

**MEMORANDUM OF UNDERSTANDING  
(MOU)**

Between

The Office of the Superintendent of Financial  
Institutions (OSFI)  
as represented by the Superintendent of Financial Institutions

And

The Canadian Security Intelligence Service (CSIS)  
as represented by the Director CSIS

For ongoing cooperation and the exchange of information

**WHEREAS** pursuant to section 12 of the *Canadian Security Intelligence Service Act (CSIS Act)*, the Canadian Security Intelligence Service (CSIS) is required to collect, by investigation or otherwise, to the extent that is strictly necessary, information respecting activities that may on reasonable grounds be suspected of constituting threats to the security of Canada and, in relation thereto, shall report to and advise the Government of Canada;

**WHEREAS** pursuant to subsection 19(2) of the *CSIS Act*, CSIS may disclose information obtained in the performance of its duties and functions for the purposes of meeting its obligations under the *CSIS Act*, including the duty to advise the Government of Canada;

**WHEREAS** pursuant to subsection 17(1) of the *CSIS Act*, CSIS may, with the approval of the Minister of Public Safety, enter into an arrangement or otherwise cooperate with any department of the Government of Canada;

**WHEREAS** OSFI, an office of the Government of Canada, was established pursuant to subsection 4(1) of the *Office of the Superintendent of Financial Institutions Act (OSFI Act)* to in part, supervise financial institutions in order to determine whether they are in sound financial condition and are complying with their governing statute law and supervisory requirements under that law;

**WHEREAS** pursuant to section 973.01 of the *Bank Act*, section 459.3 of the *Cooperative Credit Associations Act*, section 1016.1 of the *Insurance Companies Act* and section 527.3 of the *Trust and Loan Companies Act*, the Superintendent of Financial Institutions may take into consideration any matters or conditions that are relevant, including national security, when formulating a recommendation to the Minister or when considering an approval related to a financial institution in Canada;

Therefore OSFI and CSIS have come to an understanding as follows:

## **PURPOSE**

1. The purpose of this Memorandum of Understanding (MOU) is to acknowledge the respective mandates of OSFI and CSIS and to set out the terms and conditions for ongoing cooperation, and the exchange of information between the parties as they relate to the administration of the *Bank Act*, the *Cooperative Credit Associations Act*, the *CSIS Act*, the *Insurance Companies Act*, the *OSFI Act*, and the *Trust and Loan Companies Act*.
2. Both parties will designate officials who are to be points of contact for the purpose of this MOU. Annex A (OSFI officials) and Annex B (CSIS officials) identify those designated officials who have administrative responsibility for carrying out the terms and conditions of this MOU.

## **DEFINITIONS**

The following definitions apply to this MOU and its annexes:



**Canadian Security Intelligence Service Act** means the *CSIS Act* (R.S. 1985, c. C-23 amended);

**Office of the Superintendent of Financial Institutions Act** means the *OSFI Act* (R.S. 1985, c. 18) as amended;

**Bank Act** means the *Bank Act* (R.S. 1991, c. 46) as amended;

**Trust and Loan Companies Act** means the *Trust and Loan Companies Act* (R.S. 1991, c. 45) as amended;

**Insurance Companies Act** means the *Insurance Companies Act* (R.S. 1991, c. 47) as amended;

**Cooperative Credit Associations Act** means the *Cooperative Credit Associations Act* (R.S. 1991, c. 48) as amended;

**Privacy Act** means the *Privacy Act* (R.S. 1985, c. P-21) as amended;

**Approval** has the same meaning as in section 973 of the *Bank Act*, section 459.2 of the *Cooperative Credit Associations Act*, section 1016 of the *Insurance Companies Act*, section 527.2 of the *Trust and Loan Companies Act*;

**Financial institution** has the same meaning as in section 3 of the *OSFI Act*;

**OSFI information** means information collected in accordance with the provisions of the *Bank Act*, the *Cooperative Credit Associations Act*, the *Insurance Companies Act*, the *OSFI Act*, and the *Trust and Loan Companies Act*;

**CSIS information** means information obtained in the performance of the duties and functions of CSIS under the *CSIS Act*.

## PROVISION OF INFORMATION

3. OSFI and CSIS may provide each other, as authorized by law and on a timely basis, information in their possession relating to the assigned responsibilities of the other agency. This information may include CSIS information and other general information that is not related to a specific approval under consideration by the Superintendent.
4. OSFI and CSIS agree that no information shall be exchanged under this MOU except to the extent authorized by federal law, and solely for the specific purposes authorized by the law. All caveats attached to OSFI and CSIS information will be respected and will remain attached or linked to that information during its retention by the recipient.
5. OSFI and CSIS shall only disclose information which is directly related to the performance of their respective duties and functions in accordance to the *OSFI Act*, the *Bank Act*, the *Trust and Loan Companies Act*, the *Insurance Companies Act*, the *Cooperative Credit Associations Act*, and the *CSIS Act*.

