



Outlier – Good Compliance Is Good Business.

Hello there!

Outlier Solutions Inc. (Outlier) has prepared this marked-up copy of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA), reflecting the changes published in BILL C-44 (An Act to implement certain provisions of the budget tabled in Parliament on March 22, 2017 and other measures)¹.

Please feel free to distribute this document free of charge².

If you have any questions or concerns, or if you would like a copy of this document in Microsoft Word format, please contact us at info@outliercanada.com.

Cheers,

Amber D. Scott
Founder & Chief AML Ninja
Outlier Solutions Inc.

Change Type	Format Description	Format Sample
Removed Text	Strikethrough	PCMLTFA
Added Text	Highlighted in Yellow	PCMLTFA
Text Not Yet In Force From Bill C-31 (2014)	Highlighted in Blue	PCMLTFA or PCMLTFA

¹<http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&DocId=8886288>

² For those interested in distributing this document at any cost, please note that in downloading the document you've actually accepted terms that prohibit you from doing so. Oh well... We at Outlier encourage you to distribute it for free instead.

Proceeds of Crime (Money Laundering) and Terrorist Financing Act

S.C. 2000, c. 17

Assented to 2000-06-29

An Act to facilitate combatting the laundering of proceeds of crime and combatting the financing of terrorist activities, to establish the Financial Transactions and Reports Analysis Centre of Canada and to amend and repeal certain Acts in consequence

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title

Short title

1 This Act may be cited as the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

2000, c. 17, s. 1; 2001, c. 41, s. 48.

Interpretation

Definitions — regulations

2 The Governor in Council may, on the recommendation of the Minister, make regulations defining the following words and expressions:

(a) “courier”;

(b) “monetary instruments”;

(c) “shell bank”; and

(d) “identifying information”, for the purposes of subsection 54.1(3).

2 (1) The definitions in this section apply in this Act.

authorized person means a person who is authorized under subsection 45(2).
(*personne autorisée*)

Centre means the Financial Transactions and Reports Analysis Centre of Canada established by section 41. (*Centre*)

client means a person or an entity that engages in a financial transaction or activity with a person or an entity referred to in section 5, and includes a person or an entity on whose behalf the person or the entity that engages in the transaction or activity is acting. ~~(client)~~ includes a person or entity that engages in a financial transaction with another person or entity. (client)

Commissioner [Repealed, 2005, c. 38, s. 124]

courier means a courier as defined by regulation. ~~(messenger)~~

customs office has the same meaning as in subsection 2(1) of the [Customs Act](#). (*bureau de douane*)

entity means a body corporate, a trust, a partnership, a fund or an unincorporated association or organization. (*entité*)

Financial Action Task Force means the Financial Action Task Force on Money Laundering established in 1989. (*Groupe d'action financière*)

foreign state, except for the purposes of Part 2, means a country other than Canada and includes any political subdivision or territory of a foreign state. (*État étranger*)

legal counsel means, in Quebec, an advocate or a notary and, in any other province, a barrister or solicitor. (*conseiller juridique*)

legal firm means an entity that is engaged in the business of providing legal services to the public. (*cabinet juridique*)

mail has the same meaning as in subsection 2(1) of the [Canada Post Corporation Act](#). (*envois ou courrier*)

Minister means, in relation to sections 24.1 to 39, the Minister of Public Safety and Emergency Preparedness and, in relation to any other provision of this Act, the Minister of Finance. (*ministre*)

money laundering offence means an offence under subsection 462.31(1) of the [Criminal Code](#). (*infraction de recyclage des produits de la criminalité*)

officer [Repealed, 2014, c. 20, s. 254]

person means an individual. (*personne*)

Version anglaise seulement

prescribed means prescribed by regulations made by the Governor in Council.
(*Version anglaise seulement*)

President means the President of the Canada Border Services Agency appointed under subsection 7(1) of the [Canada Border Services Agency Act](#). (*président*)

terrorist activity has the same meaning as in subsection 83.01(1) of the [Criminal Code](#). (*activité terroriste*)

terrorist activity financing offence means an offence under section 83.02, 83.03 or 83.04 of the [Criminal Code](#) or an offence under section 83.12 of the [Criminal Code](#) arising out of a contravention of section 83.08 of that Act. (*infraction de financement des activités terroristes*)

threats to the security of Canada has the same meaning as in section 2 of the [Canadian Security Intelligence Service Act](#). (*menaces envers la sécurité du Canada*)

violation means a contravention of this Act or the regulations that is designated as a violation by regulations made under subsection 73.1(1). (*violation*)

2000, c. 17, s. 2, c. 24, s. 76.1; 2001, c. 32, s. 70, c. 41, ss. 49, 132; 2005, c. 38, ss. 124, 145; 2006, c. 12, s. 1; 2010, c. 12, s. 1862; 2014, c. 20, s. 254.

Object of Act

Object

3 The object of this Act is

(a) to implement specific measures to detect and deter money laundering and the financing of terrorist activities and to facilitate the investigation and prosecution of money laundering offences and terrorist activity financing offences, including

(i) establishing record keeping and client identification requirements for financial services providers and other persons or entities that engage in businesses, professions or activities that are susceptible to being used for money laundering or the financing of terrorist activities,

(ii) requiring the reporting of suspicious financial transactions and of cross-border movements of currency and monetary instruments, and

(iii) establishing an agency that is responsible for ensuring compliance with Parts 1 and 1.1 and for dealing with reported and other information;

(b) to respond to the threat posed by organized crime by providing law enforcement officials with the information they need to deprive criminals of the proceeds of their criminal activities, while ensuring that appropriate safeguards are put in place to protect the privacy of persons with respect to personal information about themselves;

(c) to assist in fulfilling Canada's international commitments to participate in the fight against transnational crime, particularly money laundering, and the fight against terrorist activity; and

(d) to enhance Canada's capacity to take targeted measures to protect its financial system and to facilitate Canada's efforts to mitigate the risk that its financial system could be used as a vehicle for money laundering and the financing of terrorist activities.

2000, c. 17, s. 3; 2001, c. 41, s. 50; 2010, c. 12, s. 1863; 2014, c. 20, s. 255.

Her Majesty

Binding on Her Majesty

4 This Act is binding on Her Majesty in right of Canada or a province.

PART 1

Record Keeping, Verifying Identity, Reporting of Suspicious

Transactions and Registration

Application

Application of Part

5 This Part applies to the following persons and entities:

(a) authorized foreign banks within the meaning of section 2 of the [Bank Act](#) in respect of their business in Canada, or banks to which that Act applies;

(b) cooperative credit societies, savings and credit unions and caisses populaires regulated by a provincial Act and associations regulated by the [Cooperative Credit Associations Act](#);

(c) life companies or foreign life companies to which the [Insurance Companies Act](#) applies or life insurance companies regulated by a provincial Act;

(d) companies to which the *Trust and Loan Companies Act* applies;

(e) trust companies regulated by a provincial Act;

(e.1) trust companies incorporated or formed by or under a provincial Act that are not regulated by a provincial Act;

(f) loan companies regulated by a provincial Act;

(g) persons and entities authorized under provincial legislation to engage in the business of dealing in securities or any other financial instruments or to provide portfolio management or investment advising services, other than persons who act exclusively on behalf of such an authorized person or entity;

(h) persons and entities engaged in the business of foreign exchange dealing, of remitting funds or transmitting funds by any means or through any person, entity or electronic funds transfer network, or of issuing or redeeming money orders, traveller's cheques or other similar negotiable instruments except for cheques payable to a named person or entity;

(h) persons and entities that have a place of business in Canada and that are engaged in the business of providing at least one of the following services:

(i) foreign exchange dealing,

(ii) remitting funds or transmitting funds by any means or through any person, entity or electronic funds transfer network,

(iii) issuing or redeeming money orders, traveller's cheques or other similar negotiable instruments except for cheques payable to a named person or entity,

(iv) dealing in virtual currencies, as defined in the regulations, or dealing in virtual currencies, or

(v) any service described in regulations made under paragraph 73(1)(a); any prescribed service;

(h.1) persons and entities that do not have a place of business in Canada, that are engaged in the business of providing at least one of the following services that is directed at persons or entities in Canada, and that provide those services to their customers in Canada; persons and entities that do not have a place of business in Canada, that are engaged in the business of providing at least one of the following services that is directed at persons or entities in Canada, and that provide those services to their clients in Canada:

(i) foreign exchange dealing,

(ii) remitting funds or transmitting funds by any means or through any person, entity or electronic funds transfer network,

(iii) issuing or redeeming money orders, traveller's cheques or other similar negotiable instruments except for cheques payable to a named person or entity,
(iv) ~~dealing in virtual currencies, as defined in the regulations, or dealing in virtual currencies, or~~
(v) ~~any service described in regulations made under paragraph 73(1)(a); any prescribed service;~~

~~(i) persons and entities engaged in a business, profession or activity described in regulations made under paragraph 73(1)(a);~~ persons and entities engaged in a prescribed business, profession or activity;

~~(j) persons and entities engaged in a business or profession described in regulations made under paragraph 73(1)(b), while carrying out the activities described in the regulations;~~ persons and entities engaged in a prescribed business or profession, while carrying out a prescribed activity;

(k) casinos, as defined in the regulations, including those owned or controlled by Her Majesty;

~~(l) departments and agents of Her Majesty in right of Canada or of a province that are engaged in the business of accepting deposit liabilities, that sell money orders to the public or that sell prescribed precious metals, while carrying out the activities described in regulations made under paragraph 73(1)(c); and~~ departments and agents or mandataries of Her Majesty in right of Canada or of a province that are engaged in the business of accepting deposit liabilities, that issue or sell money orders to, or redeem them from, the public or that sell prescribed precious metals, while carrying out a prescribed activity; and

(m) for the purposes of section 7, employees of a person or entity referred to in any of paragraphs (a) to (l).

2000, c. 17, s. 5; 2001, c. 41, s. 51; 2006, c. 12, s. 3; 2014, c. 20, s. 256.

Record Keeping and Verifying Identity

Record keeping

~~6 Every person or entity referred to in section 5 shall keep and retain prescribed records in accordance with the regulations.~~ Every person or entity referred to in section 5 shall keep records in accordance with the regulations.

2000, c. 17, s. 6; 2006, c. 12, s. 4.

Verifying identity

~~6.1 Every person or entity referred to in section 5 shall verify, in the prescribed circumstances and in accordance with the regulations, the identity of any person or entity.~~ Every person or entity referred to in section 5 shall verify the identity of a person or entity in accordance with the regulations.

2006, c. 12, s. 4.

Reporting and Other Requirements

Transactions if reasonable grounds to suspect

~~7 Subject to section 10.1, every person or entity referred to in section 5 shall report to the Centre, in the prescribed form and manner, every financial transaction that occurs or that is attempted in the course of their activities and in respect of which there are reasonable grounds to suspect that~~ Subject to section 10.1, every person or entity referred to in section 5 shall, in accordance with the regulations, report to the Centre every financial transaction that occurs or that is attempted in the course of their activities and in respect of which there are reasonable grounds to suspect that

- (a) the transaction is related to the commission or the attempted commission of a money laundering offence; or
- (b) the transaction is related to the commission or the attempted commission of a terrorist activity financing offence.

2000, c. 17, s. 7; 2001, c. 41, s. 52; 2006, c. 12, s. 5.

Disclosure

~~7.1 (1) Every person or entity referred to in section 5 that is required to make a disclosure under section 83.1 of the *Criminal Code* or under section 8 of the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism* shall also make a report on it to the Centre, in the prescribed form and manner.~~ Every person or entity referred to in section 5 that is required to make a disclosure under section 83.1 of the *Criminal Code* or under section 8 of the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism* shall report to the Centre in accordance with the regulations.

Limitation

(2) Subsection (1) does not apply to prescribed persons or entities, or prescribed classes of persons or entities, in respect of prescribed transactions or property, or classes of transactions or property, if the prescribed conditions are met.

2001, c. 41, s. 52; 2006, c. 12, s. 6.

No disclosure of reports

8 ~~No person or entity shall disclose that they have made a report under section 7, or disclose the contents of such a report, with the intent to prejudice a criminal investigation, whether or not a criminal investigation has begun.~~ No person or entity shall disclose that they have made, are making or will make a report under section 7, or disclose the contents of such a report, with the intent to prejudice a criminal investigation, whether or not a criminal investigation has begun.

Financial transactions to be reported

9 (1) ~~Subject to section 10.1, every person or entity referred to in section 5 shall report to the Centre, in the prescribed form and manner,~~ Subject to section 10.1, every person or entity referred to in section 5 shall report to the Centre, in accordance with the regulations,

(a) any financial transaction, or any financial transaction within a class of financial transactions, specified in a directive issued under Part 1.1 that occurs or that is attempted in the course of their activities; and

(b) any prescribed financial transaction that occurs in the course of their activities.

Limitation

(2) Subsection (1) does not apply to prescribed persons or entities, or prescribed classes of persons or entities, in respect of prescribed transactions, classes of transactions, clients or classes of clients, if the prescribed conditions are met.

List of persons

(3) Every person or entity referred to in section 5 shall establish and maintain a list, in the prescribed form and manner, of their clients in respect of whom a report would have been required under subsection (1) were it not for subsection (2). However, a person or an entity may choose to report a client's transactions under subsection (1) instead of maintaining the list in respect of that client.

2000, c. 17, s. 9; 2006, c. 12, s. 7; 2010, c. 12, s. 1864.

Reports under other Acts

~~9.1 Subject to section 9, every person or entity that is required to make a report to the Centre under an Act of Parliament or any regulations under it shall make it in the form and manner prescribed under this Act for a report under that Act.~~ Subject to section 9, every person or entity that is required to make a report to the Centre under another Act of Parliament or any regulations under it shall make the report in the form and manner and within the period prescribed under this Act for a report under that Act.

2001, c. 41, s. 53.

Inability to establish identity

~~9.2 No person or entity referred to in section 5 shall open an account for a client, in the prescribed circumstances, if it cannot establish the identity of the client in accordance with the prescribed measures.~~ No person or entity that is referred to in section 5 shall open an account for a client if the person or entity cannot verify the identity of the client in accordance with the regulations.

2006, c. 12, s. 8.

Politically exposed foreign persons

9.3 (1) Every person or entity that is referred to in section 5 and that is prescribed shall determine, in the prescribed circumstances and in accordance with the regulations, whether it is dealing with a politically exposed foreign person.

9.3 (1) Every person or entity that is referred to in section 5 and that is prescribed shall determine, in the prescribed circumstances and in accordance with the regulations, whether it is dealing with

(a) a politically exposed foreign person, a prescribed family member of a politically exposed foreign person, or a person who the person or entity knows or should reasonably know is closely associated, for personal or business reasons, with a politically exposed foreign person;

(b) a politically exposed domestic person, a prescribed family member of a politically exposed domestic person, or a person who the person or entity knows or should reasonably know is closely associated, for personal or business reasons, with a politically exposed domestic person; or

(c) the head of an international organization, a prescribed family member of the head of an international organization, or a person who the person or entity knows or should reasonably know is closely associated, for personal or business reasons, with the head of an international organization.

Measures

(2) If the person or entity determines that it is dealing with a politically exposed foreign person, the person or entity shall obtain the approval of senior management in the prescribed circumstances and take prescribed measures.

~~(2) If the person or entity determines that it is dealing with a person described in paragraph (1)(a), the person or entity shall obtain the approval of senior management in the prescribed circumstances and take the prescribed measures. If the person or entity determines that it is dealing with a person described in paragraph (1)(a), the person or entity shall take the measures referred to in the regulations.~~

Measures — other persons

~~(2.1) If the person or entity determines that it is dealing with a person described in paragraph (1)(b) or (c) and considers, based on an assessment referred to in subsection 9.6(2), that the person poses a high risk of committing a money laundering offence or a terrorist activity financing offence, the person or entity shall obtain the approval of senior management in the prescribed circumstances and take the prescribed measures. If the person or entity determines that it is dealing with a person described in paragraph (1)(b) or (c) and considers, based on an assessment referred to in subsection 9.6(2), that the person poses a high risk of committing a money laundering offence or a terrorist activity financing offence, the person or entity shall take the measures referred to in the regulations.~~

Definition of *politically exposed foreign person*

(3) For the purposes of this section, *politically exposed foreign person* means a person who holds or has held one of the following offices or positions in or on behalf of a foreign state:

- (a)** head of state or head of government;
- (b)** member of the executive council of government or member of a legislature;
- (c)** deputy minister or equivalent rank;
- (d)** ambassador or attaché or counsellor of an ambassador;
- (e)** military officer with a rank of general or above;
- (f)** president of a state-owned company or a state-owned bank;
- (g)** head of a government agency;
- (h)** judge;

- (i) leader or president of a political party represented in a legislature; or
- (j) holder of any prescribed office or position.

It includes any prescribed family member of such a person.

“head of an international organization” means the head of an international organization that is established by the governments of states or the head of an institution of any such organization. means a person who, at a given time, holds — or has held within a prescribed period before that time — the office or position of head of an international organization that is established by the governments of states or the head of an institution of any such organization. (dirigeant d’une organisation internationale)

Prohibition if unregistered

9.31 (1) No entity referred to in paragraph 5(a), (b), (d) or (e) and no other entity that is referred to in section 5 and that is prescribed shall open or maintain an account for, or have a correspondent banking relationship with, a person or entity referred to in paragraph 5(h.1) unless that person or entity is registered with the Centre under section 11.1. No entity referred to in paragraph 5(a), (b), (d), (e) or (e.1) and no other entity that is referred to in section 5 and that is prescribed shall open or maintain an account for, or have a correspondent banking relationship with, a person or entity referred to in paragraph 5(h.1) unless that person or entity is registered with the Centre under section 11.1.

Definition of correspondent banking relationship

(2) For the purposes of this section, “correspondent banking relationship” means a relationship created by an agreement or arrangement under which an entity referred to in paragraph 5(a), (b), (d) or (e) or an entity that is referred to in section 5 and that is prescribed undertakes to provide to a person or entity referred to in paragraph 5(h.1) services such as international electronic funds transfers, cash management, cheque clearing and any prescribed services. For the purposes of this section, correspondent banking relationship means a relationship created by an agreement or arrangement under which an entity referred to in paragraph 5(a), (b), (d), (e) or (e.1) or an entity that is referred to in section 5 and that is prescribed undertakes to provide to a person or entity referred to in paragraph 5(h.1) prescribed services or international electronic funds transfers, cash management or cheque clearing services.

2006, c. 12, s. 8.

Correspondent banking

9.4 (1) ~~Every entity referred to in any of paragraphs 5(a), (b), (d) and (e) and every other entity that is referred to in section 5 and that is prescribed shall take the following measures before entering into a correspondent banking relationship with a prescribed foreign entity:~~ Every entity referred to in any of paragraphs 5(a), (b), (d), (e) and (e.1) and every other entity that is referred to in section 5 and that is prescribed shall take the measures referred to in the regulations in respect of any correspondent banking relationship it enters into with a prescribed foreign entity and shall take the following measures before entering into such a correspondent banking relationship:

- (a) obtain prescribed information about the foreign entity and its activities;
- (b) ensure that the foreign entity is not a shell bank as defined in the regulations;
- (c) obtain the approval of senior management;
- (d) set out in writing their obligations and those of the foreign entity in respect of the correspondent banking services; and
- (e) any prescribed measures.

Prohibition — shell bank

(2) No person or entity shall have a correspondent banking relationship with a shell bank as defined in the regulations.

Definition of *correspondent banking relationship*

(3) ~~For the purposes of this section, *correspondent banking relationship* means a relationship created by an agreement or arrangement under which an entity referred to in any of paragraphs 5(a), (b), (d) and (e) or an entity that is referred to in section 5 and that is prescribed undertakes to provide to a prescribed foreign entity services such as international electronic funds transfers, cash management, cheque clearing and any prescribed services.~~ For the purposes of this section, correspondent banking relationship means a relationship created by an agreement or arrangement under which an entity referred to in any of paragraphs 5(a), (b), (d), (e) and (e.1) or an entity that is referred to in section 5 and that is prescribed undertakes to provide to a prescribed foreign entity prescribed services or international electronic funds transfers, cash management or cheque clearing services.

2006, c. 12, s. 8; 2014, c. 20, s. 259.

Electronic funds transfer

9.5 Every person or entity that is referred to in section 5 and that is prescribed shall, in respect of a prescribed electronic funds transfer that occurs in the course of their financial activities,

(a) include with the transfer the name, address, and account number or other reference number, if any, of the client who requested it, and any prescribed information;

(b) take reasonable measures to ensure that any transfer that the person or entity receives includes that information; and

(c) take any prescribed measures.

