4.Amount of electronic funds transfer
- 5.Currency of electronic funds transfer

PART B - Information on Client Ordering Payment of an Electronic Funds

Transfer

- 1.Full name of client
- 2.Client's date of birth*
- 3.Client's full address
- 4.Sending person or entity's identifier number, (eg. transit number) (where applicable)*
- 5.Client's account number (where applicable)
- 6.Client's incorporation number and jurisdiction of incorporation (where applicable)*

PART C - Information on Person or Entity Sending an Electronic Funds Transfer (ie. person or entity who sends payment instruction)

- 1.(a) Sending person's or entity's Bank Identifier Code (BIC)

- or -

- (b) Full name and full address of sending person or entity

PART D - Information on Sender's Correspondent (ie. the person or entity, other than the sending person or entity, that is acting as the reimbursement bank for the sender of an electronic funds transfer), (where applicable)

- 1.(a) Sender's correspondent's Bank Identifier Code (BIC)*

- or -

- (b) Full name and full address of sender's correspondent*

PART E - Information on Receiver's Correspondent (ie. person or entity acting as the reimbursement bank for receiver)

- 1.(a) Receiver's correspondent's Bank Identifier Code (BIC)

- or -

- (b) Full name and full address of receiver's correspondent

PART F - Information on Person or Entity Receiving the Electronic Funds Transfer (ie. person or entity receiving payment instructions)

- 1.(a) Receiving person's or entity's Bank Identifier Code (BIC)

- or -

(b) Full name and full address of receiving person or entity

PART G - Information on Client to Whose Benefit Payment is Made

1. Full name of client to whose benefit payment is made
2. Client's full address
3. Full name of financial entity where client holds an account (where applicable)*
4. Entity's identifier number, eg. transit number, (where applicable)*
5. Account number of client (where applicable)

PART H - Additional Payment Information

1. Details of payment to client
2. Sender-to-receiver information
3. Additional information contained in payment instructions

SCHEDULE 4

(par. 12(c), 24(c) and 28(c) and subsection 51(1))

INCOMING ELECTRONIC FUNDS TRANSFER REPORT INFORMATION

PART A - Transaction Information

1. Transaction Reference Number (where applicable)*
2. Value date (ie. date funds are available to recipient to disperse)
3. Date of transmission/receipt, if different from value date*
4. Amount of electronic funds transfer
5. Currency of electronic funds transfer

PART B - Information on Client Ordering Payment of an Electronic Funds Transfer

1. Full name of client*
2. Client's date of birth*
3. Client's full address*
4. Sending Person or Entity's identifier number, (eg. transit number) (where applicable)*
5. Client's account number (where applicable)*

6.Client's incorporation number and jurisdiction of incorporation, (where applicable)*

PART C - Information on Sender of an Electronic Funds Transfer (ie. person or entity who gives payment instructions)

1.(a) Sender's Bank Identifier Code (BIC)*

- or -

(b) Sender's full name and full address*

PART D - Information on Sender's Correspondent (ie the entity, other than a sending entity, that is acting as the reimbursement bank for the sender), where applicable

1.(a) Sender's correspondent's Bank Identifier Code (BIC)*

-or-

(b) Sender's correspondent's full name and full address*

PART E - Information on Receiver's Correspondent (ie. person or entity acting as the reimbursement bank for the receiver)

1.(a) Receiver's correspondent's Bank Identifier Code (BIC)*

- or -

(b) Receiver's correspondent's full name and full address*

PART F - Information on Receiver of the electronic funds transfer (ie. person or entity receiving payment instructions)

1.(a) Receiver's Bank Identifier Code (BIC)*

- or -

(b) Receiver's full name and full address*

PART G - Information on Client to Whose Benefit Payment is Made

- 1.Full name of client to whose benefit payment is made
- 2.Client's full address*
- 3.Full name of financial entity where client holds an account (where applicable)*

- 4.Entity's identifier number, (eg. transit number)
where applicable*
- 5.Account number for client (where applicable)

PART H - Additional Payment Information

- 1.Details of payment to client
- 2.Sender-to-receiver information
- 3.Additional information contained in payment
instruction