

**法規名稱：**MEMORANDUM OF UNDERSTANDING BETWEEN THE OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS CANADA AND THE TAIPEI ECONOMIC AND CULTURAL OFFICE, CANADA CONCERNING MUTUAL COOPERATION

**簽訂日期：**民國 97 年 09 月 15 日

**生效日期：**民國 97 年 09 月 15 日

1.The Office of the Superintendent of Financial Institutions Canada (OSFI) and the Taipei Economic and Cultural Office, Canada (TECO) have reached the following understanding regarding the sharing of information in order to facilitate the performance of the duties of the OSFI and the Financial Supervisory Commission in Taipei (FSC) (hereinafter collectively referred to as "Authorities" and individually as "Authority") and to promote the safe and sound functioning of financial institutions with cross-border establishments in their respective jurisdictions.

2.The OSFI and TECO express, through this understanding, their willingness to cooperate with each other on the basis of mutual trust and understanding in the supervision of cross-border establishments within their respective jurisdictions. A "cross-border establishment" is defined as a branch, a subsidiary or any other entity of a bank or insurer supervised by one Authority (the host Authority), which gives rise to the need for consolidated or group-wide supervision by the other Authority (the home Authority).

The Authorities

3.The OSFI was established in July 1987 by the Office of the Superintendent of Financial Institutions Act (OSFI Act). Under this Act, the OSFI is responsible for regulating and supervising all federally chartered, licensed or registered banks, insurance, trust and loan companies, cooperative credit associations and fraternal benefit societies in Canada. The Superintendent reports to the Minister of Finance.

4.The FSC is Taiwan's financial services and markets regulator, whose authority is empowered by the Organic Act Governing the

Establishment of the Financial Supervisory Commission and other applicable laws and regulations to supervise financial services, financial products and financial markets.

#### Scope and General Principles

- 5.The provisions of this Memorandum of Understanding are not intended to create legally binding obligations or supersede domestic laws.
- 6.The OSFI and TECO will ensure that the Authorities provide each other with the fullest assistance possible to promote the safe and sound functioning of financial institutions.
- 7.The OSFI and TECO recognise the importance and desirability of mutual assistance and exchange of information and will ensure that information to be shared by the Authorities will be to the extent reasonable and subject to any relevant statutory provisions, including those restricting disclosure. In addition, the provision of or request for information by the Authorities pursuant to this understanding may be denied on the grounds of internal security or when disclosure would interfere with an ongoing investigation. Where a request for assistance is denied, or where assistance is not available under domestic law, the requested Authority will provide the reasons for not granting the assistance.
- 8.Requests for assistance will be made in writing by designated employees of the requesting Authority and will be addressed to the requested Authority's contact persons (Annex B). However, where the Authorities perceive a need for expedited action, requests may be initiated in any form and will be confirmed subsequently in writing.

#### Sharing of information

- 9.The OSFI and TECO will ensure that information-sharing by the Authorities includes contact during the authorisation and licensing process, the supervision of the on-going activities of such entities and the handling of problem institutions.
- 10.In connection with the authorisation process, the OSFI and TECO will ensure that:

- (a) the host Authority notifies the home Authority, without delay, of applications for approval to establish offices or make acquisitions in the host jurisdiction;
  - (b) upon request, the home Authority informs the host Authority whether the applicant bank or insurance company is in substantial compliance with applicable laws and regulations and whether it may be expected, given its administrative structure and internal controls, to manage the cross-border establishment in an orderly manner. The home Authority will also, upon request, assist the host Authority with verifying or supplementing any information submitted by the applicant;
  - (c) upon request, the home Authority will inform the host Authority about the nature of its regulatory system and the extent to which it will conduct consolidated or group-wide supervision over the applicant bank or insurance company. Similarly, the host Authority should inform the home Authority about the nature of its regulatory system and the extent to which it will supervise the cross-border establishment of the applicant institution; and
  - (d) to the extent permitted by law, the Authorities will share information on the fitness and properness of prospective managers of a cross-border establishment.
11. In connection with the ongoing supervision of cross-border establishments, the OSFI and TECO will ensure that the Authorities:
- (a) provide relevant information to each other regarding material developments or supervisory concerns in respect of the operations of a cross-border establishment;
  - (b) respond to requests for information on their respective regulatory systems and inform each other about major changes to those regulatory systems, in particular those which have a significant bearing on the activities of cross-border establishments;

- (c) inform each other of material administrative penalties imposed, or other formal enforcement action taken, against a cross-border establishment. Prior notification will be made, as far as practicable and subject to applicable laws; and
- (d) facilitate the transmission of any other relevant information that might be required to assist with the supervisory process.

#### On-site inspections

12. The OSFI and TECO recognise that cooperation is particularly useful in assisting the Authorities with carrying out on-site inspections(1) of cross-border establishments in the host jurisdiction. In this regard, the OSFI and TECO will ensure that each Authority allows the other Authority to conduct on-site investigations in the host jurisdiction. The home Authority will notify the host Authority of plans to examine a cross-border establishment or to appoint a third party to conduct an examination on its behalf, and will indicate the purposes and scope of the examination. As may be jointly decided by the Authorities, examinations may be carried out by the home Authority alone, or accompanied by the host Authority. Following the inspection, an exchange of views will take place between the examination team and the host Authority.