2006, c. 12, s. 8.

Compliance program

9.6 (1) Every person or entity referred to in section 5 shall establish and implement, in accordance with the regulations, a program intended to ensure their compliance with this Part and Part 1.1.

Risk assessment

(2) The program shall include the development and application of policies and procedures for the person or entity to assess, in the course of their activities, the risk of a money laundering offence or a terrorist activity financing offence.

Special measures

(3) ~~If the person or entity considers that the risk referred to in subsection (2) is high, the person or entity shall take prescribed special measures for identifying clients, keeping records and monitoring financial transactions in respect of the activities that pose the high risk.~~ If, at any time, the person or entity considers that the risk referred to in subsection (2) is high, or in the prescribed circumstances, the person or entity shall take the special measures referred to in the regulations.

2006, c. 12, s. 8; 2010, c. 12, s. 1865.

9.61 (1) Every entity referred to in paragraph 5(e.1) shall take the prescribed measures related to the program referred to in subsection 9.6(1) and shall provide the prescribed information to the Centre in the prescribed circumstances.

(2) An entity referred to in paragraph 5(e.1) must provide to the Centre the name and address for service of a person who resides in Canada and who is authorized to

accept, on behalf of the entity, notices that are served or caused to be served by the Centre under this Act.

(3) The service of a notice by or on behalf of the Centre on an entity referred to in paragraph 5(e.1) is sufficient if it is served on the person whose name is provided under subsection (2).

Foreign branches and subsidiaries

9.7 (1) ~~Every entity referred to in any of paragraphs 5(a) to (g), except for authorized foreign banks within the meaning of section 2 of the *Bank Act* and for foreign companies within the meaning of section 2 of the *Insurance Companies Act*, shall, in respect of its foreign branches, and in respect of its foreign subsidiaries that carry out activities similar to those of entities referred to in those paragraphs and that are either wholly-owned by the entity or have financial statements that are consolidated with those of the entity, develop policies that establish requirements similar to the requirements of sections 6, 6.1 and 9.6 and ensure that those branches and subsidiaries apply those policies to the extent it is permitted by, and does not conflict with, the laws of the country in which the branch or subsidiary is located.~~

Every entity referred to in any of paragraphs 5(a) to (g), except for authorized foreign banks within the meaning of section 2 of the *Bank Act* and for foreign companies within the meaning of subsection 2(1) of the *Insurance Companies Act*, shall, in respect of its foreign branches, and in respect of its foreign subsidiaries that carry out activities similar to those of entities referred to in those paragraphs and that are either wholly-owned by the entity or have financial statements that are consolidated with those of the entity, develop policies that establish requirements similar to the requirements of sections 6, 6.1 and 9.6 and ensure that those branches and subsidiaries apply those policies to the extent it is permitted by, and does not conflict with, the laws of the foreign state in which the branch or subsidiary is located.

Board approval of policies

(2) Before the policies referred to in subsection (1) are applied, the entity's board of directors, if there is one, shall approve them.

(3) Subsection (1) does not apply to

(a) an entity that is a subsidiary of an entity to which that subsection applies; or

(b) an entity that is a subsidiary of a foreign entity that has developed policies that establish requirements for its subsidiaries that are similar to the requirements of sections 6, 6.1 and 9.6, if that subsidiary is applying those policies to the extent it is permitted by, and do not conflict with, the laws of Canada or a province.

Records and reporting

(4) ~~If the application by a foreign branch or a foreign subsidiary of a policy referred to in subsection (1) is not permitted by or would conflict with the laws of the country in which the branch or subsidiary is located, the entity shall keep and retain, in accordance with section 6, a record of that fact and of the reasons why it is not permitted or it would conflict, and shall, within a reasonable time, notify the Centre, and the principal agency or body that supervises or regulates it under federal or provincial law, of that fact and those reasons.~~ If the application by a foreign branch or a foreign subsidiary of a policy referred to in subsection (1) is not permitted by or would conflict with the laws of the foreign state in which the branch or subsidiary is located, the entity shall keep, in accordance with section 6, a record of that fact and of the reasons why it is not permitted or it would conflict and shall, within a reasonable time, notify the Centre, and the principal agency or body that supervises or regulates it under federal or provincial law, of that fact and those reasons.

2006, c. 12, s. 8; 2010, c. 12, s. 1866; 2014, c. 20, s. 260.

Information exchange between affiliated entities

9.8 (1) Every entity referred to in any of paragraphs 5(a) to (g) that is affiliated with an entity referred to in those paragraphs or with a foreign entity that carries out activities similar to those of entities referred to in those paragraphs shall develop and apply policies and procedures related to the exchange of information between the entity and those affiliated entities for the purpose of detecting or deterring a money laundering offence or a terrorist activity financing offence or of assessing the risk of such an offence.

Affiliation

(2) For the purposes of subsection (1), an entity is affiliated with another entity if one of them is wholly owned by the other, if both are wholly owned by the same entity or if their financial statements are consolidated.

2006, c. 12, s. 8; 2010, c. 12, s. 1866; 2014, c. 20, s. 260.

Immunity

10 No criminal or civil proceedings lie against a person or an entity for making a report in good faith under section 7, 7.1 or 9, or for providing the Centre with information about suspicions of money laundering or of the financing of terrorist activities.

2000, c. 17, s. 10; 2001, c. 41, s. 53.

Non-application to legal counsel

10.1 Sections 7 and 9 do not apply to persons or entities referred to in paragraph 5(i) or (j) who are, as the case may be, legal counsel or legal firms, when they are providing legal services.

2006, c. 12, s. 9; 2010, c. 12, s. 1867(F).

Solicitor-client privilege or professional secrecy

11 Nothing in this Act requires a legal counsel to disclose any communication that is subject to solicitor-client privilege or, in Quebec, the professional secrecy of legal counsel.

2000, c. 17, s. 11; 2010, c. 12, s. 1868(E); 2013, c. 40, ss. 279, 281(E).

Registration

Application and Revocation

Registration requirement

11.1 ~~Except as otherwise provided in the regulations, every person or entity referred to in paragraph 5(h), those referred to in paragraph 5(l) that sell money orders to the public, and every other person or entity that is referred to in section 5 and that is prescribed must be registered with the Centre in accordance with this section and sections 11.11 to 11.2.~~ Except as otherwise prescribed by regulation, every person or entity referred to in paragraph 5(h), those referred to in paragraph 5(l) that issue or sell money orders to, or redeem them from, the public, and every other person or entity that is referred to in section 5 and that is prescribed must be registered with the Centre in accordance with this section and sections 11.11 to 11.2.

2006, c. 12, s. 10.

Ineligible for registration

11.11 (1) The following persons or entities are not eligible for registration with the Centre:

- (a) ~~a listed person as defined in section 1 of the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism*;~~ a person or entity that is subject to sanctions associated with terrorist activity or a prohibition relating to financial services under the United Nations Act;

(b) a listed entity as defined in subsection 83.01(1) of the *Criminal Code*;

(b.1) a person or entity that is subject to a prohibition on financial or related services under the Special Economic Measures Act;

(c) a person or entity that has been convicted of any of the following:

(i) ~~a money laundering offence, or an offence under the laws of a foreign country that is substantially similar to a money laundering offence,~~ a money laundering offence, or an offence under the laws of a foreign state that is substantially similar to a money laundering offence,

(ii) ~~a terrorist activity financing offence, or an offence under the laws of a foreign country that is substantially similar to a terrorist activity financing offence,~~ a terrorist activity financing offence, or an offence under the laws of a foreign state that is substantially similar to a terrorist activity financing offence,

(iii) ~~an offence under this Act or the *Proceeds of Crime (money laundering) Act*, chapter 26 of the Statutes of Canada, 1991 when convicted on indictment, or an offence under the laws of a foreign country that is substantially similar to an offence under either Act,~~ an offence under this Act or the *Proceeds of Crime (money laundering) Act*, chapter 26 of the Statutes of Canada, 1991 when convicted on indictment, or an offence under the laws of a foreign state that is substantially similar to an offence under either Act,

(iv) ~~an offence under any of sections 83.18 to 83.231, 354 or 467.11 to 467.13 of the *Criminal Code*, or an offence under the laws of a foreign country that is substantially similar to such an offence, or~~ an offence under any of sections 83.18 to 83.231, 354 or 467.11 to 467.13 of the *Criminal Code*, or an offence under the laws of a foreign state that is substantially similar to such an offence, or

(i) a money laundering offence, or an offence under the laws of a foreign state that is substantially similar to a money laundering offence,

(ii) a terrorist activity financing offence, or an offence under the laws of a foreign state that is substantially similar to a terrorist activity financing offence,

(iii) an offence under this Act or the Proceeds of Crime (money laundering) Act, chapter 26 of the Statutes of Canada, 1991 when convicted on indictment, or an offence under the laws of a foreign state that is substantially similar to an offence under either Act,

(v) a conspiracy or an attempt to commit, being an accessory after the fact in relation to, or any counselling in relation to, an offence referred to in subparagraphs (i) to (iv);

(d) ~~a person or entity that has been convicted on indictment or convicted more than once for an offence under any of the following, or that has been convicted of an offence under the laws of a foreign country that is substantially similar to an offence under any of the following;~~ a person or entity that has been convicted on indictment or convicted more than once of an offence under any of the following, or that has been convicted of an offence under the laws of a foreign state that is substantially similar to an offence under any of the following:

(i) Part X of the *Criminal Code*,

(ii) the *Controlled Drugs and Substances Act*, except for the offence under subsection 4(1) of that Act,

(iii) section 39, 44.2, 44.3, 48, 50.2 or 50.3 of the *Food and Drugs Act*, as that section read immediately before May 14, 1997, or

(iv) section 4, 5, 6, 19.1 or 19.2 of the *Narcotic Control Act*, chapter N-1 of the Revised Statutes of Canada, 1985, as that section read immediately before May 14, 1997;

(e) ~~an entity that is a corporation in respect of which a director, the chief executive officer, the president or a person who owns or controls, directly or indirectly, 20% or more of the shares has been convicted on indictment of an offence under this Act or the *Proceeds of Crime (money laundering) Act*, chapter 26 of the Statutes of Canada, 1991 or has been convicted of an offence under the laws of a foreign country that is substantially similar to an offence under either Act;~~ an entity that is a corporation in respect of which a director, the chief executive officer, the president or a person who owns or controls, directly or indirectly, 20% or more of the shares has been convicted on indictment of an offence under this Act or the Proceeds of Crime (money laundering) Act, chapter 26 of the Statutes of Canada, 1991 or has been convicted of an offence under the laws of a foreign state that is substantially similar to an offence under either Act;

(f) any prescribed person or entity.

Revocation of registration

(2) If the Centre becomes aware that a person or entity referred to in subsection (1) is registered, the Centre shall revoke the registration and shall, without delay, inform the person or entity of the revocation.

2006, c. 12, s. 11; 2014, c. 20, s. 262.

Application for registration

11.12 (1) ~~An application for registration shall be submitted to the Centre in the prescribed form and manner, shall include a list of the applicant's agents, mandataries or branches that are engaged, on behalf of the applicant, in the activities referred to in paragraph 5(h), in selling money orders to the public if the applicant is a person or entity referred to in paragraph 5(l), or in any prescribed activities, and shall include any prescribed information.~~ An application for registration shall be submitted to the Centre in the prescribed form and manner, shall include a list of the applicant's agents or mandataries or branches that are engaged, on behalf of the applicant, in the activities referred to in paragraph 5(h), in issuing or selling money orders to, or redeeming them from, the public if the applicant is a person or entity referred to in paragraph 5(l), or in any prescribed activities, and shall include any prescribed information.

Agents, mandataries and branches

(2) Any agent, mandatory or branch included on the list is not required to register with the Centre when they are acting in that capacity.

2006, c. 12, s. 11.

Changes to information

11.13 An applicant or a person or entity registered with the Centre shall notify the Centre, in the prescribed form and manner, of any change to the information provided in the application or of any newly obtained information that should have been included in the application within 30 days after the day on which the applicant or the registered person or entity becomes aware of the change or obtains the new information.

2006, c. 12, s. 11.

Clarifications — applicant

11.14 (1) An applicant shall provide the Centre, in the prescribed form and manner, with any clarifications that the Centre may request in respect of the prescribed information and the list referred to in subsection 11.12(1) within 30 days after the day on which the request is made.

Denial of application

(2) If the applicant does not provide the Centre with the clarifications within the 30 days, the Centre may deny the application and shall, without delay, inform the applicant of the denial.

2006, c. 12, s. 11.

Notice of registration

11.15 The applicant is registered with the Centre once the Centre adds the applicant to the registry referred to in subsection 54.1(1). The Centre shall, without delay, send the applicant notice of their registration.

2006, c. 12, s. 11.

Denial of application

11.16 The Centre shall deny the application of any person or entity referred to in subsection 11.11(1) and shall, without delay, inform the applicant of the denial.

2006, c. 12, s. 11.

Clarifications — registrant

11.17 (1) A registered person or entity shall provide the Centre, in the prescribed form and manner, with any clarifications that the Centre may request in respect of the prescribed information and the list referred to in subsection 11.12(1) within 30 days after the day on which the request is made.

Revocation of registration

(2) If the registered person or entity does not provide the Centre with the clarifications within the 30 days, the Centre may revoke the registration and shall, without delay, inform the person or entity of the revocation.

2006, c. 12, s. 11.

Written reasons

11.18 Any decision to deny an application or revoke a registration must be in writing with reasons.

2006, c. 12, s. 11.

Renewal of registration

11.19 A registered person or entity shall renew their registration in the prescribed form and manner every two years or within any longer prescribed period.

2006, c. 12, s. 11.

Cessation of activity

11.2 When a registered person or entity ceases an activity for which they are registered, they shall notify the Centre in the prescribed form and manner within 30 days after the day on which they cease the activity.

2006, c. 12, s. 11.

Review

Application for review by Director

11.3 (1) Within 30 days after the day on which the person or entity receives a decision to deny their application or revoke their registration, the person or entity may apply in writing to the Director of the Centre for a review of the decision and may provide any information in support of their application for review.

Review by Director

(2) The Director shall review the decision as soon as possible and shall take into consideration any information that the Director deems relevant.

Decision of Director

(3) The Director may either confirm the decision or substitute his or her own decision, and shall, without delay, serve notice of the decision with reasons on the person or entity, together with notice of the right of appeal under subsection 11.4(1).

2006, c. 12, s. 11.

Appeal to Federal Court

Appeal

11.4 (1) A person or entity that applied for a review under subsection 11.3(1) may appeal the Director's decision to the Federal Court within 30 days after the day on which the decision is served, or within any longer period that the Court allows.

Appeal

(2) If the Director does not make a decision within 90 days after the day on which the Director received the application for review, the applicant may appeal to the Federal Court, within 30 days after the day on which the 90-day period expires, the decision to deny the application for registration or revoke the registration.

Precautions against disclosure

(3) In an appeal, the Court shall take every reasonable precaution, including, when appropriate, conducting hearings in private, to avoid the disclosure by the Court or any person or entity of information referred to in subsection 55(1).

2006, c. 12, s. 11.

PART 1.1 Protection of Canada's Financial System

Interpretation

Definitions

11.41 The following definitions apply in this Part.

foreign entity means ~~an entity, other than an entity referred to in section 5, that is incorporated or formed by or under the laws of a country other than Canada, including its subsidiaries, if any, and that does not carry on business in Canada, if it carries out activities similar to those of entities referred to in any of paragraphs 5(a) to (g) or activities referred to in paragraph 5(h) or (h.1).~~ (*entité étrangère*) **In this Part, foreign entity means an entity, other than an entity referred to in section 5, that is incorporated or formed by or under the laws of a foreign state, including its subsidiaries, if any, and that does not carry on business in Canada, if it carries out activities similar to those of entities referred to in any of paragraphs 5(a) to (g) or activities referred to in paragraph 5(h) or (h.1).**

foreign state means a country other than Canada and includes any political subdivision or territory of a foreign state. (*État étranger*)

2010, c. 12, s. 1869; 2014, c. 20, s. 267.

Ministerial Directive

Minister's written directive

11.42 (1) ~~In addition to any other measure required by this Act, the Minister may, by written directive, require any person or entity referred to in section 5 to take, in order to safeguard the integrity of Canada's financial system, any measure specified in the directive with respect to any financial transaction, or any financial transaction within a class of financial transactions, originating from or bound for any foreign state or foreign entity, that occurs or is attempted in the course of their activities, or with respect to any activity that is related to any such financial transaction or class of financial transactions.~~ In addition to any other measure required by this Act, the Minister may, by written directive, require any person or entity referred to in section 5 to take, in order to safeguard the integrity of Canada's financial system, any measure specified in the directive with respect to any financial transaction, or any financial transaction within a class of financial transactions, originating from or bound for any foreign state, foreign entity or entity referred to in paragraph 5(e.1), that occurs or is attempted in the course of their activities, or with respect to any activity that is related to any such financial transaction or class of financial transactions.

Measures

(2) The measures specified in a directive may include provision for the following matters:

- (a)** the verification of the identity of any person or entity;
- (b)** the exercise of customer due diligence, including ascertaining the source of funds in any financial transaction, the purpose of any financial transaction or the beneficial ownership or control of any entity;
- (c)** the monitoring of any financial transaction or any account;
- (d)** the keeping ~~and retention~~ of any records;
- (e)** the reporting of any financial transaction to the Centre; and
- (f)** compliance with this Part and Part 1.

Non-application to legal counsel

(2.1) A requirement in a directive to take a reporting measure as contemplated by paragraph (2)(e) does not apply to persons or entities referred to in paragraph 5(i)

or (j) who are, as the case may be, legal counsel or legal firms, when they are providing legal services.

Director to communicate directive

(3) The Minister may require the Director of the Centre to communicate a directive in accordance with the Minister's instructions.

Relevant circumstances

(4) Before issuing a directive, the Minister may take into account any circumstance that the Minister considers relevant. However, the Minister may only issue a directive if

(a) ~~an international organization, body, association or coalition or a grouping of states (such as the Financial Action Task Force) of which Canada is a member has called on its members to take measures in relation to a foreign state or foreign entity on the ground that the state's or entity's anti-money laundering or anti-terrorist financing measures are ineffective or insufficient;~~ or an international organization, body, association or coalition or a grouping of states (such as the Financial Action Task Force) of which Canada is a member has called on its members to take measures in relation to a foreign state, foreign entity or entity referred to in paragraph 5(e.1) on the ground that the state's or entity's anti-money laundering or anti-terrorist financing measures are ineffective or insufficient; or

(b) ~~the anti-money laundering or anti-terrorist financing measures that a foreign state or a foreign entity has implemented are ineffective or insufficient and, as a result, the Minister is of the opinion that there could be an adverse impact on the integrity of the Canadian financial system or a reputational risk to that system.~~ the anti-money laundering or anti-terrorist financing measures that a foreign state, a foreign entity or an entity referred to in paragraph 5(e.1) has implemented are ineffective or insufficient and, as a result, the Minister is of the opinion that there could be an adverse impact on the integrity of the Canadian financial system or a reputational risk to that system.

Terms and conditions

(5) The Minister may impose any terms and conditions in the directive that the Minister considers appropriate.

2010, c. 12, s. 1869; 2014, c. 20, s. 268.

Duty to comply

11.43 The person or entity to which a directive under this Part applies shall comply with it within the time and in the manner specified in the directive.

2010, c. 12, s. 1869.

Foreign branches and subsidiaries

11.44 (1) ~~Every entity referred to in any of paragraphs 5(a) to (g), except for authorized foreign banks within the meaning of section 2 of the *Bank Act* and for foreign companies within the meaning of section 2 of the *Insurance Companies Act*, shall ensure that its foreign branches, and that its foreign subsidiaries that carry out activities similar to those of entities referred to in those paragraphs and that are either wholly owned by the entity or have financial statements that are consolidated with those of the entity, comply with any directive issued under this Part, except with respect to any reporting measure as contemplated by paragraph 11.42(2)(e), to the extent it is permitted by, and does not conflict with, the laws of the country in which the branch or subsidiary is located.~~ Every entity referred to in any of paragraphs 5(a) to (g), except for authorized foreign banks within the meaning of section 2 of the *Bank Act* and for foreign companies within the meaning of subsection 2(1) of the *Insurance Companies Act*, shall ensure that its foreign branches, and that its foreign subsidiaries that carry out activities similar to those of entities referred to in those paragraphs and that are either wholly-owned by the entity or have financial statements that are consolidated with those of the entity, comply with any directive issued under this Part, except with respect to any reporting measure as contemplated by paragraph 11.42(2)(e), to the extent it is permitted by, and does not conflict with, the laws of the foreign state in which the branch or subsidiary is located.

