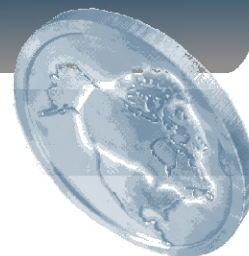


ACCOUNTANTS AND ACCOUNTING FIRMS

Legislative Requirements



Accountants and accounting firms have the following specific regulatory requirements under the PCMLTFA when they engage in any of the following activities on behalf of any person or entity:

- Receiving or paying funds
- Purchasing or selling securities; real estate; business assets or entities, or
- Transferring funds or securities

For an accountant who is an employee of a reporting person or entity, these requirements are the responsibility of the employer except with respect to reporting suspicious transactions and terrorist property, which is applicable to both.

REPORTING

Suspicious transactions

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

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

Effective January 31, 2003, large cash transactions involving amounts of \$10,000 or more received in cash, must be reported.

See Guideline 7: Submitting Large Cash Transaction Reports to FINTRAC

RECORD KEEPING

The following records must be kept:

- Large cash transaction records

See Guideline 6: Record Keeping and Client Identification

ASCERTAINING IDENTIFICATION

Specific measures must be taken to identify the following individuals:

- Any individual who conducts a large cash transaction

See Guideline 6: Record Keeping and Client Identification

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.

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

See Guideline 6: Record Keeping and Client Identification

COMPLIANCE REGIME

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

- Appointment of a compliance officer
- Development and application of compliance policies and procedures
- Periodic review of the effectiveness of policies and procedures
- Implementation of an ongoing compliance training program

See Guideline 4: Implementation of a Compliance Regime