



The following summary of the legislative requirements under the PCMLTFA applies to you if you are a securities dealer. A securities dealer is an individual or entity 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.

For information about legislative requirements in effect before June 23, 2008, see the applicable guidelines published before 2008.

REPORTING

Suspicious Transactions

You must report where there are reasonable grounds to suspect that a transaction or an attempted transaction is related to the commission or attempted commission of a money laundering offence or a terrorist activity financing offence.

See *Guideline 2: Suspicious Transactions* and *Guideline 3: Submitting Suspicious Transaction Reports to FINTRAC*

Terrorist Property

You must report where you know that there is property in your possession or control that is owned or controlled by or on behalf of a terrorist or a terrorist group.

See *Guideline 5: Submitting Terrorist Property Reports to FINTRAC*

Large Cash Transactions

You must report large cash transactions involving amounts of \$10,000 or more received in cash.

See *Guideline 7: Submitting Large Cash Transaction Reports to FINTRAC*

RECORD KEEPING

You must keep the following records:

- Large cash transaction records
- Signature cards, account operating agreements or accounts applications
- Copies of official corporate records (binding provisions)
- Account holder information
- New account applications
- Confirmations of purchase or sale
- Guarantees
- Trade authorizations
- Powers of attorney
- Joint account agreements
- Correspondence pertaining to the operation of accounts
- Account statements
- Intended use of an account
- Copies of suspicious transaction reports
- Beneficial ownership records

See *Guideline 6E: Record Keeping and Client Identification for Securities Dealers*

ASCERTAINING IDENTITY

You must take specific measures to identify the following individuals or entities:

- Any individual who conducts a large cash transaction
- Any individual who signs a signature card
- Any individual who is authorized to give instructions for an account
- Any corporation or other entity for which you open an account (including reasonable measures to obtain beneficial ownership information)
- Any individual for whom you have to send a suspicious transaction report (reasonable measures and exceptions apply)
- Any individual member of a group plan account when contributions to the plan are not made by payroll deductions or by the plan's sponsor

POLITICALLY EXPOSED FOREIGN PERSON

You have to take reasonable measures to determine whether you are dealing with a politically exposed foreign person for new or existing accounts. You also have to keep records and take additional measures.

See *Guideline 6E: Record Keeping and Client Identification for Securities Dealers*

THIRD PARTY DETERMINATION

Where a large cash transaction record is required, you must take reasonable measures to determine whether the individual is acting on behalf of a third party. When an account is opened, you must take reasonable measures to determine whether it is to be used by or on behalf of a third party.

In cases where a third party is involved, you must obtain specific information about the third party and their relationship with the individual providing the cash or account holder.

See *Guideline 6E: Record Keeping and Client Identification for Securities Dealers*

COMPLIANCE REGIME

The following five elements must be included in a compliance regime:

- The appointment of a compliance officer
- The development and application of written compliance policies and procedures
- The assessment and documentation of risks for money laundering and terrorist financing and measures to mitigate high risks
- Implementation and documentation of an ongoing compliance training program
- A documented review of the effectiveness of policies and procedures, training program and risk assessment

See *Guideline 4: Implementation of a Compliance Regime*