Records and reporting

(2) ~~If compliance with a directive by a branch or a subsidiary is not permitted by or would conflict with the laws of the country in which the branch or subsidiary is located, the entity shall keep and retain, in accordance with section 6, a record of that fact and of the reasons why it is not permitted or it would conflict, and shall, within a reasonable time, notify the Centre, and the principal agency or body that supervises or regulates it under federal or provincial law, of that fact and those reasons.~~ If compliance with a directive by a branch or a subsidiary is not permitted by or would conflict with the laws of the foreign state in which the branch or subsidiary is located, the entity shall keep, in accordance with section 6, a record of that fact and of the reasons why it is not permitted or it would conflict, and shall, within a reasonable time, notify the Centre, and the principal agency or body that supervises or regulates it under federal or provincial law, of that fact and those reasons.

2010, c. 12, s. 1869; 2014, c. 20, s. 269.

11.45 [Repealed, 2014, c. 20, s. 269]

Inconsistency

11.46 In the event of any inconsistency or conflict between a directive issued under this Part and a regulation made under this Act, the directive prevails to the extent of the inconsistency or conflict.

2010, c. 12, s. 1869.

Statutory Instruments Act

11.47 A directive issued under this Part is not a statutory instrument within the meaning of the *Statutory Instruments Act*. However, it must be published in the *Canada Gazette*.

2010, c. 12, s. 1869.

Review

11.48 (1) The Minister shall, at least every three years after the issuance of a directive under this Part, review that directive to determine whether it is advisable, in the Minister's opinion, to amend or revoke it.

Relevant circumstance

(2) In reviewing a directive, the Minister may take into account any circumstance that the Minister considers relevant.

2010, c. 12, s. 1869.

Limitation and Prohibition of Financial Transactions

Regulations — limitation and prohibition

11.49 (1) The Governor in Council may, on the recommendation of the Minister, make regulations

(a) ~~imposing a limitation or a prohibition on any person or entity referred to in section 5, with respect to entering into, undertaking or facilitating, directly or indirectly, any financial transaction, or any financial transaction within a class of financial transactions, originating from or bound for any foreign state or foreign entity;~~ imposing a limitation or a prohibition on any person or entity referred to in section 5,

with respect to entering into, undertaking or facilitating, directly or indirectly, any financial transaction, or any financial transaction within a class of financial transactions, originating from or bound for any foreign state, foreign entity or entity referred to in paragraph 5(e.1);

(b) prescribing terms and conditions with respect to a limitation or prohibition referred to in paragraph (a); and

(c) excluding any transaction or any class of transactions from a limitation or prohibition imposed under paragraph (a).

Consultation with the Minister of Foreign Affairs

(2) The Minister shall consult with the Minister of Foreign Affairs before making a recommendation.

Relevant circumstances

(3) The Minister may, before making a recommendation, take into account any circumstance that the Minister considers relevant. However, the Minister may only make a recommendation

(a) if

(i) ~~an international organization, body, association or coalition or a grouping of states (such as the Financial Action Task Force) of which Canada is a member has called on its members to take measures in relation to a foreign state or foreign entity on the ground that the state's or entity's anti-money laundering or anti-terrorist financing measures are ineffective or insufficient, and~~ an international organization, body, association or coalition or a grouping of states (such as the Financial Action Task Force) of which Canada is a member has called on its members to take measures in relation to a foreign state, foreign entity or entity referred to in paragraph 5(e.1) on the ground that the state's or entity's anti-money laundering or anti-terrorist financing measures are ineffective or insufficient, and

(ii) ~~there is a risk that money laundering activities or terrorist financing activities may be carried out in that foreign state or by means of that foreign entity; or~~ there is a risk that money laundering activities or terrorist financing activities may be carried out in that foreign state or by means of that foreign entity or entity referred to in paragraph 5(e.1); or

~~(b) if the anti-money laundering or anti-terrorist financing measures that a foreign state or a foreign entity has implemented are ineffective or insufficient, the risk of money laundering activities or terrorist financing activities being carried out in that foreign state or by means of that foreign entity is significant and, as a result, the Minister is of the opinion that there could be an adverse impact on the integrity of the Canadian financial system or a reputational risk to that system.~~ if the anti-money laundering or anti-terrorist financing measures that a foreign state, a foreign entity or an entity referred to in paragraph 5(e.1) has implemented are ineffective or insufficient, the risk of money laundering activities or terrorist financing activities being carried out in that foreign state or by means of that foreign entity or entity referred to in paragraph 5(e.1) is significant and, as a result, the Minister is of the opinion that there could be an adverse impact on the integrity of the Canadian financial system or a reputational risk to that system.

2010, c. 12, s. 1869.

Review

11.5 (1) The Minister shall, at least every three years after the making of a regulation under this Part, review that regulation to determine whether it is advisable, in the Minister's opinion, that it be amended or repealed.

Relevant circumstances

(2) In reviewing a regulation, the Minister may take into account any circumstance that the Minister considers relevant.

2010, c. 12, s. 1869.

Foreign branches

~~**11.6** Every entity referred to in any of paragraphs 5(a) to (g), except for authorized foreign banks within the meaning of section 2 of the *Bank Act* and for foreign companies within the meaning of section 2 of the *Insurance Companies Act*, shall ensure that its foreign branches comply with any regulation made under subsection 11.49(1) to the extent it is permitted by, and does not conflict with, the laws of the country in which the branch is located.~~ Every entity referred to in any of paragraphs 5(a) to (g), except for authorized foreign banks within the meaning of section 2 of the *Bank Act* and for foreign companies within the meaning of subsection 2(1) of the *Insurance Companies Act*, shall ensure that its foreign branches comply with any regulation made under subsection 11.49(1) to the extent it is permitted by, and does not conflict with, the laws of the foreign state in which the branch is located.

2010, c. 12, s. 1869; 2014, c. 20, s. 270.

Ministerial permit

11.7 (1) The Governor in Council may, by order, authorize the Minister to issue to any person or entity referred to in section 5 a permit to enter into, undertake or facilitate a financial transaction or class of financial transactions, specified by the Minister, that is otherwise limited or prohibited by regulation.

Terms and conditions

(2) A permit may be subject to any terms and conditions that the Minister considers appropriate.

Amendment, etc.

(3) The Minister may amend, suspend, revoke or reinstate a permit.

2010, c. 12, s. 1869.

PART 2 Reporting of Currency and Monetary Instruments

Interpretation

Definition of *officer*

11.8 In this Part, *officer* has the same meaning as in subsection 2(1) of the [Customs Act](#).

2014, c. 20, s. 271.

Reporting

Currency and monetary instruments

12 (1) Every person or entity referred to in subsection (3) shall report to an officer, in accordance with the regulations, the importation or exportation of currency or monetary instruments of a value equal to or greater than the prescribed amount.

Limitation

(2) A person or entity is not required to make a report under subsection (1) in respect of an activity if the prescribed conditions are met in respect of the person, entity or activity, and if the person or entity satisfies an officer that those conditions have been met.

Who must report

(3) Currency or monetary instruments shall be reported under subsection (1)

(a) in the case of currency or monetary instruments in the actual possession of a person arriving in or departing from Canada, or that form part of their baggage if they and their baggage are being carried on board the same conveyance, by that person or, in prescribed circumstances, by the person in charge of the conveyance;

(b) in the case of currency or monetary instruments imported into Canada by courier or as mail, by the exporter of the currency or monetary instruments or, on receiving notice under subsection 14(2), by the importer;

(c) in the case of currency or monetary instruments exported from Canada by courier or as mail, by the exporter of the currency or monetary instruments;

(d) in the case of currency or monetary instruments, other than those referred to in paragraph (a) or imported or exported as mail, that are on board a conveyance arriving in or departing from Canada, by the person in charge of the conveyance; and

(e) in any other case, by the person on whose behalf the currency or monetary instruments are imported or exported.

Duty to answer and comply

(4) Every person arriving in or departing from Canada shall

(a) answer truthfully any questions asked by the officer in the performance of the officer's duties and functions under this Part; and

(b) if the person is arriving in or departing from Canada with any currency or monetary instruments in respect of which a report is made, on request of an officer, present the currency or monetary instruments that they are carrying or transporting, unload any conveyance or part of a conveyance or baggage and open or unpack any package or container that the officer wishes to examine.

Sending reports to Centre

(5) The Canada Border Services Agency shall send the reports they receive under subsection (1) to the Centre. It shall also create an electronic version of

the information contained in each report, in the format specified by the Centre, and send it to the Centre by the electronic means specified by the Centre.

2000, c. 17, s. 12; 2001, c. 41, s. 54; 2006, c. 12, s. 12(F); 2014, c. 20, s. 272.

Decision not to proceed with importing or exporting

13 A person or an entity that is required to report currency or monetary instruments may, at any time before they are retained under subsection 14(1) or forfeited as a result of a contravention of subsection 12(1), decide not to proceed further with importing or exporting them.

Retention

Temporary retention

14 (1) Subject to subsections (2) to (5), if a person or an entity indicates to an officer that they have currency or monetary instruments to report under subsection 12(1) but the report has not yet been completed, the officer may, after giving notice in the prescribed manner to the person or entity, retain the currency or monetary instruments for the prescribed period.

Importation or exportation by courier or as mail

(2) In the case of currency or monetary instruments imported or exported by courier or as mail, the officer shall, within the prescribed period, give the notice to the exporter if the exporter's address is known, or, if the exporter's address is not known, to the importer.

Limitation

(3) Currency or monetary instruments may no longer be retained under subsection (1) if, during the period referred to in that subsection,

(a) the officer is satisfied that the currency or monetary instruments have been reported under subsection 12(1); or

(b) the importer or exporter of the currency or monetary instruments advises the officer that they have decided not to proceed further with importing or exporting them.

Content of notice

(4) The notice referred to in subsection (1) must state

(a) the period for which the currency or monetary instruments may be retained;

(b) that if, within that period, the currency or monetary instruments are reported under subsection 12(1) or the importer or exporter decides not to proceed further with importing or exporting them, they may no longer be retained; and

(c) that currency or monetary instruments retained at the end of that period are forfeited to Her Majesty in right of Canada at that time.

Forfeiture and report to Centre

(5) Currency or monetary instruments that are retained by an officer under subsection (1) are forfeited to Her Majesty in right of Canada at the end of the period referred to in that subsection, and the officer shall send any incomplete report in respect of the forfeited currency or monetary instruments made under subsection 12(1) to the Centre.

Searches

Search of the person

15 (1) An officer may search

(a) any person who has arrived in Canada, within a reasonable time after their arrival in Canada,

(b) any person who is about to leave Canada, at any time before their departure, or

(c) any person who has had access to an area designated for use by persons about to leave Canada and who leaves the area but does not leave Canada, within a reasonable time after they leave the area,

if the officer suspects on reasonable grounds that the person has secreted on or about their person currency or monetary instruments that are of a value equal to or greater than the amount prescribed for the purpose of subsection 12(1) and that have not been reported in accordance with that subsection.

Person taken before senior officer

(2) An officer who is about to search a person under this section shall, on the person's request, without delay take the person before the senior officer at the place where the search is to take place.

Discharge or search

(3) A senior officer before whom a person is taken under subsection (2) shall, if the senior officer believes there are no reasonable grounds for suspicion under subsection (1), discharge the person or, if the senior officer believes otherwise, direct that the person be searched.

Search by same sex

(4) No person shall be searched under this section by a person who is not of the same sex, and if there is no officer of the same sex at the place where the search is to take place, an officer may authorize any suitable person of the same sex to perform the search.

2000, c. 17, s. 15; 2001, c. 41, s. 55.

Search of conveyance

16 (1) An officer may, in order to determine whether there are, on or about a conveyance, currency or monetary instruments of a value equal to or greater than the amount prescribed for the purpose of subsection 12(1) and that have not been reported in accordance with that subsection, stop, board and search the conveyance, examine anything in or on it and open or cause to be opened any package or container in or on it and direct that the conveyance be moved to a customs office or other suitable place for the search, examination or opening.

Search of baggage

(2) An officer may, in order to determine whether there are, in baggage, currency or monetary instruments that are of a value equal to or greater than the amount prescribed for the purpose of subsection 12(1) and that have not been reported in accordance with that subsection, search the baggage, examine anything in it and open or cause to be opened any package or container in it and direct that the baggage be moved to a customs office or other suitable place for the search, examination or opening.

2000, c. 17, s. 16; 2001, c. 41, s. 56; 2006, c. 12, s. 13.

Examination and opening of mail

17 (1) An officer may examine any mail that is being imported or exported and open or cause to be opened any such mail that the officer suspects on reasonable grounds contains currency or monetary instruments of a value equal to or greater than the amount prescribed for the purpose of subsection 12(1).

Exception

(2) An officer may not open or cause to be opened any mail that weighs 30 grams or less unless the person to whom it is addressed consents or the person who sent it consents or has completed and attached to the mail a label in accordance with article 116 of the Detailed Regulations of the Universal Postal Convention.

Opening of mail in officer's presence

(3) An officer may cause mail that weighs 30 grams or less to be opened in the officer's presence by the person to whom it is addressed, the person who sent it or a person authorized by either of those persons.

2000, c. 17, s. 17; 2001, c. 41, s. 57.

Seizures

Seizure and forfeiture

18 (1) If an officer believes on reasonable grounds that subsection 12(1) has been contravened, the officer may seize as forfeit the currency or monetary instruments.

Return of seized currency or monetary instruments

(2) The officer shall, on payment of a penalty in the prescribed amount, return the seized currency or monetary instruments to the individual from whom they were seized or to the lawful owner unless the officer has reasonable grounds to suspect that the currency or monetary instruments are proceeds of crime within the meaning of subsection 462.3(1) of the *Criminal Code* or funds for use in the financing of terrorist activities.

Notice of seizure

(3) An officer who seizes currency or monetary instruments under subsection (1) shall

(a) if they were not imported or exported as mail, give the person from whom they were seized written notice of the seizure and of the right to review and appeal set out in sections 25 and 30;

(b) if they were imported or exported as mail and the address of the exporter is known, give the exporter written notice of the seizure and of the right to review and appeal set out in sections 25 and 30; and

(c) take the measures that are reasonable in the circumstances to give notice of the seizure to any person whom the officer believes on

reasonable grounds is entitled to make an application under section 32 in respect of the currency or monetary instruments.

Service of notice

(4) The service of a notice under paragraph (3)(b) is sufficient if it is sent by registered mail addressed to the exporter.

2000, c. 17, s. 18; 2001, c. 32, s. 71, c. 41, ss. 58, 134.

Power to call in aid

19 An officer may call on other persons to assist the officer in exercising any power of search, seizure or retention that the officer is authorized under this Part to exercise, and any person so called on is authorized to exercise the power.

Recording of reasons for decision

19.1 If an officer decides to exercise powers under subsection 18(1), the officer shall record in writing reasons for the decision.

Report to President and the Centre

20 If the currency or monetary instruments have been seized under section 18, the officer who seized them shall without delay report the circumstances of the seizure to the President and to the Centre.

2000, c. 17, s. 20; 2005, c. 38, s. 127.

Exported Mail

Mail to be made available to an officer

21 (1) On request of an officer, any mail that is being sent from a place in Canada to a place in a foreign country and that contains or is suspected to contain currency or monetary instruments that are of a value equal to or greater than the amount prescribed for the purpose of subsection 12(1) shall be submitted by the Canada Post Corporation to an officer.

Mail in the course of post

(2) All mail that is submitted to an officer under this section remains, for the purposes of the [Canada Post Corporation Act](#), in the course of post unless it is retained or seized under this Part.

Notice of retention or seizure

(3) If mail is retained or seized under this Part, notice of the retention or seizure shall be given in writing to the Canada Post Corporation within 60 days after the retention or seizure unless the mail has, before the expiry of that period, been returned to the Corporation.

Mail subject to customs laws

(4) An officer shall deal with all mail submitted to the officer under this section in accordance with the laws relating to customs and this Part and, subject to those laws and this Part, shall return it to the Canada Post Corporation.

Non-mailable matter

(5) Any non-mailable matter found by an officer in mail made available to the officer under this section shall be dealt with in accordance with the regulations made under the [Canada Post Corporation Act](#).

2000, c. 17, s. 21; 2001, c. 41, s. 59.

Transfer to the Minister of Public Works and Government Services

When forfeiture under s. 14(5)

22 (1) An officer who retains currency or monetary instruments forfeited under subsection 14(5) shall send the currency or monetary instruments to the Minister of Public Works and Government Services.

When seizure or payment of a penalty

(2) An officer who seizes currency or monetary instruments or is paid a penalty under subsection 18(2) shall send the currency or monetary instruments or the penalty, as the case may be, to the Minister of Public Works and Government Services.

2000, c. 17, s. 22; 2001, c. 41, s. 60.

Forfeiture

Time of forfeiture

23 Subject to subsection 18(2) and sections 25 to 31, currency or monetary instruments seized as forfeit under subsection 18(1) are forfeited to Her Majesty in right of Canada from the time of the contravention of subsection 12(1) in respect of

which they were seized, and no act or proceeding after the forfeiture is necessary to effect the forfeiture.

Review and Appeal

Review of forfeiture

24 The forfeiture of currency or monetary instruments seized under this Part is final and is not subject to review or to be set aside or otherwise dealt with except to the extent and in the manner provided by sections 24.1 and 25.

2000, c. 17, s. 24; 2006, c. 12, s. 14.

Corrective measures

24.1 (1) The Minister, or any officer delegated by the President for the purposes of this section, may, within 90 days after a seizure made under subsection 18(1) or an assessment of a penalty referred to in subsection 18(2),

(a) cancel the seizure, or cancel or refund the penalty, if the Minister is satisfied that there was no contravention; or

(b) reduce the penalty or refund the excess amount of the penalty collected if there was a contravention but the Minister considers that there was an error with respect to the penalty assessed or collected, and that the penalty should be reduced.

Interest

(2) If an amount is refunded to a person or entity under paragraph (1)(a), the person or entity shall be given interest on that amount at the prescribed rate for the period beginning on the day after the day on which the amount was paid by that person or entity and ending on the day on which it was refunded.

2006, c. 12, s. 14; 2014, c. 20, s. 273.

Request for Minister's decision

25 A person from whom currency or monetary instruments were seized under section 18, or the lawful owner of the currency or monetary instruments, may, within 90 days after the date of the seizure, request a decision of the Minister as to whether subsection 12(1) was contravened, by giving notice to the Minister in writing or by any other means satisfactory to the Minister.

2000, c. 17, s. 25; 2001, c. 41, s. 61; 2014, c. 20, s. 274.

Extension of time by Minister

25.1 (1) If no request for a decision of the Minister is made under section 25 within the period provided in that section, the person or lawful owner referred to in that section may apply to the Minister in writing or by any other means satisfactory to the Minister for an extension of the time for making the request.

Reasons

(2) An application shall set out the reasons why the request was not made on time.

Burden of proof

(3) The burden of proof that an application has been made under subsection (1) lies on the person or lawful owner claiming to have made it.

Notice of decision

(4) The Minister shall, without delay after making a decision in respect of an application, notify the applicant in writing of the decision.

Conditions for granting application

(5) The application is not to be granted unless

(a) it is made within one year after the end of the period provided in section 25; and

(b) the applicant demonstrates that

(i) within the period provided in section 25, they were unable to act or to instruct another person to act in their name or had a *bona fide* intention to request a decision,

(ii) it would be just and equitable to grant the application, and

(iii) the application was made as soon as circumstances permitted.

2014, c. 20, s. 274.

Extension of time by Federal Court

25.2 (1) The person or lawful owner referred to in section 25 may apply to the Federal Court to have their application under section 25.1 granted

(a) within the period of 90 days after the Minister dismisses that application, if it is dismissed; or

(b) after 90 days have expired after that application was made, if the Minister has not notified the person or lawful owner of a decision made in respect of it.

Application process

(2) The application shall be made by filing in the Federal Court a copy of the application made under section 25.1, and any notice given in respect of it. The applicant shall notify the Minister that they have filed the application immediately after having filed it.

Powers of the Court

(3) The Court may grant or dismiss the application and, if it grants the application, may impose any terms that it considers just or order that the request made under section 25 be deemed to have been made on the date the order was made.

