

MEMORANDUM OF UNDERSTANDING

BETWEEN: The Financial Transactions and Reports Analysis Centre of Canada
("FINTRAC")

AND: The Financial Institutions Commission ("FICOM", and together with
FINTRAC, the "Parties")

WHEREAS the Parties wish to establish a framework for sharing information in order to assist them to meet their mandates cooperatively, to minimize any potential duplication or overlap of work given their common interests for combating money laundering and terrorist financing, and to minimize the impact on credit unions, trust companies and life insurance companies regulated by FICOM in regards to their respective compliance activities;

AND WHEREAS the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PC(ML)TFA)* allows for the sharing of information between the Parties;

AND WHEREAS section 219 the *Financial Institutions Act* of BC and the *Freedom of Information and Protection of Privacy Act* of BC allow for the sharing of information between the Parties;

NOW THEREFORE the Parties have reached the following understanding:

ARTICLE 1 – PURPOSE AND SCOPE OF APPLICATION

- 1.1 The purpose of this Memorandum of Understanding (MOU) is to outline the process for sharing information between the Parties and to define the scope of that information.
- 1.2 This MOU applies in respect of information that may be disclosed by both parties to each other relating to compliance with Part 1 of the *PC(ML)TFA* by credit unions, trust companies and life insurance companies regulated by FICOM in the Province of British Columbia.
- 1.3 This MOU applies in respect of all credit unions, trust companies and life insurance companies regulated by FICOM in the Province of British Columbia to which Part 1 of the *PC(ML)TFA* applies.

ARTICLE 2 – INFORMATION SHARING FROM FICOM TO FINTRAC

2. FICOM agrees to share with FINTRAC the following information:
- (a) the name of each credit union, trust company and life insurance company that FICOM plans to review for compliance with Part 1 of the *PC(ML)TFA*;
 - (b) a copy of FICOM's Section Notes on Assessing Operational Management Practices program used to review policies and procedures adopted by credit unions, trust companies and life insurance companies regulated by FICOM to ensure their compliance with Part 1 of the *PC(ML)TFA*;
 - (c) the results of each review undertaken by FICOM relating to each credit union, trust company and life insurance company to ensure their compliance with Part 1 of the *PC(ML)TFA*;
 - (d) a copy of the correspondence between FICOM and a credit union, trust company or life insurance company regarding any compliance deficiencies with Part 1 of the *PC(ML)TFA*;
 - (e) where applicable, a description of the actions, and results thereof, that FICOM has asked a credit union, trust company or life insurance company to take to rectify any deficiencies identified; and
 - (f) a description of progress made by a particular credit union, trust company or life insurance company in taking the corrective actions identified.

ARTICLE 3 – INFORMATION SHARING FROM FINTRAC TO FICOM

- 3.1 FINTRAC agrees to share with FICOM the following information:
- (a) compliance related information, including compliance related risk assessment information that FICOM may use as part of its risk assessment in determining which credit union, trust company or life insurance company it plans to review for compliance with Part 1 of the *PC(ML)TFA*;
 - (b) the results of FINTRAC's compliance actions regarding a credit union, trust company or life insurance company's compliance with Part 1 of the *PC(ML)TFA*; and
 - (c) a copy of the correspondence between FINTRAC and a credit union, trust company or life insurance company regarding its compliance deficiencies with Part 1 of the *PC(ML)TFA*.

- 3.2 In accordance with subsection 65(3) of the *PC(ML)TFA*, any information disclosed by FINTRAC to FICOM pursuant to this MOU shall be used by FICOM only for purposes relating to compliance with Part 1 of that Act.