#### Protection of information

13. The OSFI and TECO recognize that mutual trust can only be achieved if exchanges of information can flow with confidence in both directions. In this regard, the Authorities will take all possible steps to preserve the confidentiality of the information received pursuant to this MOU. In this regard, employees of both Authorities are bound to hold confidential all information obtained in the course of their duties. Any confidential information received from the other Authority will be used exclusively for lawful supervisory purposes.

14. An Authority that has received confidential information from

the other Authority may subsequently receive a request (not legally enforceable) for that information from a third party, including a third party supervisory authority, who has a legitimate common interest in the matter. Prior to passing information to the third party, the Authority will consult with and obtain consent from the Authority that originated the information, who may attach conditions to the release of information, including that the third party recipient be bound to hold the information confidential.

15. In the event that an Authority is legally compelled to disclose to a third party, including a third party supervisory authority, information that has been provided in accordance with this understanding, this Authority will promptly notify the Authority that originated the information, indicating what information it is compelled to release and the circumstances surrounding its release. If so required by the originating Authority, the Authority will use its best endeavours to preserve the confidentiality of the information to the extent permitted by law. The Authorities will inform one another of the circumstances in which they may be subject to legal compulsion to release information obtained.

16. Notwithstanding Section 15, the OSFI and TECO acknowledge that confidential information, including information the Authorities receive from each other, may be required by legislation to be passed to the related government agencies set out in Annex A to this document, and confirm that in their respective jurisdictions these agencies are required by legislation to maintain the confidentiality of such information.

#### Financial Crime

17. The OSFI and TECO intend for the Authorities to co-operate closely when they identify suspected financial crime activities in supervised banks, insurance companies and financial transactions. For the purposes of this

understanding, financial crimes are in particular: money laundering, unauthorised banking, investment or insurance business and all other violations of law relating to financial markets.

#### Ongoing Coordination

- 18.The OSFI and TECO will promote the cooperation of the Authorities through visits for information purposes and will pursue areas where the training of staff at either Authority would benefit from input and support by the other Authority in order to reinforce sound supervisory practices in both jurisdictions.
- 19.The OSFI and TECO will ensure that the Authorities conduct meetings as often as appropriate to discuss issues concerning banks and insurance companies that maintain cross-border establishments in the respective jurisdictions, and to review the effectiveness of their cooperation arrangements.

#### Modifications and Term

- 20.This MOU will come into effect from the date of signature, and continue indefinitely. This MOU may be amended upon the mutual written consent of the OSFI and TECO.
- 21.Either the OSFI or TECO may terminate this MOU upon 30 days advance notice in writing but the confidentiality provisions will continue to apply to any information provided pursuant to this understanding.
- 22.Annexes A, B and C will be reviewed at least annually and reconfirmed or amended, pursuant to paragraph 20, as necessary to ensure that the information therein remains current.

Signed in duplicate at                      on this                      day of                      ,  
2008, in the French, English and Chinese languages, each version  
being equally valid.

For the Office of the  
Superintendent of Financial

For the Taipei Economic and  
Cultural Office, Canada:

Institutions Canada:

Julie Dickson, Superintendent      David Tawei Lee, Representative

Date:      Date:

Witness:

Dr. Gordon Chen, Chairman

Financial Supervisory Commission

in Taipei

Annex A

OSFI/TECO MoU

Related Government Agencies

The Authorities acknowledge that confidential information, including information the Authorities receive from each other, may be required by legislation to be passed to related government agencies or persons set out below, and that these agencies and persons are required by legislation to maintain the confidentiality of such information. Confidential information passed to those listed below are exempted from the notification provisions of Section [15] of the MoU.

Office of the Superintendent of Financial Institutions Canada:

(2)

- o Commissioner of the Financial Consumer Agency of Canada
- o Governor of the Bank of Canada
- o Chairperson of the Canada Deposit Insurance Corporation
- o Deputy Minister of Finance.

Financial Supervisory Commission in Taipei:

- o Central Bank in Taipei
- o Ministry of Finance
- o Central Deposit Insurance Corporation

Annex B

OSFI/TECO MoU

Contact Persons

Office of the Superintendent of Financial Institutions Canada  
(OSFI):

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Annex C

OSFI/TECO MoU

Cross-Border Establishments (CBEs)(3)

Canadian CBEs Supervised in Taiwan by the FSC

- o The Manulife Life Insurance Company - Taiwan Branch
- o The Bank of Nova Scotia - Taiwan Branch

Taiwanese CBEs Supervised in Canada by OSFI

- o CTC Bank of Canada - Canadian Subsidiary
- o First Commercial Bank - Canadian Branch
- o Mega International Commercial Bank (Canada) - Canadian Subsidiary

(1)The words "inspection" and "examination" are used here interchangeably.

(2)All are members of the Financial Institutions Supervisory Committee (FISC), a statutory body authorized under the OSFI Act chaired by the Superintendent of Financial Institutions.

(3) Cross-border establishment means a branch, a subsidiary or any other entity supervised in and by the host jurisdiction which gives rise to the need for consolidated supervision by

the home supervisor.