Conditions for granting application

(4) The application is not to be granted unless

(a) the application under subsection 25.1(1) was made within one year after the end of the period provided in section 25; and

(b) the person or lawful owner making the application demonstrates that

(i) within the period provided in section 25, they were unable to act or to instruct another person to act in their name or had a *bona fide* intention to request a decision,

(ii) it would be just and equitable to grant the application, and

(iii) the application was made as soon as circumstances permitted.

2014, c. 20, s. 274.

Notice of President

26 (1) If a decision of the Minister is requested under section 25, the President shall without delay serve on the person who requested it written notice of the circumstances of the seizure in respect of which the decision is requested.

Evidence

(2) The person on whom a notice is served under subsection (1) may, within 30 days after the notice is served, furnish any evidence in the matter that they desire to furnish.

2000, c. 17, s. 26; 2005, c. 38, s. 127.

Decision of the Minister

27 (1) Within 90 days after the expiry of the period referred to in subsection 26(2), the Minister shall decide whether subsection 12(1) was contravened.

Deferral of decision

(2) If charges are laid with respect to a money laundering offence or a terrorist activity financing offence in respect of the currency or monetary instruments seized, the Minister may defer making a decision but shall make it in any case no later than 30 days after the conclusion of all court proceedings in respect of those charges.

Notice of decision

(3) The Minister shall, without delay after making a decision, serve on the person who requested it a written notice of the decision together with the reasons for it.

2000, c. 17, s. 27; 2001, c. 41, s. 62.

If there is no contravention

28 If the Minister decides that subsection 12(1) was not contravened, the Minister of Public Works and Government Services shall, on being informed of the Minister's decision, return the penalty that was paid, or the currency or monetary instruments or an amount of money equal to their value at the time of the seizure, as the case may be.

If there is a contravention

29 (1) If the Minister decides that subsection 12(1) was contravened, the Minister may, subject to the terms and conditions that the Minister may determine,

(a) decide that the currency or monetary instruments or, subject to subsection (2), an amount of money equal to their value on the day

the Minister of Public Works and Government Services is informed of the decision, be returned, on payment of a penalty in the prescribed amount or without penalty;

(b) decide that any penalty or portion of any penalty that was paid under subsection 18(2) be remitted; or

(c) subject to any order made under section 33 or 34, confirm that the currency or monetary instruments are forfeited to Her Majesty in right of Canada.

The Minister of Public Works and Government Services shall give effect to a decision of the Minister under paragraph (a) or (b) on being informed of it.

Limit on amount paid

(2) The total amount paid under paragraph (1)(a) shall, if the currency or monetary instruments were sold or otherwise disposed of under the *Seized Property Management Act*, not exceed the proceeds of the sale or disposition, if any, less any costs incurred by Her Majesty in respect of the currency or monetary instruments.

2000, c. 17, s. 29; 2006, c. 12, s. 15.

Appeal to Federal Court

~~30 (1) A person who requests a decision of the Minister under section 27 may, within 90 days after being notified of the decision, appeal the decision by way of an action in the Federal Court in which the person is the plaintiff and the Minister is the defendant.~~ A person who makes a request under section 25 for a decision of the Minister may, within 90 days after being notified of the decision, appeal the decision by way of an action in the Federal Court in which the person is the plaintiff and the Minister is the defendant.

Ordinary action

(2) The *Federal Courts Act* and the rules made under that Act that apply to ordinary actions apply to actions instituted under subsection (1) except as varied by special rules made in respect of such actions.

Delivery after final order

(3) The Minister of Public Works and Government Services shall give effect to the decision of the Court on being informed of it.

Limit on amount paid

(4) If the currency or monetary instruments were sold or otherwise disposed of under the *Seized Property Management Act*, the total amount that can be paid under

subsection (3) shall not exceed the proceeds of the sale or disposition, if any, less any costs incurred by Her Majesty in respect of the currency or monetary instruments.

2000, c. 17, s. 30; 2001, c. 41, s. 139; 2002, c. 8, s. 161; 2006, c. 12, s. 16.

Service of notices

31 The service of the President's notice under section 26 or the notice of the Minister's decision under section 27 is sufficient if it is sent by registered mail addressed to the person on whom it is to be served at their latest known address.

2000, c. 17, s. 31; 2005, c. 38, s. 127.

Third Party Claims

Interest as owner

32 (1) If currency or monetary instruments have been seized as forfeit under this Part, any person or entity, other than the person or entity in whose possession the currency or monetary instruments were when seized, who claims in respect of the currency or monetary instruments an interest as owner or, in Quebec, a right as owner or trustee may, within 90 days after the seizure, apply by notice in writing to the court for an order under section 33.

Date of hearing

(2) A judge of the court to which an application is made under this section shall fix a day, not less than 30 days after the date of the filing of the application, for the hearing.

Notice to President

(3) The applicant shall serve notice of the application and of the hearing on the President, or an officer delegated by the President for the purpose of this section, not later than 15 days after a day is fixed under subsection (2) for the hearing of the application.

Service of notice

(4) The service of a notice under subsection (3) is sufficient if it is sent by registered mail addressed to the President.

Definition of *court*

(5) In this section and sections 33 and 34, *court* means

(a) in the Province of Ontario, the Superior Court of Justice;

(b) in the Province of Quebec, the Superior Court;

(c) in the Provinces of Nova Scotia, British Columbia and Prince Edward Island, Yukon and the Northwest Territories, the Supreme Court;

(d) in the Provinces of New Brunswick, Manitoba, Saskatchewan and Alberta, the Court of Queen's Bench;

(e) in the Province of Newfoundland and Labrador, the Trial Division of the Supreme Court; and

(f) in Nunavut, the Nunavut Court of Justice.

2000, c. 17, s. 32; 2001, c. 41, s. 63; 2005, c. 38, s. 127; 2006, c. 12, s. 17; 2015, c. 3, s. 148.

Order

33 If, on the hearing of an application made under subsection 32(1), the court is satisfied

(a) that the applicant acquired the interest or right in good faith before the contravention in respect of which the seizure was made,

(b) that the applicant is innocent of any complicity in the contravention of subsection 12(1) that resulted in the seizure and of any collusion in relation to that contravention, and

(c) that the applicant exercised all reasonable care to ensure that any person permitted to obtain possession of the currency or monetary instruments seized would report them in accordance with subsection 12(1),

the applicant is entitled to an order declaring that their interest or right is not affected by the seizure and declaring the nature and extent of their interest or right at the time of the contravention.

2000, c. 17, s. 33; 2006, c. 12, s. 18.

Appeal

34 (1) A person or entity that makes an application under section 32 or Her Majesty in right of Canada may appeal to the court of appeal from an order made under section 33 and the appeal shall be asserted, heard and decided according to the ordinary procedure governing appeals to the court of appeal from orders or judgments of a court.

Definition of court of appeal

(2) In this section, *court of appeal* means, in the province in which an order referred to in subsection (1) is made, the court of appeal for that province as defined in section 2 of the *Criminal Code*.

2000, c. 17, s. 34; 2006, c. 12, s. 19(E).

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-34-20021231.html>

Delivery after final order

35 (1) The Minister of Public Works and Government Services shall, after the forfeiture of currency or monetary instruments has become final and on being informed by the President that a person or entity has obtained a final order under section 33 or 34 in respect of the currency or monetary instruments, give to the person or entity

(a) the currency or monetary instruments; or

(b) an amount calculated on the basis of the interest of the applicant in the currency or monetary instruments at the time of the contravention in respect of which they were seized, as declared in the order.

Limit on amount paid

(2) The total amount paid under paragraph (1)(b) shall, if the currency or monetary instruments were sold or otherwise disposed of under the *Seized Property Management Act*, not exceed the proceeds of the sale or disposition, if any, less any costs incurred by Her Majesty in respect of the currency or monetary instruments.

2000, c. 17, s. 35; 2005, c. 38, s. 127; 2006, c. 12, s. 20.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-35-20051212.html>

Disclosure and Use of Information

Prohibition

36 (1) Subject to this section and subsection 12(1) of the *Privacy Act*, no official shall disclose the following:

- (a) information set out in a report made under subsection 12(1), whether or not it is completed;
- (b) any other information obtained for the purposes of this Part; or
- (c) information prepared from information referred to in paragraph (a) or (b).

Use of information

(1.1) An officer may use information referred to in subsection (1) if the officer has reasonable grounds to suspect that the information is relevant to determining whether a person is a person described in sections 34 to 42 of the *Immigration and Refugee Protection Act* or is relevant to an offence under any of sections 91, 117 to 119, 126 or 127 of that Act.

Disclosure of information to a police force

(2) An officer who has reasonable grounds to suspect that information referred to in subsection (1) would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence may disclose the information to the appropriate police force.

Disclosure of information to the Centre

(3) An officer may disclose to the Centre information referred to in subsection (1) if the officer has reasonable grounds to suspect that it would be of assistance to the Centre in the detection, prevention or deterrence of money laundering or of the financing of terrorist activities.

Disclosure of information to Canada Revenue Agency

(3.01) An officer may disclose to the Canada Revenue Agency information referred to in subsection (1) about the circumstances of a seizure under subsection 18(1) if the officer has reasonable grounds to suspect that the currency or monetary instruments seized

(a) are proceeds of crime as defined in subsection 462.3(1) of the *Criminal Code* or funds for use in the financing of terrorist activities; and

(b) relate to a registered charity as defined in subsection 248(1) of the *Income Tax Act*, to an entity that has applied for registration as such a registered charity, or to a person or any other entity that solicits charitable financial donations from the public.

Recording of reasons for decision

(3.1) If an officer decides to disclose information under any of subsections (2) to (3.01), the officer shall record in writing the reasons for the decision.

Powers, duties and functions

(4) An official may disclose information referred to in subsection (1) for the purpose of exercising powers or performing duties and functions under this Part.

Immunity from compulsory processes

(5) Subject to section 36 of the *Access to Information Act* and sections 34 and 37 of the *Privacy Act*, an official is required to comply with a subpoena, an order for production of documents, a summons or any other compulsory process only if it is issued in the course of

(a) criminal proceedings under an Act of Parliament that have been commenced by the laying of an information or the preferring of an indictment; or

(b) any legal proceedings that relate to the administration or enforcement of this Part.

Definition of official

(6) In this section and section 37, *official* means a person who obtained or who has or had access to information referred to in subsection (1) in the course of exercising powers or performing duties and functions under this Part.

2000, c. 17, s. 36; 2001, c. 41, s. 64; 2006, c. 12, s. 22; 2014, c. 20, s. 275.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-36-20070210.html>

Use of information

37 No official shall use information referred to in subsection 36(1) for any purpose other than exercising powers or performing duties and functions under this Part.

Agreements for Exchange of Information

Agreements with foreign states

38 (1) The Minister, with the consent of the Minister designated for the purpose of section 42, may enter into an agreement or arrangement in writing with the government of a foreign state, or an institution or agency of that state, that has reporting requirements similar to those set out in this Part, whereby

(a) information set out in reports made under subsection 12(1) in respect of currency or monetary instruments imported into Canada from that state will be provided to a department, institution or agency of that state that has powers and duties similar to those of the Canada Border Services Agency in respect of the reporting of currency or monetary instruments; and

(b) information contained in reports in respect of currency or monetary instruments imported into that state from Canada will be provided to the Canada Border Services Agency.

Information sent under an agreement

(2) When an agreement or arrangement referred to in subsection (1) is in effect with a foreign state or an institution or agency of that state and a person fulfils the reporting requirements of that state in respect of currency or monetary instruments that are imported into that state from Canada, the person is deemed to have fulfilled the requirements set out in section 12 in respect of the exportation of the currency or monetary instruments.

Information received by the Centre

(3) The information received under an agreement or arrangement referred to in subsection (1) shall be sent to the Centre and, for the purposes of any provision of this Act dealing with the confidentiality of information or the collection or use of information by the Centre, is deemed to be information set out in a report made under section 12.

2000, c. 17, s. 38; 2005, c. 38, ss. 125, 139.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-38-20021231.html>

Agreements with foreign states

38.1 The Minister, with the consent of the Minister designated for the purpose of section 42, may enter into an agreement or arrangement in writing with the government of a foreign state, or an institution or agency of that state, that has powers and duties similar to those of the Canada Border Services Agency, whereby the Canada Border Services Agency may, if it has reasonable grounds to suspect that the information would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, provide information set out in a report made under section 20 to that government, institution or agency.

2006, c. 12, s. 23.

Delegation

Minister's duties

39 (1) The Minister may authorize an officer or a class of officers to exercise powers or perform duties of the Minister, including any judicial or quasi-judicial powers or duties of the Minister, under this Part.

President's duties

(2) The President may authorize an officer or a class of officers to exercise powers or perform duties of the President under this Part.

2000, c. 17, s. 39; 2005, c. 38, s. 127.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-39-20021231.html>

PART 3 Financial Transactions and Reports Analysis Centre of Canada

Object

Object

40 The object of this Part is to establish an agency that

(a) acts at arm's length and is independent from law enforcement agencies and other entities to which it is authorized to disclose information under subsection 55(3), 55.1(1) or 56.1(1) or (2);

(b) collects, analyses, assesses and discloses information in order to assist in the detection, prevention and deterrence of money laundering and of the financing of terrorist activities, and in order to assist the Minister in carrying out the Minister's powers and duties under Part 1.1;

(c) ensures that personal information under its control is protected from unauthorized disclosure;

(d) operates to enhance public awareness and understanding of matters related to money laundering and the financing of terrorist activities; and

(e) ensures compliance with Parts 1 and 1.1.

2000, c. 17, s. 40; 2001, c. 41, s. 65; 2010, c. 12, s. 1870; 2014, c. 20, s. 276.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-40-20021231.html>

Establishment of the Centre

Centre established

41 (1) There is hereby established the Financial Transactions and Reports Analysis Centre of Canada.

Powers of Centre

(2) The Centre may exercise powers only as an agent of Her Majesty in right of Canada.

Minister is responsible

42 (1) The Minister is responsible for the Centre.

Minister may direct

(2) The Minister may direct the Centre on any matter that, in the Minister's opinion, materially affects public policy or the strategic direction of the Centre.

Statutory instruments

(3) A direction under subsection (2) is not a statutory instrument for the purposes of the [*Statutory Instruments Act*](#).

Advisor

(4) The Minister may from time to time engage the services of any person to advise and report to the Minister on any matter referred to in subsection (2).

Organization and Head Office

Appointment of Director

43 (1) The Governor in Council shall appoint a Director to hold office during pleasure for a term of not more than five years.

Reappointment

(2) Subject to subsection (3), the Director is eligible to be reappointed on the expiry of a first or subsequent term of office.

Limitation

(3) No person shall hold office as Director for terms of more than ten years in the aggregate.

Absence or incapacity

(4) In the event of the absence or incapacity of the Director, or if the office of Director is vacant, the Governor in Council may appoint a qualified person to hold

office instead of the Director for a term of not more than six months, and the person shall, while holding that office, have all of the powers, duties and functions of the Director under this Part.

Delegation by Director

(5) The Director may delegate to any person, subject to any terms and conditions that the Director may specify, any power, duty or function conferred on the Director under this Act.

Accident compensation

44 The Director and the employees of the Centre are deemed to be employees for the purposes of the *Government Employees Compensation Act* and to be employed in the federal public administration for the purposes of any regulations made under section 9 of the *Aeronautics Act*.

2000, c. 17, s. 44; 2003, c. 22, s. 224(E).

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-44-20021231.html>

Director's powers

45 (1) The Director is the chief executive officer of the Centre, has supervision over and direction of its work and employees and may exercise any power and perform any duty or function of the Centre. The Director has the rank and all the powers of a deputy head of a department.

Directions to authorized persons

(2) The Director may authorize any person to act, under the Director's direction, for the purposes of sections 62 to 64.

Employees

46 An employee of the Centre may exercise any power and perform any duty or function of the Centre if the employee is appointed to serve in the Centre in a capacity appropriate to the exercise of the power or the performance of the duty or function.

Remuneration

47 The Director shall be paid the remuneration fixed by the Governor in Council.

Head office

48 (1) The head office of the Centre is to be in the National Capital Region, as described in the schedule to the *National Capital Act*.

Other offices

(2) The Director may, with the approval of the Minister, establish other offices of the Centre elsewhere in Canada.

Human Resources

Personnel

49 (1) The Director has exclusive authority to

- (a)** appoint, lay off or terminate the employment of the employees of the Centre; and
- (b)** establish standards, procedures and processes governing staffing, including the appointment, lay-off or termination of the employment of employees otherwise than for cause.

Right of employer

(2) Nothing in the *Public Service Labour Relations Act* shall be construed so as to affect the right or authority of the Director to deal with the matters referred to in paragraph (1)(b).

Human resources management

(3) Subsections 11.1(1) and 12(2) of the *Financial Administration Act* do not apply to the Centre, and the Director may

- (a)** determine the organization of and classify the positions in the Centre;
- (b)** set the terms and conditions of employment for employees, including termination of employment for cause, and assign to them their duties;
- (c)** notwithstanding section 112 of the *Public Service Labour Relations Act*, in accordance with the mandate approved by the Treasury Board, fix the remuneration of the employees of the Centre; and
- (d)** provide for any other matters that the Director considers necessary for effective human resources management in the Centre.

2000, c. 17, s. 49; 2003, c. 22, ss. 190, 223(A).

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-49-20021231.html>

Political activities

50 Part 7 of the *Public Service Employment Act* applies to the Director and employees of the Centre. For the purposes of that Part, the Director is deemed to be

a deputy head, and the employees are deemed to be employees, as defined in subsection 2(1) of that Act.

2000, c. 17, s. 50; 2003, c. 22, s. 242.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-50-20021231.html>

Authority to Provide Services

Authority to provide services

51 When a department in, or other portion of, the federal public administration specified in Schedule I, IV or V to the *Financial Administration Act* is authorized to provide services to another department in or portion of the federal public administration specified in one of those Schedules, it may enter into an agreement to provide those services to the Centre if it considers it appropriate to do so.

2000, c. 17, s. 51; 2003, c. 22, s. 191.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-51-20021231.html>

Disclosure of Information

Director to report to Minister

52 (1) The Director shall report to the Minister from time to time on the exercise of the Director's powers and the performance of his or her duties and functions under this Act.

Director to report to Minister

(1.1) On or before September 30 of each year, the Director shall submit to the Minister a report on the Centre's activities for the preceding year that includes the following information about that year's activities as well as information on any matters that the Minister or an officer of the Department of Finance specifies:

(a) a description of the activities carried out by the Centre to ensure compliance with Parts 1 and 1.1, including a description of those activities by class of persons or entities referred to in section 5, and of its conclusions as to the compliance of those persons or entities with Parts 1 and 1.1;

(b) any measures undertaken under paragraph 58(1)(c); and

(c) a description, with the relevant statistics included, of the results achieved by and the effectiveness of the Centre in the exercise of its powers and the performance of its duties and functions.

Obligation to inform

(2) The Director shall keep the Minister and any officer of the Department of Finance whom the Director considers appropriate informed of any matter that could materially affect public policy or the strategic direction of the Centre, and any other matter that the Minister considers necessary.

Director to disclose other information

(3) The Director shall, at the request of the Minister or an officer of the Department of Finance, disclose to the Minister or the officer, as the case may be, in the form and manner that the Minister or officer directs, any information obtained by the Centre in the administration and enforcement of this Act, or any information prepared by the Centre from that information, that the Minister or the officer considers relevant for the purpose of carrying out the Minister's powers and duties under this Act.

Disclosure of information to advisor

(4) The Director shall disclose to a person engaged under subsection 42(4), in the form and manner that the person directs, any information obtained by the Centre in the administration and enforcement of this Act, or any information prepared by the Centre from that information, that the person considers relevant for the purpose of advising the Minister on any matter referred to in subsection 42(2).

2000, c. 17, s. 52; 2010, c. 12, s. 1871; 2014, c. 20, s. 277.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-52-20021231.html>

Limitation

53 (1) The Director shall not disclose under section 52

(a) any information collected by the Centre under subparagraph 54(1)(b)(ii);

(b) any information referred to in paragraphs 55(1)(a) to (b.1), (c) or (d);

(c) any information referred to in paragraph 55(1)(e) that the Centre prepared for possible disclosure under subsection 55(3), section 55.1 or subsection 56.1(1) or (2); or

(d) any information that would directly or indirectly identify a client or employee of a person or entity referred to in section 5.

Clarification

(2) For greater certainty, if information referred to in subsection (1) is contained in a document, whether in written form or in any other form, that is otherwise

required to be disclosed under section 52, the Director shall provide the document with that information excluded.