6. All personal information, as defined in section 3 of the *Privacy Act*, disclosed by OSFI to CSIS is provided either with the consent of the concerned individual(s), or for the purpose for which the information was obtained, or compiled by OSFI, or for a use consistent with that purpose.

## **RESTRICTIONS**

7. The following information will not be provided under this MOU:
  - a) information subject to solicitor/client privilege;
  - b) information the disclosure of which is prohibited by a bilateral or multilateral treaty, convention, or agreement;
  - c) CSIS information pertaining to an OSFI request that, in the sole determination of CSIS, would jeopardize a CSIS investigation, operational assets or objectives; and
  - d) Social Insurance Numbers (SINs).

## **DESIGNATED OFFICIALS**

8. The following designated officials, for OSFI and CSIS, have overall responsibility for this MOU and its Annexes:

### **For OSFI**

Assistant Superintendent, Regulation Sector  
255 Albert St.  
Ottawa, Ontario  
K1A 0H2

### **For CSIS**

Assistant Director, Operations  
P.O. Box 9732  
Postal Station T  
Ottawa, Ontario  
K1G 4G4

## **POINTS OF CONTACT**

9. OSFI and CSIS agree to identify points of contact within their respective organizations to handle all information requests.
10. For CSIS,  
responsible for managing and coordinating all the information provided to OSFI and information received from OSFI.

11. For OSFI, the Managing Director, Approvals and Precedents, is responsible for managing and coordinating all the information provided to CSIS and information received from CSIS.

## **PROCEDURES**

12. Written communications between the designated officials (including communication by electronic means) is the preferred means by which OSFI and CSIS may provide or receive information. However, information may also be provided or received orally depending on operational requirements and the implementation of appropriate security standards which meet the standards set out in the Policy on Government Security (PGS).
13. Each provision or receipt of information from OSFI to CSIS or from CSIS to OSFI will contain:
  - a) the date of the communication;
  - b) the name of the individual(s) (including aliases) or financial institution(s) / entity(ies) to which the information relates;
  - c) a summary of the information provided;
  - d) any additional information necessary for proper identification of individuals or entities concerned; and
  - e) a statement affirming that the information will only be used for the purposes of the *OSFI Act*, the *Bank Act*, the *Trust and Loan Companies Act*, the *Insurance Companies Act*, or the *Cooperative Credit Associations Act*, or the *CSIS Act*, as applicable.

## **CONFIDENTIALITY AND SECURITY OF INFORMATION**

14. OSFI and CSIS information that is exchanged will be protected from further disclosure as provided for under the laws of Canada, and in accordance with this clause. The information exchanged can only be used for the purposes for which it is provided and will not be shared with a third party without the consent of the originator of the information.
15. The general conditions and procedures for the security of information will comply with the PGS, and the related security standards of each agency.
16. The information received under this MOU will be retained for the minimum period that is required by law and administrative policies of the Government of Canada.
17. If either party becomes aware that any information received under this MOU has been unlawfully disclosed or has become subject to a request for access to information under the *Privacy Act* or the *Access to Information Act*, it will notify



the other party immediately, and will consult with the other party as to the appropriate course of action.

18. Each party to this MOU agrees that it will not disseminate information it received from the other party unless it has received express written consent to do so, or unless it is specifically advised in writing by its legal counsel that it is required by law to do so. In any such case, the party which is required by law to disclose the information will, prior to any potential disclosure, (i) immediately give the other party written notice of the legal requirement to disclose or disseminate information, (ii) provide prompt and reasonable cooperation to the other party in any efforts taken by this party to protect its information from disclosure.
19. Where CSIS information is used by OSFI as the basis to deny an application under consideration by the Superintendent, or to recommend to the Minister of Finance to deny an application, the only rationale OSFI may disclose to the financial institution, entity and any associated individuals is a "national security" concern.

#### **UPDATING PERSONAL INFORMATION**

20. OSFI and CSIS will ensure that a method is in place for tracking the provision and receipt of personal information which is defined in section 3 of the *Privacy Act*. Should any personal information provided by one party to the other be amended by way of correction or notation, the party which provided the information will provide in writing the correction or notation to the other party.

#### **INTER AGENCY COMMUNICATIONS**

21. In order to promote the best cooperation possible in administering this MOU, both parties will, in a timely manner, provide notice to the designated officials listed in Annexes A and B of any change in legislation, regulations, operational policies and procedures, or practices that may affect the administration of this MOU.

#### **ADMINISTRATIVE DETAILS**

##### **Date in effect**

22. This MOU will commence on and take effect from the date on which it is signed by the second of the parties to do so.

##### **Dispute resolution**

23. Any unresolved disagreement with respect to this MOU shall be referred to the appropriate designated officials identified in Annexes A and B for consideration and resolution. If those officials are not able to resolve the disagreement, it shall be resolved by the designated officials having overall responsibility for this MOU as per clause 8.

