Memorandos

Parte 4

AGREEMENT FOR SHARING OF CONFIDENTIAL INFORMATION and CONDUCTING COORDINATED EXAMINATIONS and/or INVESTIGATIONS OF NATIONWIDE RESIDENTIAL MORTGAGE COMPANIES or SOLE PROPRIETORSHIPS BY STATE REGULATORS

WHEREAS, the Signatories to this Agreement (Signatories) recognize that greater communication and coordination on situations of mutual supervisory concern is necessary;

WHEREAS, two or more of the Signatories may wish to jointly examine and/or investigate residential mortgage companies or sole proprietorships operating in more than one state and share information regarding such joint examinations and/or investigations;

WHEREAS, the Signatories may also wish to exchange information, including reports of examination and/or investigation, relating to companies or sole proprietorships for which one or more of the Signatories has supervisory jurisdiction in order to more effectively examine and/or investigate as well as assess situations of supervisory concern; and

WHEREAS, the Signatories are aware of the need to preserve the confidentiality of information exchanged and to ensure that the information is used only for authorized supervisory purposes.

NOW THEREFORE, each of the Signatories agree as follows:

ARTICLE 1. DEFINITIONS

For the purposes of this Agreement and any attachments hereto:

1. An "emergency" shall include, but not be limited to, the existence of conditions or circumstances which, if allowed to continue, can be reasonably expected to result in harm to the public.
2. An "Entry Letter," also known as a "First Day Letter," is a pre-examination and/or pre-investigation request for information.
3. "Residential Mortgage Company" or "RMC" means a residential mortgage company or sole proprietorship licensed or registered in any state in or territory of the United States.
4. "Residential Mortgage Company (or "RMC") with multi-state operations" means a residential mortgage company or sole proprietorship licensed or registered in any state or United States territory with operations in more than one state in or territory of the United States.
5. "Originating authority" means the state supervisory agency that originally compiles or drafts an examination and/or investigation for the residential mortgage company or sole proprietorship.
6. "Primary Contact Person" means the individual designated by a State Coordinator responsible for the coordination of the examination and/or investigation of the RMC.
7. "State Coordinator" means the state residential mortgage supervisory agency primarily responsible for coordination of the examination and/or investigation of the RMC with multi-state operations and, as specified in Section 6.1 of this Attachment, for resolution of consumer complaints related to the RMC.

8. The "Agreement" means the Agreement for Sharing of Confidential Information and Conducting Coordinated Examinations and/or Investigations of Nationwide Residential Mortgage Companies or Sole Proprietorships by State Regulators dated 2001.
9. "State Supervisor" means the state residential mortgage supervisory agency that licenses or registers a RMC in that state.
10. "Supervisory action" means any action, whether civil, criminal, administrative, or the equivalent, to enforce applicable federal or state laws, or any other applicable laws or regulations including those for the correction of unsafe or unsound conditions or practices.
11. "Supervisory information" means all information and reports compiled or drafted by a State Supervisor in the ordinary course of supervising and examining and/or investigating an RMC, including supervision memoranda, reports of examination and information relating to applications, complaints, and supervisory actions, or copies thereof.

ARTICLE 2. STATEMENT OF PURPOSE

Section 2.1. Intent

This Agreement is designed to assist states in their efforts to maintain, safe and sound residential mortgage services for the citizens of their states, while ensuring that RMCs engage in lending practices that comply with applicable consumer protection laws and regulations. The planning process will focus on ensuring that examinations and/or investigations cover safety and soundness and consumer protection. Participating

State Supervisors will also develop and issue a joint examination and/or investigative report whenever practicable.

Section 2.2 Goals.

The Signatories to this Agreement are committed to promoting an enhanced level of cooperation in the examination of the multi-state operations of RMCs that operate under state license or registration. Toward this end, the parties to this Agreement agree to use their best efforts to: (1) provide for a seamless examination process; (2) minimize regulatory burden and cost; and (3) enhance consumer protection.

In conjunction with each other, the State Supervisors shall work together to promote rationalization of policies and regulations governing RMCs with the intent of achieving maximum certainty, consistency, efficiency and consumer protection in the examination of RMCs with multi-state operations.

