

BY FAX

November 3, 2004

TO: All Banks
Federally Regulated Trust and Loan Companies
Federally Regulated Life Insurance Companies
Federally Regulated Property and Casualty Insurance Companies
Federally Regulated Cooperative Credit Associations
Fraternal Benefit Societies

cc: Provincial Regulators and Supervisors
Canadian Association of Direct Response Insurers
Canadian Bankers Association
Canadian Fraternal Association
Canadian Life and Health Insurance Association
Canadian Securities Administrators
Credit Union Central of Canada
Insurance Bureau of Canada
Investment Dealers Association of Canada
Trust Companies Association of Canada

RE: Changes to the *United Nations Iraq Regulations* – UPDATE

Further to OSFI advisories dated [June 6, 2003](#) and [July 2, 2003](#), we have been informed by Foreign Affairs Canada (FAC) that the Governor in Council has repealed and replaced the *United Nations Iraq Regulations*. The new Regulations, also entitled *United Nations Iraq Regulations*, came into force on October 19, 2004, and were published in the Canada Gazette (P.C. 2004-1176; DORS 2004-221).

The new Regulations effectively replace General Certificate no. 5, dated May 28, 2003, issued pursuant to section 9 of the former *United Nations Iraq Regulations*. Certificate no. 5 was issued to give immediate effect to the United Nations Security Council resolutions concerning Iraq, adopted since the end of the regime of Saddam Hussein in May 2003. As a result of the repeal of the former Regulations, Certificate no. 5 has lapsed.

The new Regulations continue the obligations placed by Certificate no. 5 on Canadian financial institutions. Canadian financial institutions continue to be required to freeze any property in their possession or control belonging to the previous Iraqi government

(that is, the Government of Iraq, including its State bodies, corporations and agencies that existed prior to May 22, 2003) and Saddam Hussein and his associates as designated by the United Nations Security Council. (The names of entities and individuals listed by the United Nations Security Council can be accessed by going to FAC's sanctions [Web site](#) or directly to the following location on the United Nation's Web site http://www.un.org/Docs/sc/committees/1518/1483_1st.htm and http://www.un.org/Docs/sc/committees/1518/1483_1st_2.pdf).

In addition to these obligations, Canadian financial institutions are required to notify FAC should they have possession or control of such frozen property, and to transfer frozen financial assets to the Development Fund for Iraq.

If you require assistance fulfilling your obligations under these Regulations, please contact FAC at (613) 995-1108.

As always, OSFI expects federally regulated financial institutions to observe the relevant laws and regulations of all jurisdictions in which they operate.

We thank you for your continuing cooperation.

Julie Dickson
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Regulation Sector