##### **Amendments and additions**

24. This MOU, and Annexes A and B to this MOU, may be amended at any time with mutual consent of OSFI and CSIS, by an exchange of letters between the persons occupying the positions of the signatories to this MOU.
25. An Annex to this MOU, or an Appendix to an Annex to this MOU, may be added to this MOU at any time with the mutual consent of OSFI and CSIS by an exchange of letters between the persons occupying the positions of the signatories to this MOU.

#### **TERMINATION**

26. Either OSFI or CSIS may terminate this MOU by giving the other party six months written notice of its intent to terminate the agreement. For this purpose, notice must be given by a person occupying the position of the signatory to this MOU.
27. This MOU may be terminated at any time with the mutual consent of OSFI and CSIS, through an exchange of letters between the persons occupying the positions of the signatories to this MOU.
28. Should this MOU be terminated, the confidentiality and security of information provisions in clauses 14 to 19 will continue to apply to the information that has already been disclosed.
29. Subject to clause 27 and 28 of this MOU, on termination, all rights and obligations of both parties under this MOU will cease to be in force except the obligation for account reconciliation and the issuance of a final invoice, if appropriate.

#### **ANNEXES AND APPENDICES**

30. Any Annex to this MOU and any Appendix to an Annex forms an integral part of this MOU.

#### **NATURE OF THIS MOU**

31. This MOU is an administrative understanding between the parties and is not intended to be legally binding or enforceable before the Courts.

#### **EFFECTIVE DATE AND SIGNATURE**

In Witness Whereof, the parties hereto have executed this MOU the day and year indicated below

Signed on behalf of OSFI

Julie Dickson

JULIE DICKSON  
Superintendent, Office of  
the Superintendent of Financial Institutions

Date

Oct 1/2012

Signed on behalf of CSIS

Richard Fadden

RICHARD FADDEN  
Director of the Canadian Security  
Intelligence Service

Date

Oct 14/10

ANNEX A



DESIGNATED OFFICIALS FOR THE OFFICE OF THE SUPERINTENDENT  
OF FINANCIAL INSTITUTIONS

Managing Director, Approvals and Precedents Division  
12<sup>th</sup> Floor, 255 Albert St.  
Ottawa, Ontario  
K1A 0H2

PROCESSED BY ODS UNDER THE  
PROVISIONS OF THE PRIVACY ACT AND/OR  
ACCESS TO INFORMATION ACT.  
REVISÉ PAR LE GDS EN VERTU DE LA LOI  
SUR LA PROTECTION DES RENSEIGNEMENTS  
PERSONNELS ET/OU DE LA LOI SUR L'ACCÈS  
À L'INFORMATION.

PROCESSED BY ODS UNDER THE  
PROVISIONS OF THE PRIVACY ACT AND/OR  
ACCESS TO INFORMATION ACT.  
REVISÉ PAR LE GDS EN VERTU DE LA LOI  
SUR LA PROTECTION DES RENSEIGNEMENTS  
PERSONNELS ET/OU DE LA LOI SUR L'ACCÈS  
À L'INFORMATION.

PROCESSED BY ODS UNDER THE  
PROVISIONS OF THE PRIVACY ACT AND/OR  
ACCESS TO INFORMATION ACT.  
REVISÉ PAR LE GDS EN VERTU DE LA LOI  
SUR LA PROTECTION DES RENSEIGNEMENTS  
PERSONNELS ET/OU DE LA LOI SUR L'ACCÈS  
À L'INFORMATION.

ANNEX B

DESIGNATED OFFICIALS FOR THE CANADIAN SECURITY  
INTELLIGENCE SERVICE

P.O. Box 9732  
Postal Station T  
Ottawa, Ontario  
K1G 4G4

PROCESSED BY CSIS UNDER THE  
PROVISIONS OF THE PRIVACY ACT /  
TRAITE PAR LE SCRS EN VERTU DE LA  
LOI SUR LA PROTECTION DES RENSEIGNEMENTS  
PERSONNELS EN VERTU DE LA LOI SUR LA  
PROTECTION

PROCESSED BY CSIS UNDER THE  
PROVISIONS OF THE PRIVACY ACT /  
TRAITE PAR LE SCRS EN VERTU DE LA  
LOI SUR LA PROTECTION DES RENSEIGNEMENTS  
PERSONNELS EN VERTU DE LA LOI SUR LA  
PROTECTION

PROCESSED BY CSIS UNDER THE  
PROVISIONS OF THE PRIVACY ACT /  
TRAITE PAR LE SCRS EN VERTU DE LA  
LOI SUR LA PROTECTION DES RENSEIGNEMENTS  
PERSONNELS EN VERTU DE LA LOI SUR LA  
PROTECTION