

New lists for monthly AML reporting

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Dealers and advisers that are registered or operate under exemptions from registration under Canadian securities laws must consult two new lists of persons in connection with the monthly regulatory report that must be filed with provincial securities regulators pursuant to Canadian anti-money laundering and terrorist financing legislation. Client names must now also be checked against:

- “Listed persons” under the *Special Economic Measures (Venezuela) Regulations (SEM-V)*, adopted under the *Special Economic Measures Act (Canada)* on September 22, 2017, and
- “Foreign nationals” under the *Justice for Victims of Corrupt Foreign Officials Regulations (Sergei Magnitsky Law)*.

Registered and exempt dealers and advisers have a duty to determine on a continuous basis whether they are in possession or control of property owned by listed persons under SEM-V or foreign nationals under the Sergei Magnitsky Law. All persons in Canada and Canadians outside of Canada are prohibited from dealing with the property of, or engaging in financial transactions with, such persons or entities, subject to prescribed exceptions. Staff of the Canadian Securities Administrators are in the process of updating [Staff Notice 31-317 Reporting Obligations Related to Terrorist Financing](#) [PDF] to add reference to the two new regulations. Meanwhile, a registered or exempt dealer or adviser that identifies a SEM-V listed person or a foreign national under the Sergei Magnitsky Law should include the positive identification in its December 2017 monthly report. Such firms may also be required to update information from previously filed “nil” reports for previous months.