ARTICLE 4 – CONFIDENTIALITY

- 4.1 The Parties agree that information they provide one another in respect of compliance with Part I of the *PC(ML)TFA* is provided in confidence and that each Party will take appropriate measures to protect such information from unauthorized disclosure.
- 4.2 The Parties acknowledge and agree that all records, including Reports and Extracts, under the control of FINTRAC may be subject to the federal *Access to Information Act* and *Privacy Act* all records, including Reports and Extracts, under the control of FICOM may be subject to the provincial *Freedom of Information and Protection of Privacy Act*.
- 4.3 If a Party receives a legally enforceable demand for information, including access to information requests, obtained or provided pursuant to this Agreement, the receiving Party shall promptly notify the other Party.
- 4.4 The sharing of confidential information pursuant to this Agreement is done in reliance on the foregoing assurances and shall not constitute a waiver of any legally cognizable privilege as to any person other than the parties to this Agreement.
- 4.5 The Parties must protect information obtained from the other Party pursuant to this agreement by making reasonable security arrangements against such risks. This includes protection against unauthorized access, collection, use, disclosure or disposal and any other risks expressly set out in this Agreement.
- 4.6 No information obtained pursuant to this agreement will be stored by FINTRAC or FICOM outside Canada.

ARTICLE 5 – MEETINGS

- 5.1 The Parties agree to continuously monitor the operation of this agreement and to hold meetings of their officials, at mutually agreed upon times and locations, to discuss the results of compliance review programs and areas of mutual interest related to those programs.
- 5.2 The Parties agree that at least one meeting shall be held each year.

ARTICLE 6 – AGREEMENT COORDINATORS


- 6.1 Each Party shall designate an "agreement coordinator" who will have overall responsibility for the operation of this agreement within the relevant Party.
- 6.2 In particular, the agreement coordinator will take lead responsibility for action on agreed issues arising from reviews of the agreement, with such reviews being conducted annually.

ARTICLE 7 – COST SHARING


- 7.1 The Parties agree that no costs are payable by FINTRAC for work that FICOM would normally undertake under its compliance review program to review credit union, trust company or life insurance company policies and procedures for compliance with Part I of the *PC(ML)TFA*.
- 7.2 In the event that FINTRAC requests FICOM to perform work, in addition to any work that FICOM would normally undertake under the compliance review program used by FICOM to review credit union, trust company or life insurance company policies and procedures for compliance with Part 1 of the *PC(ML)TFA*, and that FICOM agrees to perform such work, FINTRAC agrees to reimburse FICOM for the cost of such work in an amount agreed upon prior to the work being performed.


ARTICLE 8 – STATUS AND TERMINATION

8. Either Party may terminate this MOU on receipt of written notice to the other Party at least ninety (90) days prior to the termination date.

SIGNED at 
this 28th day of July, 2005

Financial Transactions and Reports
Analysis Centre of Canada

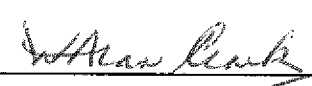

Horst Intscher
Director

SIGNED at 
this 01 day of SEP, 2005

OFFICE OF THE MINISTER
MINISTRY OF FINANCE
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Financial Institutions Commission


Hon. Carole Taylor, Minister of Finance


W. Alan Clark, Superintendent of
Financial Institutions

October 30, 2019
File No.: ARCS 146-25/MOU-FINTRAC-2005

Director and Chief Executive Officer
Financial Transactions and Reports Analysis Centre of Canada
24th Floor, 234 Laurier Avenue West
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Via email: guidelines-lignesdirectrices@fintrac-canafe.gc.ca

To whom it may concern:

Re: Notice of Agreement Transfer – FICOM to BCFSa – MOU between FICOM and FINTRAC

This letter is to advise that the Financial Institutions Commission (FICOM) will be dissolved in accordance with the *Financial Services Authority Act, 2019*. The BC Financial Services Authority (BCFSa) has been created and will be assuming the regulatory responsibilities of FICOM when FICOM is dissolved, effective November 1, 2019.

Accordingly, information sharing agreements between FICOM and third-parties will be transferred to BCFSa and continue to be in full effect. This includes the Memorandum of Understanding between FICOM and FINTRAC, dated September 2005. This Agreement has been assigned by the Province/FICOM to the BC Financial Services Authority effective November 1, 2019 pursuant to Ministerial Order M374-3019.

If you have any questions regarding FICOM's transition to BCFSa, or any concerns regarding information sharing, please do not hesitate to reach out to me.

Regards,



Matthew Lebrun
Manager, Privacy and Records Management
Financial Institutions Commission

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- Superintendent of Financial Institutions
 - Superintendent of Pensions
 - Registrar of Mortgage Brokers

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