2000, c. 17, s. 53; 2014, c. 20, s. 278.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-53-20021231.html>

Director or officer to disclose information for the purpose of Part 1.1

53.1 (1) The Director shall, at the request of the Minister or an officer of the Department of Finance, disclose to the Minister or the officer, as the case may be, in the form and manner that the Minister or officer directs, any information received or collected by the Centre under paragraph 54(1)(a) or (b), or any analysis conducted by the Centre under paragraph 54(1)(c), that the Minister or the officer considers relevant for the purpose of carrying out the Minister's powers and duties under Part 1.1.

Director may disclose information

(2) If the Director is of the opinion that information received or collected by the Centre under paragraph 54(1)(a) or (b), or any analysis conducted by the Centre under paragraph 54(1)(c), would assist the Minister in carrying out the Minister's powers and duties under Part 1.1, the Director may disclose that information or analysis to the Minister or any officer of the Department of Finance whom the Director considers appropriate.

2010, c. 12, s. 1872; 2014, c. 20, s. 278.

Limitation

53.2 (1) The Director shall not disclose under section 53.1 any information that would directly or indirectly identify any person or entity other than a foreign entity as defined in section 11.41.

Clarification

(2) For greater certainty, if information referred to in subsection (1) is contained in a document, whether in written form or in any other form, that is otherwise required or permitted to be disclosed under section 53.1, the Director shall provide the document with that information excluded.

2010, c. 12, s. 1872; 2014, c. 20, s. 278.

Director to seek consent

53.3 (1) The Director shall seek consent for disclosure of information that was provided to the Centre in confidence by the institutions, agencies or organizations mentioned in paragraph (a), (b) or (c), as the case may be, if that information is

contained in the information or analysis requested by the Minister or an officer of the Department of Finance under subsection 53.1(1):

- (a) federal or provincial law enforcement agencies;
- (b) federal government institutions or federal government agencies;
or
- (c) ~~a government of a foreign state, an international organization established by the governments of foreign states, or an institution or agency of a foreign state that has powers and duties similar to those of the Centre, with which the Minister or the Centre has entered into a written agreement or arrangement under subsection 56(1) or (2), if the agreement or arrangement so provides.~~ a government of a foreign state, an international organization or an institution or agency of a foreign state that has powers and duties similar to those of the Centre, with which the Minister or the Centre has entered into a written agreement or arrangement under subsection 56(1) or (2), if the agreement or arrangement so provides.

No disclosure without consent

(2) The Director shall not disclose the information that was provided to the Centre in confidence before having obtained the consent referred to in subsection (1).

2010, c. 12, s. 1872;

2014, c. 20, s. 279.

Reports and Information

Reports and information

54 (1) The Centre

(a) shall receive reports made under section 7, 7.1, 9, 12 or 20, or in accordance with a directive issued under Part 1.1, incomplete reports sent under subsection 14(5), reports referred to in section 9.1, information provided to the Centre by any agency of another country that has powers and duties similar to those of the Centre, information provided to the Centre by law enforcement agencies or government institutions or agencies, and other information voluntarily provided to the Centre about suspicions of money laundering or of the financing of terrorist activities;

(b) may collect information that the Centre considers relevant to money laundering activities or the financing of terrorist activities and that

(i) is publicly available, including in a commercially available database, or

(ii) is stored in a database maintained, for purposes related to law enforcement or national security, by the federal government, by a provincial government, by the government of a foreign state or by an international organization, if an agreement was entered into under subsection 66(1) to collect such information;

(c) shall analyse and assess the reports and information;

(d) subject to section 6 of the *Privacy Act*, shall retain each report referred to in paragraph (a) and all information referred to in paragraph (a) or (b) for 10 years beginning on the day on which the report is received or the information is received or collected; and

(e) despite the *Library and Archives of Canada Act*, shall destroy, 15 years after the day on which a report referred to in paragraph (a) is received, any identifying information contained in the report if the report was not disclosed under subsection 55(3), 55.1(1) or 56.1(1) or (2).

Destruction of certain information

(2) The Centre shall destroy any information contained in a document, whether in written form or in any other form, that it receives that purports to be a report made under section 7, 7.1, 9 or 12, made in accordance with a directive issued under Part 1.1, sent under subsection 14(5) or referred to in section 9.1, and that it determines, in the normal course of its activities, relates to a financial transaction or circumstance that is not required to be reported to the Centre under this Act, and shall destroy any information voluntarily provided to the Centre by the public that it determines, in the normal course of its activities, is not about suspicions of money laundering or the financing of terrorist activities. The Centre shall destroy the information within a reasonable time after the determination is made.

2000, c. 17, s. 54; 2001, c. 12, s. 1, c. 41, s. 66; 2004, c. 11, s. 42, c. 15, s. 100; 2006, c. 12, s. 24; 2010, c. 12, s. 1873; 2014, c. 20, s. 280.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-54-20070210.html>

Registrar

54.1 (1) The Centre is responsible for establishing and maintaining a registry of the prescribed information submitted under sections 11.12 to 11.3.

Registry

(2) The registry shall be organized in any manner and kept in any form that the Centre may determine.

Public access

(3) The Centre shall make available to the public the part of the information referred to in subsection (1) that is identifying information as defined in the regulations.

Verification of information

(4) The Centre may verify the information contained in any application for registration or any other information submitted under sections 11.12 to 11.3.

Analysis of information

(5) The Centre may analyse and assess the information referred to in subsection (4) and, in that case, that analysis or assessment is deemed to be an analysis or assessment conducted under paragraph 54(1)(c).

Retention of information

(6) Subject to section 6 of the *Privacy Act*, the Centre shall retain information referred to in subsection (4) for 10 years beginning on the day on which the Centre denies the registration of an applicant, on which a registered person or entity notifies the Centre that they have ceased their activities, or on which a person or entity is no longer registered with the Centre.

2006, c. 12, s. 25; 2014, c. 20, s. 281.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-54.1-20080623.html>

Disclosure and Use of Information

Disclosure by Centre prohibited

55 (1) Subject to subsections (3) and (6.1), sections 52, 55.1, 56.1 and 56.2, subsection 58(1) and sections 65 to 65.1 and 68.1 of this Act and to subsection 12(1) of the *Privacy Act*, the Centre shall not disclose the following:

- (a)** information set out in a report made under section 7;
- (a.1)** information set out in a report made under section 7.1;
- (b)** information set out in a report made under section 9;
- (b.1)** information set out in a report referred to in section 9.1;

(b.2) information provided under sections 11.12 to 11.3 except for identifying information referred to in subsection 54.1(3);

(c) information set out in a report made under subsection 12(1), whether or not it is completed, or section 20;

(d) information voluntarily provided to the Centre about suspicions of money laundering or of the financing of terrorist activities;

(e) information prepared by the Centre from information referred to in paragraphs (a) to (d); or

(f) any other information, other than publicly available information, obtained in the administration or enforcement of this Part.

Disclosure by others prohibited

(2) The prohibition in subsection (1) also applies to the following persons:

(a) any person who, in the course of exercising powers or performing duties or functions under this Part, obtained or has or had access to information referred to in subsection (1); and

(b) any person or an employee of any person with whom the Centre enters into a contract, memorandum of understanding or other agreement for the provision of goods or services.

Disclosure of designated information

(3) If the Centre, on the basis of its analysis and assessment under paragraph 54(1)(c), has reasonable grounds to suspect that designated information would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, the Centre shall disclose the information to

(a) the appropriate police force;

(b) the Canada Revenue Agency, if the Centre also has reasonable grounds to suspect that the information would be relevant to investigating or prosecuting an offence of obtaining or attempting to obtain a rebate, refund or credit to which a person or entity is not entitled, or of evading or attempting to evade paying taxes or duties imposed under an Act of Parliament administered by the Minister of National Revenue;

(b.1) the Canada Border Services Agency, if the Centre also has reasonable grounds to suspect that the information is relevant to an offence of evading or attempting to evade paying taxes or duties imposed under an Act of Parliament administered by the Agency;

(c) the Canada Revenue Agency, if the Centre also has reasonable grounds to suspect that the information is relevant to determining

(i) whether a registered charity, as defined in subsection 248(1) of the [Income Tax Act](#), has ceased to comply with the requirements of that Act for its registration as such,

(ii) whether a person or entity that the Centre has reasonable grounds to suspect has applied to be a registered charity, as defined in subsection 248(1) of the [Income Tax Act](#), is eligible to be registered as such, or

(iii) whether a person or entity that the Centre has reasonable grounds to suspect may apply to be a registered charity, as defined in subsection 248(1) of the [Income Tax Act](#),

(A) has made or will make available any resources, directly or indirectly, to a listed entity as defined in subsection 83.01(1) of the [Criminal Code](#),

(B) has made available any resources, directly or indirectly, to an entity as defined in subsection 83.01(1) of the [Criminal Code](#) that was at that time, and continues to be, engaged in terrorist activities as defined in that subsection or activities in support of them, or

(C) has made or will make available any resources, directly or indirectly, to an entity as defined in subsection 83.01(1) of the [Criminal Code](#) that engages or will engage in terrorist activities as defined in that subsection or activities in support of them;

(d) the Canada Border Services Agency, if the Centre also determines that the information is relevant to determining whether a person is a person described in sections 34 to 42 of the [Immigration and Refugee](#)

Protection Act or is relevant to an offence under any of sections 91, 117 to 119, 126 or 127 of that Act;

(e) the Canada Border Services Agency, if the Centre also determines that the information is relevant to investigating or prosecuting an offence of smuggling or attempting to smuggle goods subject to duties or an offence related to the importation or exportation of goods that are prohibited, controlled or regulated under the *Customs Act* or under any other Act of Parliament;

(f) the Communications Security Establishment, if the Centre also determines that the information is relevant to the mandate of the Communications Security Establishment referred to in paragraph 273.64(1)(a) of the *National Defence Act*; and

(g) an agency or body that administers the securities legislation of a province, if the Centre also has reasonable grounds to suspect that the information would be relevant to investigating or prosecuting an offence under that legislation.

Exception

(3.1) Paragraph (3)(b) or (b.1) does not apply in respect of an offence relating to taxes or duties imposed under a prescribed Act or a prescribed portion of an Act.

(4) and (5) [Repealed, 2001, c. 41, s. 67]

Recording of reasons for decision

(5.1) The Centre shall record in writing the reasons for all decisions to disclose information made under subsection (3).

Exception

(6) A person may disclose any information referred to in subsection (1) if the disclosure is necessary for the purpose of exercising powers or performing duties and functions under this Part.

Publication

(6.1) After a person has been determined by a court to be guilty of a money laundering offence or a terrorist activity financing offence, or has been determined by a foreign court to be guilty of an offence that is substantially similar to either of those offences, whether on acceptance of a plea of guilty or on a finding of guilt, the Centre may, if it has disclosed designated information

under subsection (3) with respect to the investigation or prosecution of the offence, make public the fact that it made such a disclosure.

Definition of *designated information*

(7) For the purposes of subsection (3), ***designated information*** means, in respect of a financial transaction, an attempted financial transaction or an importation or exportation of currency or monetary instruments,

(a) the name of any person or entity that is involved in the transaction, attempted transaction, importation or exportation or of any person or entity acting on their behalf, as well as the occupation or business and gender of those persons and the business of those entities;

(b) the name and address of the place of business where the transaction occurred or the address of the customs office where the importation or exportation occurred, and the date the transaction, importation or exportation occurred;

(c) the amount and type of currency or monetary instruments involved or, in the case of a transaction, if no currency or monetary instruments are involved, the value of the transaction or the value of the funds that are the subject of the transaction;

(d) in the case of a transaction, the transaction number and the account number, if any;

(e) the name, address, electronic mail address and telephone number of each partner, director or officer of an entity referred to in paragraph (a), and the address and telephone number of its principal place of business;

(f) any other similar identifying information that may be prescribed for the purposes of this section;

(g) the details of the criminal record of a person or entity referred to in paragraph (a) and any criminal charges laid against them that the Centre considers relevant in the circumstances;

(h) the relationships suspected by the Centre on reasonable grounds to exist between any persons or entities referred to in paragraph (a) and any other persons or entities;

(i) the financial interest that a person or entity referred to in paragraph (a) has in the entity on whose behalf the transaction was made or attempted, or on whose behalf the importation or exportation was made;

(j) the name of the person or entity referred to in paragraph (a) suspected by the Centre on reasonable grounds to direct, either directly or indirectly, the transaction, attempted transaction, importation or exportation;

(k) the grounds on which a person or entity made a report under section 7 about the transaction or attempted transaction and any action taken by the person or entity as a result of the suspicions that led them to make the report;

(l) the number and types of reports on which a disclosure is based;

(m) the number and categories of persons or entities that made those reports;

(n) indicators of a money laundering offence or a terrorist activity financing offence related to the transaction, attempted transaction, importation or exportation;

(o) information about the importation or exportation that was reported to the Centre under section 20;

(p) if the transaction is carried out by means of an electronic funds transfer as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, information about the transaction that is contained in a report made under section 9 and that is remittance information as defined by the Society for Worldwide Interbank Financial Telecommunication; and

(q) information about the transaction, attempted transaction, importation or exportation, received by the Centre from an institution or agency under an agreement or arrangement referred to in section 56, that constitutes the institution's or agency's reasonable grounds to suspect that the information would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence.

2000, c. 17, s. 55; 2001, c. 12, s. 2, c. 27, s. 270, c. 41, ss. 67, 123; 2005, c. 38, s. 126; 2006, c. 12, s. 26; 2010, c. 12, s. 1874; 2014, c. 20, s. 282; 2015, c. 36, s. 167.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-55-20140619.html>

Disclosure — threats to security of Canada

55.1 (1) If the Centre, on the basis of its analysis and assessment under paragraph 54(1)(c), has reasonable grounds to suspect that designated information would be relevant to threats to the security of Canada, the Centre shall disclose the information to

- (a) the Canadian Security Intelligence Service;
- (b) the appropriate police force, if the Centre also has reasonable grounds to suspect that the information is relevant to investigating or prosecuting an offence under Canadian law that the Centre has reasonable grounds to suspect arises out of conduct constituting such a threat;
- (c) the Canada Border Services Agency, if the Centre also has reasonable grounds to suspect that the information is relevant to determining whether a person is a person described in sections 34 to 42 of the *Immigration and Refugee Protection Act* or is relevant to an offence under any of sections 91, 117 to 119, 126 or 127 of that Act; ~~and~~
- (d) the Canada Border Services Agency, if the Centre also has reasonable grounds to suspect that the information is relevant to investigating or prosecuting an offence of smuggling or attempting to smuggle goods subject to duties or an offence related to the importation or exportation of goods that are prohibited, controlled or regulated under the *Customs Act* or under any other Act of Parliament; **and**
- (e) the Department of National Defence and the Canadian Forces, if the Centre also has reasonable grounds to suspect that the information is relevant to such a threat as it relates to that Department or the Canadian Forces.

Recording of reasons for decision

(2) The Centre shall record in writing the reasons for all decisions to disclose information made under subsection (1).

Definition of *designated information*

(3) For the purposes of subsection (1), *designated information* means, in respect of a financial transaction, an attempted financial transaction or an importation or exportation of currency or monetary instruments,

(a) the name of any person or entity that is involved in the transaction, attempted transaction, importation or exportation or of any person or entity acting on their behalf, as well as the occupation or business and gender of those persons and the business of those entities;

(b) the name and address of the place of business where the transaction occurred or the address of the customs office where the importation or exportation occurred, and the date the transaction, importation or exportation occurred;

(c) the amount and type of currency or monetary instruments involved or, in the case of a transaction, if no currency or monetary instruments are involved, the value of the transaction or the value of the funds that are the subject of the transaction;

(d) in the case of a transaction, the transaction number and the account number, if any;

(e) the name, address, electronic mail address and telephone number of each partner, director or officer of an entity referred to in paragraph (a), and the address and telephone number of its principal place of business;

(f) any other similar identifying information that may be prescribed for the purposes of this section;

(g) the details of the criminal record of a person or entity referred to in paragraph (a) and any criminal charges laid against them that the Centre considers relevant in the circumstances;

(h) the relationships suspected by the Centre on reasonable grounds to exist between any persons or entities referred to in paragraph (a) and any other persons or entities;

(i) the financial interest that a person or entity referred to in paragraph (a) has in the entity on whose behalf the transaction was made or attempted, or on whose behalf the importation or exportation was made;

(j) the name of the person or entity referred to in paragraph (a) suspected by the Centre on reasonable grounds to direct, either directly or indirectly, the transaction, attempted transaction, importation or exportation;

(k) the grounds on which a person or entity made a report under section 7 about the transaction or attempted transaction and any action taken by the person or entity as a result of the suspicions that led them to make the report;

(l) the number and types of reports on which a disclosure is based;

(m) the number and categories of persons or entities that made those reports;

(n) indicators of a money laundering offence, a terrorist activity financing offence or a threat to the security of Canada related to the transaction, attempted transaction, importation or exportation;

(o) information about the importation or exportation that was reported to the Centre under section 20;

(p) if the transaction is carried out by means of an electronic funds transfer as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, information about the transaction that is contained in a report made under section 9 and that is remittance information as defined by the Society for Worldwide Interbank Financial Telecommunication; ~~and~~

(q) information about the transaction, attempted transaction, importation or exportation, received by the Centre from an institution or agency under an agreement or arrangement referred to in section 56, that constitutes the institution's or agency's reasonable grounds to suspect that the information would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence; **and**

(r) the name, address, electronic mail address and telephone number of every trustee and every known beneficiary and settlor of a trust referred to in paragraph (a);

(s) the name, address, electronic mail address and telephone number of each person who owns or controls, directly or indirectly, 25 % or more of an entity referred to in paragraph (a), other than a trust; **and**

(t) information respecting the ownership, control and structure of an entity referred to in paragraph (a).

2001, c. 41, s. 68; 2006, c. 12, s. 27; 2014, c. 20, s. 283.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-55.1-20070630.html>

Agreements and arrangements

56 (1) ~~The Minister may enter into an agreement or arrangement, in writing, with the government of a foreign state, or an international organization established by the governments of foreign states regarding the exchange, between the Centre and any institution or agency of that state or organization that has powers and duties similar to those of the Centre, of information that the Centre, institution or agency has reasonable grounds to suspect would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence.~~ The Minister may enter into an agreement or arrangement, in writing, with the government of a foreign state or an international organization regarding the exchange, between the Centre and any institution or agency of that state or organization that has powers and duties similar to those of the Centre, of information that the Centre, institution or agency has reasonable grounds to suspect would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence.

Agreements and arrangements — Centre

(2) The Centre may, with the approval of the Minister, enter into an agreement or arrangement, in writing, with an institution or agency of a foreign state that has powers and duties similar to those of the Centre, regarding the exchange, between the Centre and the institution or agency, of information that the Centre, institution or agency has reasonable grounds to suspect would be relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence.

Purposes

(3) Agreements or arrangements entered into under subsection (1) or (2) must

(a) restrict the use of information to purposes relevant to investigating or prosecuting a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence; and

(b) stipulate that the information be treated in a confidential manner and not be further disclosed without the express consent of the Centre.

2000, c. 17, s. 56; 2001, c. 41, s. 68.

Disclosure to foreign agencies

56.1 (1) ~~The Centre may disclose designated information to an institution or agency of a foreign state or of an international organization established by the governments of foreign states that has powers and duties similar to those of the Centre, if~~ The Centre may disclose designated information to an institution or agency of a foreign state or of an international organization that has powers and duties similar to those of the Centre, if

(a) the Centre has reasonable grounds to suspect that the information would be relevant to the investigation or prosecution of a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence; and

(b) the Minister has, in accordance with subsection 56(1), entered into an agreement or arrangement with that foreign state or international organization regarding the exchange of such information.

Disclosure to foreign agencies

(2) The Centre may disclose designated information to an institution or agency of a foreign state that has powers and duties similar to those of the Centre, if

(a) the Centre has reasonable grounds to suspect that the information would be relevant to the investigation or prosecution of a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence; and

(b) the Centre has, in accordance with subsection 56(2), entered into an agreement or arrangement with that institution or agency regarding the exchange of such information.

Request for information

(2.1) For greater certainty, designated information may be disclosed to an institution or agency under subsection (1) or (2) in response to a request made by the institution or agency.