ARTICLE 3. RESPONSIBILITIES

The Signatories agree to participate in joint examinations and/or investigations of RMCs as follows and in accordance with the attached model examination and/or investigative procedures:

1. The type and frequency of such examinations and/or investigations will be determined by the State Supervisors. The State Supervisors will coordinate their schedules and keep the other State Supervisors informed of any material events that could impact the examination and/or investigative

schedule and result in any State Supervisor being unable to fulfill the requirements of the agreed upon schedule.

2. Any of the State Supervisors may conduct additional examinations and/or investigations at its discretion.

3. Each State Supervisor retains all rights and obligations to individually examine and/or investigate any RMC under its existing statutes and regulations. Nothing in this Agreement is intended to affect the right of a State Supervisor to add additional items to a scope of examination and/or investigation that is particular to an RMC licensed or registered or required to be licensed or registered in that state, to the laws or regulations of that state, or to a residential mortgage loan made in that state. Rather, the purpose of the coordinated examination and/or investigative plan is to identify all relevant and significant issues in order to effectively and efficiently focus the scope of the examination and/or investigation.

4. If any State Supervisor arranges to meet with the management of an RMC as part of an examination and/or investigation, appropriate notification will be provided to the State Supervisors.

ARTICLE 4. DEVELOPMENT OF A SINGLE REPORT OF EXAMINATION and/or INVESTIGATION

The Signatories agree to work toward the development of a single report, with any necessary state attachments, of examination and/or investigation. Such report would be produced by the State Coordinator jointly or in cooperation with the other participating State Supervisors and would be used in situations where it is possible under law and regulation and practicable to do so.

ARTICLE 5. STATE LAW

This Agreement recognizes that a state's law governs the operations of an RMC licensed or registered or required to be licensed or registered in that state. Nothing in this Agreement is meant to interfere with a state's enforcement authority or ability to make a referral to a law enforcement or prosecutorial authority without having to notify or coordinate with other State Supervisors

ARTICLE 6. CONFIDENTIALITY AND SHARING INFORMATION

The Signatories agree to share information as follows and in accordance with the attached model examination and/or investigative procedures.

1. To provide, upon request by another Signatory, confidential supervisory information including, but not limited to, reports of examination, reports of investigation and other relevant records made and maintained in the ordinary

course of business relating to RMCs for which one or more of the Signatories has supervisory jurisdiction subject to the conditions, obligations and responsibilities of this Agreement and any Attachments hereto.

2. Supervisory information shared under this Agreement shall be presumed to be confidential unless otherwise specified by the originating authority. To the fullest extent permitted by law, the parties will treat information obtained under this Agreement with the same degree of confidentiality that applies to the information in the hands of the originating authority. Supervisory information shared under this Agreement remains the property of the originating authority and shall not be further disclosed by the recipient without the written permission of the originating authority, except as otherwise required by applicable law or order of a court of competent jurisdiction. Examination and/or investigative information obtained under this Agreement should be returned or destroyed as soon as practicable after the requesting Agency completes its review, to the extent not prohibited by applicable law.
3. The Signatories give express assurance that under the applicable laws, regulations, and judicial rulings they have the authority to comply fully with the use and disclosure limitations and conditions of this Agreement and that they will provide written notification to the other Signatories within ten days of any material change to this authority or any violation of this Agreement.
4. No Signatory shall disclose information of a providing party, except with the consent of the providing party communicated through its authorized

representative, or in accordance with applicable regulations of the providing party and any other applicable law.

5. It is understood that many state laws prohibit or regulate the disclosure of confidential examination and/or investigative information that is the property of State Supervisors. State Supervisors shall cooperate in the preparation of any memoranda, request for protective order or pleadings deemed desirable by the originating authority in order to protect the confidentiality of supervisory information.
6. The Signatories expressly agree further to limit the use of any such information they receive under the Agreement to functions related to the exercise of their supervisory authority.
7. Upon receipt of a subpoena or other legal process by any court, legislative body or governmental agency, or any request from another person or entity not a Signatory to this Agreement seeking disclosure of supervisory information supplied by the Originating Authority, and before disclosing any supervisory information, a state supervisor shall notify the Originating Authority so that the Originating Authority may have an opportunity to challenge the release of the Information. Originating authorities and recipients of information shall cooperate in the preparation of any memoranda, requests for protection orders, or pleadings deemed desirable by the Originating Authority to protect the confidentiality of supervisory information. Nothing in this Agreement shall exempt the Signatories from the requirements of the applicable Freedom of Information Laws of their

respective jurisdictions or from the requirements of any Order issued by a court of competent jurisdiction.

