



## MEMBER REGULATION



# notice

ATTENTION:  
Ultimate Designated Persons  
Chief Financial Officers  
Panel Auditors

Please distribute internally to:  
Institutional  
Internal Audit  
Legal & Compliance

Contact:

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**MR0511**

January 2, 2008

### **Special Economic Measures (Burma) Regulations**

On December 13, 2007 the Governor in Council enacted the *Special Economic Measures (Burma) Regulations* (the “Regulations”) under the *Special Economic Measures Act* (SEMA). Burma is also known as Myanmar.

The Regulations (attached) were published in Part II of the *Canada Gazette* on December 26, 2007.

Among other things, the Regulations prohibit any person in Canada and any Canadian abroad, including Canadian financial institutions, from

- dealing, directly or indirectly, in any property of a designated person, including funds derived or generated from property that is owned or controlled, directly or indirectly, by that person;
- entering into or facilitating, directly or indirectly, any financial transaction related to a dealing in any property of a designated person;
- providing any financial or related service in respect of the property of a designated person; or
- making any property or any financial or other related service available, directly or indirectly, for the benefit of a designated person.

Designated persons are listed in the Schedule to the Regulations.

The Regulations also prohibit any person in Canada and any Canadian abroad from investing in property, as defined in the Regulations, that is situated in Burma and held by or on behalf of Burma, or a national of Burma who does not ordinarily reside in Canada. The Regulations also prohibit any person in Canada and any Canadian abroad from

investing in property held by or on behalf of a person in Burma, including an entity carrying on business in Burma other than a national of Burma, by:

- acquiring a controlling interest in an entity that invests in property situated in Burma;
- establishing, with a controlling interest, an entity that invests in property situated in Burma; or
- holding a controlling interest in an entity that invests, after the date of the coming into force of the Regulations, in property situated in Burma.

The Regulations also prohibit any person in Canada and any Canadian abroad from providing to or acquiring financial services from Burma or any person in Burma. This prohibition does not apply in respect of:

- any transaction in respect of the bank accounts of the Embassy of the Union of Myanmar in Ottawa that are used for their regular business;
- non-commercial remittances of less than \$1,000 sent to or from Burma or any person in Burma, provided that the funds are not being sent by, to or on behalf of a designated person and the person providing the financial services keeps a record of the transaction;
- any transaction to international organizations with diplomatic status, United Nations agencies, the International Red Cross and Red Crescent movement or Canadian nongovernmental organizations who have entered into a grant or contribution agreement with the Canadian International Development Agency, for the purpose of pursuing humanitarian relief work in Burma;
- any pension payable to a person in Burma who is not a designated person.

### *New Searching, Monitoring and Reporting Obligations*

The Regulations impose new searching and reporting obligations on financial institutions with respect to designated persons. Implementation of the Regulations will require Members to monitor financial transactions to ensure that transactions connected to Burma are identified and blocked as appropriate.

### *Designated Persons*

An administrative list pertaining to the designated persons contained in the Schedule to the Regulations is available from this link to the Department of Foreign Affairs and International Trade (DFAIT) Web site: <http://www.dfait-maeci.gc.ca/trade/burma-en.asp>

DFAIT will post new or updated information on designated persons as required.

### *Searching and Monitoring*

The Association expects Members to implement the necessary measures to search for the names of individuals designated under the Regulations. As with other searching and reporting requirements, **the obligation to search for designated names is a continuing one.**

### *Disclosure to Law Enforcement*

If a Member has property in its possession or control that it has reason to believe is owned or controlled by persons covered by the Regulations, or has information about a transaction or proposed transaction in respect of property covered by the Regulations, the Member is required to report such information to the RCMP immediately. Information may be provided to the RCMP as follows:

RCMP  
Customs & Excise Branch Ottawa, ON  
Fax : 613-993-2499

National Operations Centre Ottawa, ON  
Fax : 613-952-7575

*No Reporting to Financial Regulators*

Please note that the Regulations do not require financial institutions to report to their financial regulators each month on the results of the continuous searching and reporting obligations.

*Permit Authorization Order*

The related *Special Economic Measures (Burma) Permit Authorization Order* authorizes the Minister of Foreign Affairs to issue to any person in Canada and any Canadian outside Canada a permit to carry out a specified activity or transaction, or any class of activity or transaction that is restricted or prohibited pursuant to the Regulations.

To inquire about permits or to obtain a permit, please contact:

United Nations, Human Rights and Economic Law Division  
Department of Foreign Affairs and International Trade  
125 Sussex Drive, Ottawa, Ontario  
K1A 0G2  
Telephone: 613-995-1108  
Fax: 613-992-2467

As always, the Association expects Members to observe the relevant laws and regulations of all jurisdictions in which they operate.