Other disclosure

(3) In order to perform its functions under paragraph 54(1)(c), the Centre may direct queries to an institution or agency in respect of which an agreement or arrangement referred to in paragraph (1)(b) or (2)(b) has been entered into, and in doing so it may disclose designated information.

Recording of reasons for decision

(4) The Centre shall record in writing the reasons for all decisions to disclose information made under paragraph (1)(a) or (2)(a).

Publication

(4.1) After a person has been determined by a court to be guilty of a money laundering offence or a terrorist activity financing offence, or has been determined by a foreign court to be guilty of an offence that is substantially similar to either offence, whether on acceptance of a plea of guilty or on a finding of guilt, the Centre may, if it has disclosed designated information under subsection (1) or (2) with respect to the investigation or prosecution of the offence, make public the fact that it made such a disclosure.

Definition of *designated information*

(5) For the purposes of this section, ***designated information*** means, in respect of a financial transaction, an attempted financial transaction or an importation or exportation of currency or monetary instruments, X

(a) the name of any person or entity that is involved in the transaction, attempted transaction, importation or exportation or of any person or entity acting on their behalf, as well as the person's occupation or business and gender and the entity's business;

(b) the name and address of the place of business where the transaction occurred or the address of the customs office where the importation or exportation occurred, and the date the transaction, importation or exportation occurred;

(c) the amount and type of currency or monetary instruments involved or, in the case of a transaction, if no currency or monetary instruments are involved, the value of the transaction or the value of the funds that are the subject of the transaction;

(d) in the case of a transaction, the transaction number and the account number, if any;

(e) the name, address, electronic mail address and telephone number of each partner, director or officer of an entity referred to in paragraph (a), and the address and telephone number of its principal place of business;

- (f)** any other similar identifying information that may be prescribed for the purposes of this section;
- (g)** the details of the criminal record of a person or entity referred to in paragraph (a) and any criminal charges laid against them that the Centre considers relevant in the circumstances;
- (h)** the relationships suspected by the Centre on reasonable grounds to exist between any persons or entities referred to in paragraph (a) and any other persons or entities;
- (i)** the financial interest that a person or entity referred to in paragraph (a) has in the entity on whose behalf the transaction was made or attempted, or on whose behalf the importation or exportation was made;
- (j)** the name of the person or entity referred to in paragraph (a) suspected by the Centre on reasonable grounds to direct, either directly or indirectly, the transaction, attempted transaction, importation or exportation;
- (k)** the grounds on which a person or entity made a report under section 7 about the transaction or attempted transaction and any action taken by the person or entity as a result of the suspicions that led them to make the report;
- (l)** the number and types of reports on which a disclosure is based;
- (m)** the number and categories of persons or entities that made those reports;
- (n)** indicators of a money laundering offence or a terrorist activity financing offence related to the transaction, attempted transaction, importation or exportation;
- (o)** information about the importation or exportation that was reported to the Centre under section 20; ~~and~~
- (p)** if the transaction is carried out by means of an electronic funds transfer as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, information about the transaction that is contained in a report made under section 9 and that is remittance information as defined by the Society for Worldwide Interbank Financial Telecommunication; **and**

(q) the name, address, electronic mail address and telephone number of every trustee and every known beneficiary and settlor of a trust referred to in paragraph (a);

(r) the name, address, electronic mail address and telephone number of each person who owns or controls, directly or indirectly, 25% or more of an entity referred to in paragraph (a), other than a trust; and

(s) information respecting the ownership, control and structure of an entity referred to in paragraph (a).

2001, c. 41, s. 68; 2006, c. 12, s. 28; 2014, c. 20, s. 284.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-56.1-20070630.html>

Usefulness of information

56.2 When the Centre receives information from an institution or agency under an agreement or arrangement referred to in subsection 56(1) or (2), the Centre may provide it with an evaluation of whether the information is useful to the Centre.

2006, c. 12, s. 29.

Use of information

57 No person who obtained or who has or had access to information referred to in subsection 55(1) in the course of exercising powers or performing duties and functions under this Part shall use the information for a purpose other than exercising those powers or performing those duties and functions.

Feedback, research and public education

58 (1) The Centre may

(a) inform persons and entities that have provided a report under section 7, 7.1 or 9, or a report referred to in section 9.1, about measures that have been taken with respect to reports under those sections;

(b) conduct research into trends and developments in the area of money laundering and the financing of terrorist activities and improved ways of detecting, preventing and deterring money laundering and the financing of terrorist activities; and

(c) undertake measures to inform the public, persons and entities referred to in section 5, authorities engaged in the investigation and

prosecution of money laundering offences and terrorist activity financing offences, and others, with respect to

- (i) their obligations under this Act,
- (ii) the nature and extent of money laundering inside and outside Canada,
- (ii.1) the nature and extent of the financing of terrorist activities inside and outside Canada, and
- (iii) measures that have been or might be taken to detect, prevent and deter money laundering and the financing of terrorist activities inside and outside Canada, and the effectiveness of those measures.

Limitation

(2) The Centre shall not disclose under subsection (1) any information that would directly or indirectly identify an individual who provided a report or information to the Centre, or a person or an entity about whom a report or information was provided.

2000, c. 17, s. 58; 2001, c. 41, s. 69; 2010, c. 12, s. 1875; 2014, c. 20, s. 285.
<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-58-20110214.html>

Centre may disclose information to Minister

58.1 (1) The Centre may, at the request of the Minister, disclose information received or collected by the Centre under paragraph 54(1)(a) or (b), or any analysis conducted by the Centre under paragraph 54(1)(c), to authorities specified by the Minister for the purpose of assisting the Minister in carrying out the Minister's powers and duties under Part 1.1.

Limitation

(2) The Centre shall not disclose under subsection (1) any information that would directly or indirectly identify any person or entity other than a foreign entity as defined in section 11.41.

2010, c. 12, s. 1876; 2014, c. 20, s. 286.

Immunity from compulsory processes

59 (1) Subject to section 36 of the [Access to Information Act](#) and sections 34 and 37 of the [Privacy Act](#), the Centre, and any person who has obtained or who has or had access to any information or documents in the course of exercising powers or

performing duties and functions under this Act, other than Part 2, is required to comply with a subpoena, a summons, an order for production of documents, or any other compulsory process only if it is issued in the course of court proceedings in respect of a money laundering offence, a terrorist activity financing offence or an offence under this Act in respect of which an information has been laid or an indictment preferred or, in the case of an order for production of documents, if it is issued under section 60, 60.1 or 60.3.

Search warrants

(2) Despite any other Act, no search warrant may be issued in respect of the Centre.

2000, c. 17, s. 59; 2001, c. 41, s. 70; 2006, c. 12, s. 30.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-59-20021231.html>

Limitation on orders for disclosure of information

60 (1) Despite the provisions of any other Act, except sections 49 and 50 of the *Access to Information Act* and sections 48 and 49 of the *Privacy Act*, an order for disclosure of information may be issued in respect of the Centre only under subsection (4) or section 60.1 or 60.3.

Purpose of application

(2) The Attorney General may, for the purposes of an investigation in respect of a money laundering offence or a terrorist activity financing offence, make an application under subsection (3) for an order for disclosure of information.

Application

(3) An application shall be made *ex parte* in writing to a judge and be accompanied by an affidavit sworn on the information and belief of the Attorney General — or a person specially designated by the Attorney General for that purpose — deposing to the following matters:

(a) the offence under investigation;

(b) the person or entity in relation to which the information or documents referred to in paragraph (c) are required;

(c) the type of information or documents — whether in written form, in the form of a report or record or in any other form — obtained by or on behalf of the Director in respect of which disclosure is sought;

(d) the facts relied on to justify the belief, on reasonable grounds, that the person or entity referred to in paragraph (b) has committed or benefited from the commission of a money laundering offence or a

terrorist activity financing offence and that the information or documents referred to in paragraph (c) are likely to be of substantial value, whether alone or together with other material, to an investigation in respect of that offence;

(e) a summary of any information already received from the Centre in respect of the offence; and

(f) information respecting all previous applications brought under this section in respect of any person or entity being investigated for the offence.

Order for disclosure of information

(4) Subject to the conditions that the judge considers advisable in the public interest, the judge to whom an application is made may order the Director — or any person specially designated in writing by the Director for the purposes of this section — to allow a police officer named in the order to have access to and examine all information and documents to which the application relates or, if the judge considers it necessary in the circumstances, to produce the information and documents to the police officer and allow the police officer to remove them, where the judge is satisfied

(a) of the matters referred to in paragraph (3)(d); and

(b) that there are reasonable grounds for believing that it is in the public interest to allow access to the information or documents, having regard to the benefit likely to accrue to the investigation if the access is obtained.

The order must be complied with within the period following the service of the order that the judge may specify.

Execution in another province

(5) A judge may, if the information or documents in respect of which disclosure is sought are in a province other than the one in which the judge has jurisdiction, issue an order for disclosure and the order may be executed in the other province after it has been endorsed by a judge who has jurisdiction in that other province.

Service of order

(6) A copy of the order shall be served on the person to whom it is addressed in the manner that the judge directs or as may be prescribed by rules of court.

Extension of period for compliance with order

(7) A judge who makes an order under subsection (4) may, on application of the Director, extend the period within which it is to be complied with.

Objection to disclosure of information

(8) The Director — or any person specially designated in writing by the Director for the purposes of this section — may object to the disclosure of any information or document in respect of which an order under subsection (4) has been made by certifying orally or in writing that it should not be disclosed on the ground that

(a) the Director is prohibited from disclosing the information or document by any bilateral or international treaty, convention or other agreement to which the Government of Canada is a signatory respecting the sharing of information related to a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence;

(b) a privilege is attached by law to the information or document;

(c) the information or document has been placed in a sealed package pursuant to law or an order of a court of competent jurisdiction;

(c.1) disclosure of the information or document would be injurious to national security; or

(d) disclosure of the information or document would not, for any other reason, be in the public interest.

Determination of objection

(9) An objection made under subsection (8) may be determined, on application, in accordance with subsection (10), by the Chief Justice of the Federal Court, or by any other judge of that Court that the Chief Justice may designate to hear those applications.

Judge may examine information

(10) A judge who is to determine an objection may, if the judge considers it necessary to determine the objection, examine the information or document in relation to which the objection is made. The judge shall grant the objection and order that disclosure be refused if the judge is satisfied of any of the grounds mentioned in subsection (8).

Limitation period

(11) An application under subsection (9) shall be made within 10 days after the objection is made or within such greater or lesser period as the Chief Justice of the Federal Court, or any other judge of that Court that the Chief Justice may designate to hear those applications, considers appropriate in the circumstances.

Appeal to Federal Court of Appeal

(12) An appeal lies from a determination under subsection (9) to the Federal Court of Appeal.

Limitation period for appeal

(13) An appeal under subsection (12) shall be brought within 10 days after the date of the determination appealed from or within such further time as the Federal Court of Appeal considers appropriate in the circumstances.

Special rules for hearings

(14) An application under subsection (9) or an appeal brought in respect of that application shall be heard in private and, on the request of the person objecting to the disclosure of the information or documents, be heard and determined in the National Capital Region described in the schedule to the [National Capital Act](#).

***Ex parte* representations**

(15) During the hearing of an application under subsection (9) or an appeal brought in respect of that application, the person who made the objection in respect of which the application was made or the appeal was brought shall, on the request of that person, be given the opportunity to make representations *ex parte*.

Copies

(16) Where any information or document is examined or provided under subsection (4), the person by whom it is examined or to whom it is provided or any employee of the Centre may make, or cause to be made, one or more copies of it and any copy purporting to be certified by the Director to be a copy made under this subsection is evidence of the nature and content of the original information or document and has the same probative force as the original information or document would have had if it had been proved in the ordinary way.

Definitions

(17) The definitions in this subsection apply in this section.

Attorney General means the Attorney General as defined in section 2 of the [Criminal Code](#). (*procureur général*)

judge means a provincial court judge as defined in section 2 of the [Criminal Code](#) or a judge as defined in subsection 462.3(1) of that Act. (*juge*)

police officer means any officer, constable or other person employed for the preservation and maintenance of the public peace. (*policier*)

2000, c. 17, s. 60; 2001, c. 12, s. 3, c. 32, s. 72, c. 41, s. 71; 2006, c. 12, s. 31.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-60-20021231.html>

Application for production order

60.1 (1) The Director of the Canadian Security Intelligence Service, or any employee of the Canadian Security Intelligence Service, may, for the purposes of an investigation in respect of a threat to the security of Canada, after having obtained the approval of the Minister of Public Safety and Emergency Preparedness, make an application under subsection (2) to a judge for an order for disclosure of information.

Matters to be specified in application for production order

(2) An application shall be made *ex parte* in writing and be accompanied by an affidavit of the applicant deposing to the following matters:

- (a)** the person or entity in relation to whom the information or documents referred to in paragraph (b) are required;
- (b)** the type of information or documents — whether in written form, in the form of a report or record or in any other form — obtained by or on behalf of the Director in respect of which disclosure is sought;
- (c)** the facts relied on to justify the belief, on reasonable grounds, that a production order under this section is required to enable the Canadian Security Intelligence Service to investigate a threat to the security of Canada;
- (d)** a summary of any information already received from the Centre in respect of the threat to the security of Canada; and
- (e)** information respecting all previous applications brought under this section in respect of any person or entity being investigated in relation to the threat to the security of Canada.

Order for disclosure of information

(3) Subject to the conditions that the judge considers advisable in the public interest, the judge to whom an application is made may order the Director — or any person specially designated in writing by the Director for the purpose of this section — to allow an employee of the Canadian Security Intelligence Service named in the order to have access to and examine all information and documents to which the application relates or, if the judge considers it necessary in the circumstances, to produce the information and documents to the employee and allow the employee to remove them, if the judge is satisfied

(a) of the matters referred to in subsection (2); and

(b) that there are reasonable grounds for believing that it is in the public interest to allow access to the information or documents, having regard to the benefit likely to accrue to the investigation if the access is obtained.

The order must be complied with within the period following the service of the order that the judge may specify.

Maximum duration of production order

(4) A production order shall not be issued under subsection (3) for a period exceeding sixty days.

Service of order

(5) A copy of the order shall be served on the person or entity to whom it is addressed in the manner that the judge directs or as may be prescribed by rules of court.

Extension of period for compliance with order

(6) A judge who makes an order under subsection (3) may, on application of the Director, extend the period within which it is to be complied with.

Objection to disclosure of information

(7) The Director — or any person specially designated in writing by the Director for the purposes of this section — may object to the disclosure of any information or document in respect of which an order under subsection (3) has been made by certifying orally or in writing that it should not be disclosed on the ground that

(a) the Director is prohibited from disclosing the information or document by any bilateral or international treaty, convention or other

agreement to which the Government of Canada is a signatory respecting the sharing of information related to a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence;

(b) a privilege is attached by law to the information or document;

(c) the information or document has been placed in a sealed package pursuant to law or an order of a court of competent jurisdiction;

(c.1) disclosure of the information or document would be injurious to national security; or

(d) disclosure of the information or document would not, for any other reason, be in the public interest.

Determination of objection

(8) An objection made under subsection (7) may be determined, on application, in accordance with subsection (9), by the Chief Justice of the Federal Court, or by any other judge of that Court that the Chief Justice may designate to hear those applications.

Judge may examine information

(9) A judge who is to determine an objection may, if the judge considers it necessary to determine the objection, examine the information or document in relation to which the objection is made. The judge shall grant the objection and order that disclosure be refused if the judge is satisfied of any of the grounds mentioned in subsection (7).

Limitation period

(10) An application under subsection (8) shall be made within 10 days after the objection is made or within such greater or lesser period as the Chief Justice of the Federal Court, or any other judge of that Court that the Chief Justice may designate to hear those applications, considers appropriate in the circumstances.

Appeal to Federal Court of Appeal

(11) An appeal lies from a determination under subsection (8) to the Federal Court of Appeal.

Limitation period for appeal

(12) An appeal under subsection (11) shall be brought within 10 days after the date of the determination appealed from or within such further time as the Federal Court of Appeal considers appropriate in the circumstances.

Special rules for hearings

(13) An application under subsection (8) or an appeal brought in respect of that application shall be heard in private and, on the request of the person objecting to the disclosure of the information or documents, be heard and determined in the National Capital Region described in the schedule to the *National Capital Act*.

***Ex parte* representations**

(14) During the hearing of an application under subsection (8) or an appeal brought in respect of that application, the person who made the objection in respect of which the application was made or the appeal was brought shall, on the request of that person, be given the opportunity to make representations *ex parte*.

Copies

(15) Where any information or document is examined or provided under subsection (3), the person by whom it is examined or to whom it is provided or any employee of the Centre may make, or cause to be made, one or more copies of it and any copy purporting to be certified by the Director to be a copy made under this subsection is evidence of the nature and content of the original information or document and has the same probative force as the original information or document would have had if it had been proved in the ordinary way.

Definition of *judge*

(16) In this section, *judge* means a judge of the Federal Court designated by the Chief Justice of the Federal Court for the purposes of the *Canadian Security Intelligence Service Act*.

2001, c. 41, s. 72; 2005, c. 10, s. 34; 2006, c. 12, s. 32.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-60.1-20050404.html>

Hearing of applications

60.2 An application under subsection 60.1(2) to a judge for a production order, or an objection under subsection 60.1(7), shall be heard in private in accordance with regulations made under section 28 of the *Canadian Security Intelligence Service Act*.

2001, c. 41, s. 72.

Purpose of application

60.3 (1) If the Centre makes a disclosure under paragraph 55(3)(b), the Commissioner of Revenue, appointed under section 25 of the [Canada Revenue Agency Act](#), may, for the purposes of an investigation in respect of an offence that is the subject of the disclosure, after having obtained the approval of the Minister of National Revenue, make an application for an order for disclosure of information.

Application

(2) An application shall be made *ex parte* in writing to a judge and be accompanied by an affidavit sworn on the information and belief of the Commissioner — or a person specially designated by the Commissioner for that purpose — deposing to the following matters:

- (a)** the offence under investigation;
- (b)** the person or entity in relation to which the information or documents referred to in paragraph (c) are required;
- (c)** the type of information or documents — whether in written form, in the form of a report or record or in any other form — obtained by or on behalf of the Director in respect of which disclosure is sought;
- (d)** the facts relied on to justify the belief, on reasonable grounds, that the person or entity referred to in paragraph (b) has committed or benefited from the commission of an offence referred to in subsection (1) and that the information or documents referred to in paragraph (c) are likely to be of substantial value, whether alone or together with other material, to an investigation in respect of that offence;
- (e)** a summary of any information already received from the Centre in respect of the offence; and
- (f)** information respecting all previous applications brought under this section in respect of any person or entity being investigated for the offence.

Order for disclosure of information

(3) Subject to the conditions that the judge considers advisable in the public interest, the judge to whom an application is made may order the Director — or any person specially designated in writing by the Director for the purposes of this section — to allow an employee of the Canada Revenue Agency named in the order to have access to and examine all information and documents to which the application relates or, if the judge considers it necessary in the circumstances, to

produce the information and documents to the employee and allow the employee to remove them, if the judge is satisfied

(a) of the matters referred to in paragraph (2)(d); and

(b) that there are reasonable grounds for believing that it is in the public interest to allow access to the information or documents, having regard to the benefit likely to accrue to the investigation if the access is obtained.

The order must be complied with within the period following the service of the order that the judge may specify.

Execution in another province

(4) A judge may, if the information or documents in respect of which disclosure is sought are in a province other than the one in which the judge has jurisdiction, issue an order for disclosure and the order may be executed in the other province after it has been endorsed by a judge who has jurisdiction in that other province.

Service of order

(5) A copy of the order shall be served on the person to whom it is addressed in the manner that the judge directs or as may be prescribed by rules of court.

Extension of period for compliance with order

(6) A judge who makes an order under subsection (3) may, on application of the Director, extend the period within which it is to be complied with.

Objection to disclosure of information

(7) The Director — or any person specially designated in writing by the Director for the purposes of this section — may object to the disclosure of any information or document in respect of which an order under subsection (3) has been made by certifying orally or in writing that it should not be disclosed on the ground that

(a) the Director is prohibited from disclosing the information or document by any bilateral or international treaty, convention or other agreement to which the Government of Canada is a signatory respecting the sharing of information related to a money laundering offence or a terrorist activity financing offence, or an offence that is substantially similar to either offence;

(b) a privilege is attached by law to the information or document;

(c) the information or document has been placed in a sealed package pursuant to law or an order of a court of competent jurisdiction;

(d) disclosure of the information or document would be injurious to national security; or

(e) disclosure of the information or document would not, for any other reason, be in the public interest.