ARTICLE 7. PARTIES

Section 7.1. Representations and Warranties

Each signatory State Supervisor represents and warrants that he or she has all requisite power and authority to enter into and perform this Agreement and to the extent consistent with state law, any party acting within the scope of this Agreement shall be deemed to be acting within the scope of the signatory State Supervisor's statutory authority.

Section 7.2 Change in Power or Authority

If there is any material change in the power or authority of any signatory State Supervisor to perform this Agreement, such State Supervisor shall promptly give notice of the change to the other State Supervisors.

ARTICLE 8. EXECUTION, ENFORCEABILITY, OTHER AGREEMENTS AND TERMINATION

Section 8.1 Execution

The terms of this Agreement shall become effective when a State Supervisor has executed the original or a counterpart signature page. Also, this Agreement is not intended to be limited to the original signatories, and other parties may sign after the initial execution of this document.

Section 8.2. Binding and Enforceable

This Agreement shall be binding and enforceable on the parties to the extent allowed by the laws of the respective jurisdictions.

Section 8.3. Other Agreements

This Agreement is not intended to prevent the parties from entering into other agreements with individual parties, state financial institutions supervisory agencies, or other regulatory agencies as may be necessary or appropriate.

Section 8.4. Amendment and Termination

Any Signatory to this Agreement may propose an amendment at any time, but no amendment shall become effective until a new agreement incorporating the amendment is executed by all parties.

Notwithstanding the preceding paragraph, technical changes to this Agreement that are necessary and appropriate shall take effect 30 days after such changes have been made and written notice thereof has been provided to all signatory State Supervisors, and no such State Supervisor has objected thereto.

Any Signatory may withdraw and revoke its participation in this Agreement upon written notice to the other Signatories. In the event of such withdrawal, all documents in the possession of the withdrawing party or provided by the withdrawing party under the terms of this Agreement shall be either immediately returned to the Originating Authority, or alternatively, and with the consent of the Originating Authority, may be destroyed in a manner consistent with their confidential status. In addition, and without terminating this Agreement, the Originating Authority may, in its sole discretion, require the return of all documents and derivative information previously supplied on a particular mortgage banker, lender, broker, or servicer or any of its subsidiaries or parent companies, or it may authorize the requesting agency to routinely and properly destroy the material which is no longer needed.

ARTICLE 9. MISCELLANEOUS

Section 9.1. Captions

The captions in this Agreement are for convenience of reference only, do not constitute a part of this Agreement, and shall not affect the meaning or construction of any provision of this Agreement.

Section 9.2. Waiver

The waiver by any State Supervisor of the performance of any provision of this Agreement shall not invalidate this Agreement, nor shall it be considered a waiver of any other provision. The waiver by any State Supervisor of the time for performing any act required by this Agreement shall not be considered a waiver of the time for performing any other act or an identical act required to be performed at a later time.

Section 9.3. Survival

In the absence of state law to the contrary, this Agreement shall survive any change in the identity of the executive in charge of any State Supervisor.

The termination of this Agreement by one or more parties shall not terminate such party's obligation with respect to confidential information it may have received from another party pursuant to this Agreement

Section 9.4. Severability

If any provision of this Agreement or the application thereof to any person or circumstances is held invalid or illegal, such invalidity or illegality shall not affect other provisions or applications of this Agreement which can be given effect without the invalid or illegal provision or application, and to this end, the provisions of this Agreement are declared to be severable.

Section 9.5. No Preemption of State Law

Nothing in this Agreement is intended or shall be construed to preempt or otherwise contravene applicable state law governing residential mortgage bankers, brokers, lenders, or servicers except to the extent, if any, explicitly adopted and given the force of law by a state supervisory agency with state law authority to do so.

Section 9.6. Denial of Future Requests

This Agreement shall in no way limit the discretion of the Signatories to deny future requests for Information, in whole or part, for any reason consistent with the Parties' own supervisory interests and obligations.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the (date) so indicated below.