Determination of objection

(8) An objection made under subsection (7) may be determined, on application, in accordance with subsection (9), by the Chief Justice of the Federal Court, or by any other judge of that Court that the Chief Justice may designate to hear those applications.

Judge may examine information

(9) A judge who is to determine an objection may, if the judge considers it necessary to determine the objection, examine the information or document in relation to which the objection is made. The judge shall grant the objection and order that disclosure be refused if the judge is satisfied of any of the grounds mentioned in subsection (7).

Limitation period

(10) An application under subsection (8) shall be made within 10 days after the objection is made or within any greater or lesser period that the Chief Justice of the Federal Court, or any other judge of that Court that the Chief Justice may designate to hear those applications, considers appropriate in the circumstances.

Appeal to Federal Court of Appeal

(11) An appeal lies from a determination under subsection (8) to the Federal Court of Appeal.

Limitation period for appeal

(12) An appeal under subsection (11) shall be brought within 10 days after the date of the determination appealed from or within any further time that the Federal Court of Appeal considers appropriate in the circumstances.

Special rules for hearings

(13) An application under subsection (8) or an appeal brought in respect of that application shall be heard in private and, on the request of the person objecting to the disclosure of the information or documents, be heard and determined in the National Capital Region described in the schedule to the [National Capital Act](#).

***Ex parte* representations**

(14) During the hearing of an application under subsection (8) or an appeal brought in respect of that application, the person who made the objection in respect of which the application was made or the appeal was brought shall, on his or her request, be given the opportunity to make representations *ex parte*.

Copies

(15) Where any information or document is examined or provided under subsection (3), the person by whom it is examined or to whom it is provided or any employee of the Centre may make, or cause to be made, one or more copies of it and any copy purporting to be certified by the Director to be a copy made under this subsection is evidence of the nature and content of the original information or document and has the same probative force as the original information or document would have had if it had been proved in the ordinary way.

Definition of *judge*

(16) For the purposes of this section, ***judge*** means a provincial court judge as defined in section 2 of the [Criminal Code](#) or a judge as defined in subsection 462.3(1) of that Act.

2006, c. 12, s. 33.

Certain provisions not applicable

61 Section 43 of the [Customs Act](#), section 231.2 of the [Income Tax Act](#) and section 289 of the [Excise Tax Act](#) do not apply to the Centre or to its employees in their capacity as employees.

Compliance Measures

To ensure compliance

62 (1) An authorized person may, from time to time, examine the records and inquire into the business and affairs of any person or entity referred to in section 5 for the purpose of ensuring compliance with Part 1 or 1.1, and for that purpose may

(a) at any reasonable time, enter any premises, other than a dwelling-house, in which the authorized person believes, on reasonable grounds, that there are records relevant to ensuring compliance with Part 1 or 1.1;

(b) use or cause to be used any computer system or data processing system in the premises to examine any data contained in or available to the system;

(c) reproduce any record, or cause it to be reproduced from the data, in the form of a printout or other intelligible output and remove the printout or other output for examination or copying; and

(d) use or cause to be used any copying equipment in the premises to make copies of any record.

Assistance to Centre

(2) The owner or person in charge of premises referred to in subsection (1) and every person found there shall give the authorized person all reasonable assistance to enable them to carry out their responsibilities and shall furnish them with any information with respect to the administration of Part 1 or 1.1 or the regulations under it that they may reasonably require.

2000, c. 17, s. 62; 2010, c. 12, s. 1882.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-62-20021231.html>

Warrant required to enter dwelling-house

63 (1) If the premises referred to in subsection 62(1) is a dwelling-house, the authorized person may not enter it without the consent of the occupant except under the authority of a warrant issued under subsection (2).

Authority to issue warrant

(2) A justice of the peace may issue a warrant authorizing the authorized person to enter a dwelling-house, subject to any conditions that may be specified in the warrant, if on *ex parte* application the justice is satisfied by information on oath that

(a) there are reasonable grounds to believe that there are in the premises records relevant to ensuring compliance with Part 1 or 1.1;

(b) entry to the dwelling-house is necessary for any purpose that relates to ensuring compliance with Part 1 or 1.1; and

(c) entry to the dwelling-house has been refused or there are reasonable grounds for believing that entry will be refused.

Areas that may be entered

(3) For greater certainty, an authorized person who enters a dwelling-house under authority of a warrant may enter only a room or part of a room in which the person believes on reasonable grounds that a person or an entity referred to in section 5 is carrying on its business, profession or activity.

2000, c. 17, s. 63; 2010, c. 12, s. 1882.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-63-20021231.html>

Information demand

63.1 (1) For an examination under subsection 62(1), an authorized person may also serve notice to require that the person or entity provide, at the place and in accordance with the time and manner stipulated in the notice, any document or other information relevant to the administration of Part 1 or 1.1 in the form of electronic data, a printout or other intelligible output.

Obligation to provide information

(2) The person or entity on whom the notice is served shall provide, in accordance with the notice, the documents or other information with respect to the administration of Part 1 or 1.1 that the authorized person may reasonably require.

2006, c. 12, s. 34; 2010, c. 12, s. 1882.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-63.1-20070210.html>

Definition of *judge*

64 (1) In this section, *judge* means a judge of a superior court having jurisdiction in the province where the matter arises or a judge of the Federal Court.

No examination or copying of certain documents when privilege claimed

(2) If an authorized person acting under section 62, 63 or 63.1 is about to examine or copy a document in the possession of a legal counsel who claims that a named client or former client of the legal counsel has a solicitor-client privilege in respect of the document, the authorized person shall not examine or make copies of the document.

Retention of documents

(3) A legal counsel who claims privilege under subsection (2) shall

(a) place the document, together with any other document in respect of which the legal counsel at the same time makes the same claim on behalf of the same client, in a package and suitably seal and identify

the package or, if the authorized person and the legal counsel agree, allow the pages of the document to be initialled and numbered or otherwise suitably identified; and

(b) retain it and ensure that it is preserved until it is produced to a judge as required under this section and an order is issued under this section in respect of the document.

Application to judge

(4) If a document has been retained under subsection (3), the client or the legal counsel on behalf of the client may

(a) within 14 days after the day the document was begun to be so retained, apply, on three days notice of motion to the Deputy Attorney General of Canada, to a judge for an order

(i) fixing a day, not later than 21 days after the date of the order, and a place for the determination of the question whether the client has solicitor-client privilege in respect of the document, and

(ii) requiring the production of the document to the judge at that time and place;

(b) serve a copy of the order on the Deputy Attorney General of Canada; and

(c) if the client or legal counsel has served a copy of the order under paragraph (b), apply at the appointed time and place for an order determining the question.

Disposition of application

(5) An application under paragraph (4)(c) shall be heard in private and, on the application, the judge

(a) may, if the judge considers it necessary to determine the question, inspect the document and, if the judge does so, the judge shall ensure that it is repackaged and resealed;

(b) shall decide the question summarily and

(i) if the judge is of the opinion that the client has a solicitor-client privilege in respect of the document, order the release of the document to the legal counsel, or

(ii) if the judge is of the opinion that the client does not have a solicitor-client privilege in respect of the document, order that the legal counsel make the document available for examination or copying by the authorized person; and

(c) at the same time as making an order under paragraph (b), deliver concise reasons that identify the document without divulging the details of it.

Order to deliver

(6) If a document is being retained under subsection (3) and a judge, on the application of the Attorney General of Canada, is satisfied that no application has been made under paragraph (4)(a) or that after having made that application no further application has been made under paragraph (4)(c), the judge shall order that the legal counsel make the document available for examination or copying by the authorized person.

Application to another judge

(7) If the judge to whom an application has been made under paragraph (4)(a) cannot act or continue to act in the application under paragraph (4)(c) for any reason, the application under paragraph (4)(c) may be made to another judge.

Costs

(8) No costs may be awarded on the disposition of an application under this section.

Prohibition

(9) The authorized person shall not examine or make copies of any document without giving a reasonable opportunity for a claim of solicitor-client privilege to be made under subsection (2).

Prohibition

(9.1) The authorized person shall not examine or make copies of a document in the possession of a person, not being a legal counsel, who contends that a claim of solicitor-client privilege may be made in respect of the document by a legal counsel, without giving that person a reasonable opportunity to contact that legal counsel to enable a claim of solicitor-client privilege to be made.

Waiver of claim of privilege

(10) If a legal counsel has made a claim that a named client or former client of the legal counsel has a solicitor-client privilege in respect of a document, the legal counsel shall at the same time communicate to the authorized person the client's latest known address so that the authorized person may endeavour to advise the client of the claim of privilege that has been made on their behalf and may by doing so give the client an opportunity, if it is practicable within the time limited by this section, to waive the privilege before the matter is to be decided by a judge.

2000, c. 17, s. 64; 2001, c. 12, s. 4; 2006, c. 12, s. 35(E).

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-64-20021231.html>

Disclosure to law enforcement agencies

65 (1) The Centre may disclose to the appropriate law enforcement agencies any information of which it becomes aware under subsection (4) or section 62, 63 or 63.1 and that it suspects on reasonable grounds would be relevant to investigating or prosecuting an offence under this Act arising out of a contravention of Part 1 or 1.1.

Compliance of persons or entities

(2) For the purpose of ensuring compliance with Part 1 or 1.1, the Centre may disclose to or receive from any agency or body that regulates or supervises persons or entities to whom Part 1 or 1.1 applies information relating to the compliance of those persons or entities with that Part.

Limitation

(3) Any information disclosed by the Centre under subsection (1) may be used by an agency referred to in that subsection only as evidence of a contravention of Part 1 or 1.1, and any information disclosed by the Centre under subsection (2) may be used by an agency or body referred to in subsection (2) only for purposes relating to compliance with Part 1 or 1.1.

Compliance of persons or entities

(4) For the purpose of ensuring compliance with Parts 1 and 1.1, the Centre shall receive information voluntarily provided to it by a person or entity — other than an agency or body referred to in subsection (2) — relating to the compliance with Part 1 or 1.1 of persons or entities referred to in section 5.

2000, c. 17, s. 65; 2004, c. 15, s. 101; 2006, c. 12, s. 36; 2010, c. 12, s. 1882; 2013, c. 40, ss. 280, 281; 2014, c. 20, s. 287.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-65-20131212.html>

Disclosure to Canada Revenue Agency

65.01 (1) The Centre may disclose to the Canada Revenue Agency information relating to the compliance with Part 1 of persons or entities referred to in section 5 if the Centre has reasonable grounds to suspect that the information would be relevant to the initial implementation of policies respecting the reporting of international electronic funds transfers to the Canada Revenue Agency.

Limitation

(2) Any information disclosed by the Centre under subsection (1) may be used by the Canada Revenue Agency only for purposes relating to the initial implementation of the policies referred to in that subsection or to ensuring compliance with any provision of the *Income Tax Act* that requires the reporting of international electronic funds transfers to the Canada Revenue Agency.

Limitation

(3) The Centre shall not disclose any information under subsection (1) that would directly or indirectly identify a client of a person or entity referred to in section 5.

2014, c. 20, s. 288.

Disclosure to Canada Revenue Agency

65.02 (1) The Centre may disclose to the Canada Revenue Agency information relating to the compliance with Part 1 of persons or entities referred to in section 5 if the Centre has reasonable grounds to suspect that the information would be relevant to ensuring compliance with Part XV.1 of the *Income Tax Act*.

Limitation

(2) Any information disclosed by the Centre under subsection (1) may be used by the Canada Revenue Agency only for purposes relating to ensuring compliance with Part XV.1 of the *Income Tax Act*.

Limitation

(3) The Centre shall not disclose any information under subsection (1) that would directly or indirectly identify a client of a person or entity referred to in section 5.

2014, c. 20, s. 289.

Agreements and arrangements

65.1 (1) ~~The Centre may enter into an agreement or arrangement, in writing, with an institution or agency of a foreign state that has powers and duties, similar to~~

~~those of the Centre, with respect to verifying compliance with requirements to identify persons or entities, keep and retain records or make reports, or with an international organization made up of such institutions or agencies and established by the governments of states, that stipulates~~ The Centre may enter into an agreement or arrangement, in writing, with an institution or agency of a foreign state that has powers and duties, similar to those of the Centre, with respect to verifying compliance with requirements to identify persons or entities, keep records or make reports, or with an international organization made up of such institutions or agencies, that stipulates

- (a) that the Centre and the institution, agency or organization may exchange information about the compliance of persons and entities with those requirements and about the assessment of risk related to their compliance;
- (b) that the information may only be used for purposes relevant to ensuring compliance with the requirements and to assessing risk related to compliance; and
- (c) that the information will be treated in a confidential manner and not be further disclosed without the express consent of the Centre.

Disclosure

(2) The Centre may, in accordance with the agreement or arrangement, provide the institution, agency or organization with information referred to in the agreement or arrangement.

Usefulness of information

(3) When the Centre receives information from an institution, agency or organization under an agreement or arrangement, the Centre may provide it with an evaluation of whether the information is useful to the Centre.

2006, c. 12, s. 37.

Contracts and Agreements

Power to enter into

66 (1) The Centre may, for the purpose of exercising its powers or performing its duties and functions under this Part, enter into contracts, memoranda of understanding and other agreements with a department or an agency of the Government of Canada, with the government of a province, with the government of a foreign state and with any other person or organization, whether inside or outside Canada, in its own name or in the name of Her Majesty in right of Canada.

Agreements re databases

(2) Agreements relating to the Centre's collection of information from databases referred to in paragraph 54(1)(b) must specify the nature of and limits with respect to the information that the Centre may collect from those databases.

Limitation

(3) Despite subsection (1), only the Minister may enter into an agreement or arrangement referred to in subsection 56(1).

2000, c. 17, s. 66; 2014, c. 20, s. 290.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-66-20021231.html>

Choice of service providers

67 Despite section 9 of the *Department of Public Works and Government Services Act*, the Centre may, with the approval of the Governor in Council given on the recommendation of the Treasury Board, procure goods and services, including legal services, from outside the federal public administration.

2000, c. 17, s. 67; 2003, c. 22, s. 224(E).

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-67-20021231.html>

Legal Proceedings

Centre

68 Actions, suits or other legal proceedings in respect of any right or obligation acquired or incurred by the Centre, whether in its own name or in the name of Her Majesty in right of Canada, may be brought or taken by or against the Centre in the name of the Centre in any court that would have jurisdiction if the Centre were a corporation that is not an agent of Her Majesty.

Filing of documents

68.1 The Centre may, for the purpose of any action, suit or other legal proceedings brought or taken under this Act, file with the court any documents containing information referred to in subsection 55(1).

2014, c. 20, s. 291.

No liability

69 No action lies against Her Majesty, the Minister, the Director, any employee of the Centre or any person acting under the direction of the Director for anything done or omitted to be done in good faith in the administration or discharge of any

powers, duties or functions that under this Act are intended or authorized to be exercised or performed.

Audit

70 (1) All receipts and expenditures of the Centre are subject to examination and audit by the Auditor General of Canada.

Use and disclosure

(2) The Auditor General of Canada and every person acting on behalf of or under the direction of the Auditor General of Canada shall not use or disclose any information referred to in subsection 55(1) that they have obtained, or to which they have had access, in the course of exercising powers or performing duties and functions under this Act or the *Auditor General Act*, except for the purposes of exercising those powers or performing those duties and functions.

Reports

Annual report

71 (1) The Director shall, on or before September 30 of each year following the Centre's first full year of operations, submit an annual report on the operations of the Centre for the preceding year to the Minister, and the Minister shall table a copy of the report in each House of Parliament on any of the first 30 days on which that House is sitting after the Minister receives the report.

Contents

(2) The report referred to in subsection (1) shall include

- (a)** a description of the management guidelines and policies of the Centre for the protection of human rights and freedoms; and
- (b)** information on the performance by the Centre of its duties and functions, including any statistics by which that performance is measured.

2000, c. 17, s. 71; 2014, c. 20, s. 292.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-71-20021231.html>

Review of Act by parliamentary committee

72 (1) Every five years beginning on the day on which this section comes into force, the administration and operation of this Act shall be reviewed by the committee of the House of Commons, of the Senate or of both Houses that is designated or established for that purpose.

Review by Privacy Commissioner

(2) Every two years beginning on the day on which this section comes into force, the Privacy Commissioner, appointed under section 53 of the *Privacy Act*, shall review the measures taken by the Centre to protect information it receives or collects under this Act and shall, within three months after the review, submit a report on those measures to the Speaker of the Senate and the Speaker of the House of Commons, who shall each table the report in the House over which he or she presides without delay after receiving it or, if that House is not then sitting, on any of the first 15 days on which that House is sitting after the Speaker receives it.

2000, c. 17, s. 72; 2006, c. 12, s. 38.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-72-20021231.html>

PART 4 Regulations

Regulations

73 (1) The Governor in Council may, on the recommendation of the Minister, make any regulations that the Governor in Council considers necessary for carrying out the purposes and provisions of this Act, including regulations

~~(a) describing businesses, professions and activities for the purpose of paragraph 5(i);~~ respecting dealing in virtual currencies;

~~(b) describing businesses and professions for the purpose of paragraph 5(j), and the activities to which that paragraph applies;~~
Respecting the keeping of records referred to in section 6;

~~(c) describing the activities to which paragraph 5(l) applies;~~
respecting the verification of the identity of persons and entities referred to in section 6.1;

~~(d) specifying the types of records to be kept and retained under section 6 and the information to be included in them;~~ respecting the reports to the Centre referred to in section 7 and subsections 7.1(1) and 9(1);

~~(e) specifying the period for which, and the methods by which, records referred to in paragraph (d) are to be retained;~~ respecting the determination of whether a person is a person described in any of paragraphs 9.3(1)(a) to (c);

~~(e.1) specifying the information to be contained in a report under section 7 or 7.1 or subsection 9(1);~~

~~(e.2) prescribing the form and manner in which persons or entities or classes of persons or entities shall report under section 7, 7.1, 9 or 9.1;~~

(f) specifying measures, and the periods within which those measures must be taken, that persons or entities are to take to identify any person or entity that requests the opening of an account or any person or entity in respect of which a record is required to be kept or a report made; respecting the measures referred to in subsections 9.3(2) and (2.1);

(g) defining *casinos*, *courier* and *monetary instruments*; respecting the measures referred to in subsection 9.4(1);

(h) specifying the form and manner of reporting currency and monetary instruments for the purpose of subsection 12(1), and the information to be contained in the form, and specifying the period within which the reporting must be made; respecting the program referred to in subsection 9.6(1);

(i) prescribing the circumstances referred to in section 9.2; respecting the special measures referred to in subsection 9.6(3);

(j) prescribing, for the purposes of subsection 9.3(1), the manner for determining whether a person is a politically exposed foreign person and the circumstances in which it is necessary to make that determination; respecting the registration referred to in sections 11.1 to 11.2;

(k) prescribing, for the purposes of subsection 9.3(2), the circumstances in which it is necessary to obtain the approval of senior management and the measures to be taken when dealing with a politically exposed foreign person; respecting the reports referred to in subsection 12(1); and

(l) prescribing the offices and positions whose holders are politically exposed foreign persons for the purposes of paragraph 9.3(3)(j), prescribing the family members that are included in the definition *politically exposed foreign person* in subsection 9.3(3) and defining *foreign state* for the purposes of that subsection; prescribing anything that by this Act is to be prescribed.

(m) prescribing the foreign entities to which subsection 9.4(1) applies and, for the purposes of that subsection, prescribing the information to be obtained about those entities and prescribing the measures to be taken;

(n) defining the expression *shell bank* referred to in section 9.4;

- ~~(o)~~ prescribing the services referred to in the definition *correspondent banking relationship* in subsection 9.4(3);
- ~~(p)~~ prescribing the electronic funds transfers to which section 9.5 applies, the information to be included with those transfers and the measures to be taken under that section;
- ~~(q)~~ specifying the manner for establishing and implementing the program referred to in subsection 9.6(1);
- ~~(r)~~ prescribing the special measures to be taken under subsection 9.6(3);
- ~~(s)~~ prescribing persons and entities that must be registered with the Centre under section 11.1;
- ~~(t)~~ prescribing persons or entities or classes of persons or entities that are not subject to section 11.1;
- ~~(u)~~ prescribing, for the purposes of paragraph 11.11(1)(f), persons or entities that are not eligible for registration;
- ~~(v)~~ prescribing the form and manner of submitting an application for registration under subsection 11.12(1) and the information that must be included with the application;
- ~~(w)~~ prescribing the form and manner of notifying the Centre of any information that must be provided under section 11.13;
- ~~(x)~~ prescribing the form and manner of providing the Centre with any clarifications under subsection 11.14(1) and any clarifications under subsection 11.17(1);
- ~~(y)~~ prescribing, for the purposes of section 11.19, the form and manner for renewing registration and any longer renewal period;
- ~~(y.1) and (y.2)~~ [Repealed, 2014, c. 20, s. 294]
- ~~(z)~~ defining *identifying information* for the purposes of subsection 54.1(3); and
- ~~(z.1)~~ prescribing anything else that by this Act is to be prescribed.

(2) and (3) [Repealed, 2001, c. 41, s. 73]

2000, c. 17, s. 73; 2001, c. 41, s. 73; 2006, c. 12, s. 39; 2010, c. 12, s. 1877; 2014, c. 20, s. 294.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-73-20070210.html>

PART 4.1 Notices of Violation, Compliance Agreements and Penalties

Violations

Regulations

73.1 (1) The Governor in Council may make regulations

(a) designating, as a violation that may be proceeded with under this Part, the contravention of a specified provision of this Act or the regulations;

(b) classifying each violation as a minor violation, a serious violation or a very serious violation, and classifying a series of minor violations as a serious violation or a very serious violation;

(c) having regard to subsection (2), fixing a penalty, or a range of penalties, in respect of any violation;

(d) prescribing the additional penalty to be paid for the purposes of subsection 73.18(1);

(e) respecting the service of documents under this Part, including the manner and proof of service and the circumstances under which documents are deemed to be served; and

(f) generally for carrying out the purposes and provisions of this Part.

Maximum penalties

(2) The maximum penalty for a violation is \$100,000 if the violation is committed by a person and \$500,000 if the violation is committed by an entity.

2006, c. 12, s. 40.

Criteria for penalty

73.11 Except if a penalty is fixed under paragraph 73.1(1)(c), the amount of a penalty shall, in each case, be determined taking into account that penalties have as their purpose to encourage compliance with this Act rather than to punish, the harm done by the violation and any other criteria that may be prescribed by regulation.

2006, c. 12, s. 40.

How contravention may be proceeded with

73.12 If a contravention that is designated under paragraph 73.1(1)(a) can be proceeded with either as a violation or as an offence under this Act, proceeding in one manner precludes proceeding in the other.

2006, c. 12, s. 40.

Commission of violation

73.13 (1) Every contravention that is designated under paragraph 73.1(1)(a) constitutes a violation and the person who commits the violation is liable to a penalty determined in accordance with sections 73.1 and 73.11.

Notice of violation or compliance agreement

(2) If the Centre believes on reasonable grounds that a person or entity has committed a violation, the Centre may

(a) issue and cause to be served on the person or entity a notice of violation; or

(b) issue and cause to be served on the person or entity a notice of violation with an offer to reduce by half the penalty proposed in the notice if the person or entity enters into a compliance agreement with the Centre in respect of the provision to which the violation relates.

2006, c. 12, s. 40.

Notices of Violation

Contents of notice

73.14 (1) When the Centre issues a notice of violation under subsection 73.13(2), the notice shall name the person or entity believed to have committed a violation, identify the violation and set out

(a) the penalty that the Centre proposes to impose;

(b) the right of the person or entity, within 30 days after the day on which the notice is served or within any longer period that the Centre specifies, to pay the penalty or to make representations to the

Director with respect to the violation and the proposed penalty, and the manner for doing so; and

(c) the fact that, if the person or entity does not pay the penalty or make representations in accordance with the notice, the person or entity will be deemed to have committed the violation and the Centre will impose the penalty in respect of it.

Administrative corrections

(2) If a notice of violation contains any error or omission, the Centre may serve a corrected notice of violation on the person or entity at any time during the period referred to in paragraph (1)(b).

2006, c. 12, s. 40.

Payment of penalty

73.15 (1) If the person or entity pays the penalty proposed in the notice of violation, the person is deemed to have committed the violation and proceedings in respect of it are ended.

Representations to Director

(2) If the person or entity makes representations in accordance with the notice, the Director shall decide, on a balance of probabilities, whether the person or entity committed the violation and, if so, may, subject to any regulations made under paragraph 73.1(1)(c), impose the penalty proposed, a lesser penalty or no penalty.

Failure to pay or make representations

(3) A person or entity that neither pays the penalty nor makes representations in accordance with the notice is deemed to have committed the violation and the Centre shall impose the penalty proposed in the notice.

Notice of decision and right of appeal

(4) The Director shall cause notice of any decision made under subsection (2) or the penalty imposed under subsection (3) to be issued and served on the person or entity together with, in the case of a decision made under subsection (2) in respect of a serious violation or very serious violation, notice of the right of appeal under subsection 73.21(1).

2006, c. 12, s. 40.

Compliance Agreements

Contents of compliance agreement

73.16 (1) When the Centre offers to enter into a compliance agreement under paragraph 73.13(2)(b), the agreement shall

(a) identify the violation and provide that the person or entity will comply with the provision to which the violation relates within the period, and be subject to the terms and conditions, specified in the agreement; and

(b) set out the amount that the person or entity will have to pay as the reduced penalty for the violation if the compliance agreement is entered into.

Refusal to enter into agreement

(2) The person or entity shall enter into the compliance agreement and pay the reduced penalty within 10 days after receiving the notice of violation and, if it does not do so, the person or entity is deemed to have refused to enter into the agreement, and the full penalty proposed in the notice of violation and section 73.15 apply.

Extension of period

(3) The Centre may extend the period referred to in paragraph (1)(a) if the Centre is satisfied that the person or entity with which the compliance agreement was entered into is unable to comply with it within that period for reasons beyond their control.

2006, c. 12, s. 40.

Compliance agreement complied with

73.17 If the Centre considers that a compliance agreement has been complied with, the Centre shall serve a notice to that effect on the person or entity and, on the service of the notice, no further proceedings may be taken against the person or entity with respect to the violation.

2006, c. 12, s. 40.

Compliance agreement not complied with

73.18 (1) If the Centre considers that a compliance agreement has not been complied with, the Centre may issue and serve a notice of default on the person or entity to the effect that the person or entity is liable to pay the remainder of the penalty set out in the notice of violation and a prescribed additional penalty.

Contents of notice

(2) A notice of default shall include the date, which shall be 30 days after the day on which the notice is served, on or before which an application for review may be filed and particulars of how the application may be filed.

No set-off or compensation

(3) On the service of a notice of default, the person or entity served has no right of set-off or compensation against any amount that they spent under the compliance agreement.

2006, c. 12, s. 40.

Application for review

73.19 (1) A person or entity served with a notice of default under subsection 73.18(1) may, on or before the date specified in the notice or within any further time that the Centre allows, file an application for review by the Director.

Review

(2) The Director may confirm the Centre's decision or decide that the person or entity has complied with the compliance agreement.

Failure to pay or apply for review

(3) A person or entity that neither pays the amounts set out in the notice of default nor files an application for review in accordance with the notice is deemed to have not complied with the compliance agreement and shall pay the amounts without delay.

Notice of decision and right of appeal

(4) The Director shall cause notice of the decision to be issued and served on the person or entity together with, in the case of a serious violation or very serious violation, notice of the right of appeal under subsection 73.21(1).

2006, c. 12, s. 40.

Deemed violation

73.2 A person or entity that enters into a compliance agreement is deemed to have committed the violation in respect of which the agreement was entered into.

2006, c. 12, s. 40.

Appeal to Federal Court

Right of appeal

73.21 (1) A person or entity on which a notice of a decision made under subsection 73.15(2) or 73.19(2) is served, in respect of a serious violation or very serious violation, may, within 30 days after the day on which the notice is served, or within any longer period that the Court allows, appeal the decision to the Federal Court.

Appeal — no notice of decision

(2) If the Director does not cause notice of a decision to be issued and served under subsection 73.15(4) within 90 days after the completion of representations made under subsection 73.15(2), the person or entity that made the representations may appeal the penalty proposed in the notice of violation to the Federal Court, within 30 days after the day on which the 90-day period expires.

Appeal — no notice of decision

(3) If the Director does not cause notice of a decision to be issued and served under subsection 73.19(4) within 90 days after the day on which the Director received the application for review under subsection 73.19(1), the person or entity that filed the application may appeal to the Federal Court the amounts set out in the notice of default referred to in subsection 73.18(1), within 30 days after the day on which the 90-day period expires.

Precautions against disclosure

(4) In an appeal, the Court shall take every reasonable precaution, including, when appropriate, conducting hearings in private, to avoid the disclosure by the Court or any person or entity of information referred to in subsection 55(1).

Powers of Court

(5) On an appeal, the Court may confirm, set aside or, subject to any regulations made under paragraph 73.1(1)(c), vary the decision of the Director.

2006, c. 12, s. 40.

Publication

Publication

73.22 When proceedings in respect of a violation are ended, the Centre may make public the nature of the violation, the name of the person or entity that committed it, and the amount of the penalty imposed.

2006, c. 12, s. 40.

Rules about Violations

Violations not offences

73.23 (1) For greater certainty, a violation is not an offence.

Non-application of section 126 of the *Criminal Code*

(2) Section 126 of the *Criminal Code* does not apply in respect of any obligation or prohibition under this Act whose contravention is a violation under this Act.

2006, c. 12, s. 40.

Due diligence available

73.24 (1) Due diligence is a defence in a proceeding in relation to a violation.

Common law principles

(2) Every rule and principle of the common law that renders any circumstance a justification or an excuse in relation to a charge for an offence applies in respect of a violation to the extent that it is not inconsistent with this Act.

2006, c. 12, s. 40.

Collection of Penalties

Debts to Her Majesty

73.25 (1) A penalty and any interest due in respect of the penalty constitute a debt due to Her Majesty in right of Canada and may be recovered in the Federal Court.

Time limit

(2) No proceedings to recover a debt referred to in subsection (1) may be commenced after the period of five years that begins on the day on which the debt became payable.

Proceeds payable to Receiver General

(3) A penalty paid or recovered under this Part is payable to and shall be remitted to the Receiver General.

2006, c. 12, s. 40.

Certificate

73.26 (1) The unpaid amount of any debt referred to in subsection 73.25(1) may be certified by the Director.

Registration in Federal Court

(2) Registration in the Federal Court of a certificate made under subsection (1) has the same effect as a judgment of that Court for a debt of the amount specified in the certificate and all related registration costs.

2006, c. 12, s. 40.

Collecting penalties

73.27 (1) The Centre may, for the purpose of collecting penalties proposed in a notice of violation issued under subsection 73.13(2) or imposed under this Part, enter into a contract, memorandum of understanding or other agreement with a department or an agency of the Government of Canada or the government of a province and with any other person or organization, inside Canada, in its own name or in the name of Her Majesty in right of Canada.

Disclosure of information

(2) The Centre may disclose to the other party of the contract, memorandum or agreement any information required to collect the penalties.

Use of information

(3) The other party shall not use the information referred to in subsection (2) for any purpose other than collecting the penalties.

2006, c. 12, s. 40.

Interest

73.28 If a person or entity fails to remit a penalty payable under this Part to the Receiver General, the person or entity shall pay to the Receiver General interest on the amount of the penalty. The interest shall be calculated at the prescribed rate for the period beginning on the first day after the day on which the amount was required to be paid and ending on the day on which the amount is paid.

2006, c. 12, s. 40.

Garnishment

73.29 (1) If the Director is of the opinion that a person or entity is or is about to become liable to make a payment to a person or entity liable to pay a penalty or interest under this Part, the Director may, by written notice, require the first person or entity to pay without delay to the Receiver General, on account of the second person's or entity's liability, all or part of the money otherwise payable to the second person or entity.

Applicability to future payments

(2) If the Director requires an employer to pay to the Receiver General money otherwise payable to an employee as remuneration,

(a) the requirement is applicable to all future payments of remuneration until the liability is satisfied; and

(b) the employer shall pay to the Receiver General out of each payment of remuneration the amount that the Director stipulates in the notice.

Discharge of liability

(3) The receipt of the Director is a good and sufficient discharge of the original liability to the extent of the payment.

2006, c. 12, s. 40.

Write-off

73.3 (1) The Director may write off in whole or in part a penalty or interest payable by a person or entity under this Part.

Effect of write-off

(2) The writing off of a penalty or interest under this section does not affect any right of Her Majesty to collect or recover the penalty or interest.

2006, c. 12, s. 40.

General Provisions

Evidence

73.4 In a proceeding in respect of a violation or a prosecution for an offence, a notice of violation purporting to be issued under subsection 73.13(2), a notice of decision purporting to be issued under subsection 73.15(4) or 73.19(4), a notice of default purporting to be issued under subsection 73.18(1) or a certificate purporting to be made under subsection 73.26(1) is admissible in evidence without proof of the signature or official character of the person appearing to have signed it.

2006, c. 12, s. 40.

Time limit

73.5 (1) No proceedings in respect of a violation may be commenced later than two years after the subject-matter of the proceedings became known to the Centre.

Certificate of Centre

(2) A document appearing to have been issued by the Centre, certifying the day on which the subject-matter of any proceedings became known to the Centre, is admissible in evidence without proof of the signature or official character of the person appearing to have signed it and is, in the absence of evidence to the contrary, proof of the matter asserted in it.

2006, c. 12, s. 40.

PART 5 Offences and Punishment

General offences

74 (1) Every person or entity that knowingly contravenes any of sections 6, 6.1 and 9.1 to 9.3, subsection 9.4(2), sections 9.5 to 9.7, 11.1, 11.43, 11.44 and 11.6, subsections 12(1) and (4) and 36(1), section 37, subsections 55(1) and (2), section 57 and subsections 62(2), 63.1(2) and 64(3) or the regulations is guilty of an offence and liable

(a) on summary conviction, to a fine of not more than \$50,000 or to imprisonment for a term of not more than six months, or to both; or

(b) on conviction on indictment, to a fine of not more than \$500,000 or to imprisonment for a term of not more than five years, or to both.

Offence — contravention of a directive

(2) Every person or entity that knowingly contravenes section 11.43, except insofar as it relates to any required reporting measure as contemplated by paragraph 11.42(2)(e) and specified in a directive issued under subsection 11.42(1), is guilty of an offence and liable

(a) on summary conviction, to a fine of not more than \$50,000 or to imprisonment for a term of not more than six months, or to both; or

(b) on conviction on indictment, to a fine of not more than \$500,000 or to imprisonment for a term of not more than five years, or to both.

2000, c. 17, s. 74; 2006, c. 12, s. 41; 2010, c. 12, s. 1878; 2014, c. 20, s. 295.
<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-74-20070210.html>

Reporting and regulations — sections 7 and 7.1 and subsection 11.49(1)

75 (1) Every person or entity that knowingly contravenes section 7 or 7.1 or any regulation made under subsection 11.49(1) is guilty of an offence and liable

(a) on summary conviction,

(i) for a first offence, to a fine of not more than \$500,000 or to imprisonment for a term of not more than six months, or to both, and

(ii) for a subsequent offence, to a fine of not more than \$1,000,000 or to imprisonment for a term of not more than one year, or to both; or

(b) on conviction on indictment, to a fine of not more than \$2,000,000 or to imprisonment for a term of not more than five years, or to both.

Defence for employees

(2) No employee of a person or an entity shall be convicted of an offence under subsection (1) in respect of a transaction or proposed transaction that they reported to their superior or in respect of property whose existence they reported to their superior.

2000, c. 17, s. 75; 2001, c. 41, s. 74; 2010, c. 12, s. 1879.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-75-20021231.html>

Disclosure

76 Every person or entity that contravenes section 8

(a) is guilty of an offence punishable on summary conviction; or

(b) is guilty of an indictable offence and liable to imprisonment for a term of not more than two years.

Reporting — section 9

77 (1) Every person or entity that contravenes subsection 9(1) or (3) is guilty of an offence and liable on summary conviction to a fine of not more than \$500,000 for a first offence and of not more than \$1,000,000 for each subsequent offence.

Reporting — section 11.43

(2) Every person or entity that contravenes section 11.43, only insofar as it relates to any required reporting measure as contemplated by paragraph 11.42(2)(e) and specified in a directive issued under subsection 11.42(1), is guilty of an offence and liable on summary conviction to a fine of not more than \$500,000 for a first offence and of not more than \$1,000,000 for each subsequent offence.

Due diligence defence

(3) No person or entity shall be convicted of an offence under subsection (1) or (2) if they establish that they exercised due diligence to prevent its commission.

2000, c. 17, s. 77; 2010, c. 12, s. 1880.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-77-20021231.html>

Registry

77.1 Every person or entity that provides information to the Centre under section 11.12, 11.13, 11.14 or 11.3 and that knowingly makes any false or misleading statement or knowingly provides false or misleading information to a person responsible for carrying out functions under this Act is guilty of an offence and liable

(a) on summary conviction, to a fine of not more than \$50,000 or to imprisonment for a term of not more than six months, or to both; or

(b) on conviction on indictment, to a fine of not more than \$500,000 or to imprisonment for a term of not more than five years, or to both.

2006, c. 12, s. 42.

Liability of officers and directors

78 If a person or an entity commits an offence under this Act, any officer, director or agent of the person or entity who directed, authorized, assented to, acquiesced in or participated in its commission is a party to and guilty of the offence and liable on conviction to the punishment provided for the offence, whether or not the person or entity has been prosecuted or convicted.

Offence by employee, agent or mandatary

79 In a prosecution for an offence under section 75, 77 or 77.1,

(a) it is sufficient proof of the offence to establish that it was committed by an employee, agent or mandatary of the accused, whether or not the employee, agent or mandatary is identified or has been prosecuted for the offence; and

(b) no person shall be found guilty of the offence if they establish that they exercised due diligence to prevent its commission.

2000, c. 17, s. 79; 2006, c. 12, s. 43.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-79-20021231.html>

Exemption

80 A peace officer or a person acting under the direction of a peace officer is not guilty of an offence under any of sections 74 to 77 if the peace officer or person does any of the things mentioned in those sections for the purpose of investigating a money laundering offence or a terrorist activity financing offence.

2000, c. 17, s. 80; 2001, c. 41, s. 75.

Time limitation

81 Proceedings under paragraph 74(1)(a), 74(2)(a), 75(1)(a) or 76(a), subsection 77(1) or (2), or paragraph 77.1(a) may be instituted within, but not after, five years after the time when the subject-matter of the proceedings arose.

2000, c. 17, s. 81; 2006, c. 12, s. 44; 2010, c. 12, s. 1881.

<http://laws-lois.justice.gc.ca/eng/acts/P-24.501/section-81-20070210.html>

Venue

82 A complaint or information in respect of an offence under this Act may be heard, tried or determined by a court if the accused is resident or carrying on business within the territorial jurisdiction of the court although the subject-matter of the complaint or information did not arise in that territorial jurisdiction.

PART 6 Transitional Provision, Consequential and Conditional Amendments,

Repeal and Coming into Force

Transitional Provision

Regulations remain in effect

[Footnote *83](#) Every regulation made under the *Proceeds of Crime (money laundering) Act*, chapter 26 of the Statutes of Canada, 1991, that is in force immediately before the coming into force of this Act shall be deemed to have been made under this Act and shall remain in force until it is repealed or amended pursuant to this Act.

[Return to footnote *](#)[Note: Section 73 in force July 5, 2000, *see* SI/2000-55.]

Consequential Amendments

84 to 96 [Amendments]

Conditional Amendments

97 [Amendments]

Repeal

98 [Repeal]

Coming into Force

Coming into force

[Footnote *99](#) The provisions of this Act, other than section 97, come into force on a day or days to be fixed by order of the Governor in Council.

[Return to footnote *](#)[Note: Section 97 in force on assent June 29, 2000; sections 1 to 4, 38 and 40 to 44, subsection 45(1), sections 46 to 53, paragraphs 54 (b) to (d), subsections 55(1), (2) and (6) and sections 56 to 61, 66 to 82, 84, 85, 90 and 91 in force July 5, 2000, *see* SI/2000-55; sections 5, 7, 8, 10 and 11, the portion of section 54 before paragraph (b), subsections 55(3) to (5.1) and (7) and section 89 in force October 28, 2001, *see* SI/2001-88; sections 6 and 9, subsection 45(2) and sections 62 to 65, 83 and 98 in force June 12, 2002, *see* SI/2002-84; sections 12 to 37 and 39 in force January 6, 2003, *see* SI/2002-153; sections 86 to 88 and 92 to 96 in force March 31, 2004, *see* SI/2004-39.]



Outlier - Good Compliance Is Good Business.