Signed:	**State/Agency**	**Date:**
_____		
Print name _____	Alabama	_____
_____		
Print name _____	Alaska	_____
_____		
Print name _____	Arizona	_____
_____		
Print name _____	Arkansas	_____

Signed:	State/Agency	Date:
Print name	California	
Print name	Colorado	
Print name	Connecticut	
Print name	Delaware	
Print name	District of Columbia	
Print name	Florida	
Print name	Georgia	
Print name	Guam	
Print name	Hawaii	
	Idaho	
	Illinois	
	Indiana	
	Iowa	
	Kansas	
	Kentucky	
	Louisiana	
	Maine	
	Maryland	
	Massachusetts	
	Michigan	

Signed:	State/Agency	Date:
	Minnesota	
	Mississippi	
	Missouri	
	Montana	
	Nebraska	
	Nevada	
	New Hampshire	
	New Jersey	
	New Mexico	
	New York	
	North Carolina	
	North Dakota	
	Ohio	
	Oklahoma	
	Oregon	
	Pennsylvania	
Alfredo Padilla Alfredo Padilla - Commissioner	Puerto Rico	September 10, 2004
	Rhode Island	
	South Carolina	
	South Dakota	
	Tennessee	

Signed:	State/Agency	Date:
	Texas	
	Utah	
	Vermont	
	Virginia	
	Virgin Islands	
	Washington	
	West Virginia	
	Wisconsin	
	Wyoming	

Coordinated Nationwide Residential Mortgage Company Examination and/or Investigation Procedures

ARTICLE 1. USE OF MODEL PROCEDURES

These model procedures are designed to be utilized in conjunction with the Agreement for Sharing of Confidential Information and Conducting Coordinated Examinations and/or Investigations of Nationwide Residential Mortgage Companies or Sole Proprietorships by State Regulators dated (the "Agreement").

ARTICLE 2. RESPONSIBILITIES

The Signatories shall, to the extent agreed to by the State Coordinator and State Supervisor of Residential Mortgage Companies ("RMCs") with multi-state operations as set forth in the Agreement and, at a minimum, take the following steps:

A. All RMCs with multi-state operations will be subject to an examination and/or investigative process directed by a State Coordinator. The State Supervisors sharing responsibility for an RMC will designate a representative to serve as the State Coordinator for the examination of each RMC with multi-state operations. In selecting the State Coordinator, the State Supervisors will factor into their decision (i) the relative size and complexity of the offices in each state and (ii) patterns of significant or widespread consumer complaints in a given state(s). Such designation may be changed by agreement among the State Supervisors if a material change occurs in the above factors.

B. The State Coordinator for an RMC with multi-state operations will act as the single point of contact for coordination of the examination and/or investigation of the RMC, and to the extent applicable, for the coordination of the release of examination and/or investigative information and the resolution of multi-state consumer complaints related to the RMC. Each State Supervisor remains primarily responsible for supervising its own state-licensed or registered RMC operations, and for informing the State Coordinator of any regulatory action(s) or concerns involving the RMC.

Overall, the parties will cooperate to assure that each of their material interests, authorities and responsibilities is fulfilled.

ARTICLE 3. INFORMATION SHARING

Section 3.1. Request for Information.

The State Coordinator will receive copies of all RMC examination and/or investigative findings prepared by other State Supervisors participating in the examination and/or investigation of an RMC with multi-state operations.

A State Supervisor may at any time request from another State Supervisor supervisory information regarding an RMC operating residential mortgage offices or making residential mortgage loans in both states. Where time permits, the request will be made in writing by the State Supervisor or the supervisor's designee. Requests for information made in any other manner will be followed by a written request.

A request by a State Supervisor should be reasonably specific as to the documents or information sought. The State Supervisor may request items relating to a particular event, such as specific examination and/or investigative findings, or may make a standing request for all items of a particular nature relating to the operations of an RMC.

The State Supervisor shall limit its use of information obtained under the Agreement to purposes directly related to its supervisory authority.

Section 3.2. Providing Information.

The State Supervisor will comply with a request for supervisory information within a reasonable time to the fullest extent permitted by state law

ARTICLE 4. RESPONSIBILITY FOR SUPERVISION AND EXAMINATION AND/OR INVESTIGATIONS

Section 4.1. Examination and/or Investigation Planning and Scheduling

Each State Coordinator will designate a Primary Contact Person for each RMC with multi-state operations. Each participating State Supervisor will designate an examiner-in-charge or other appropriate contact person for the examination and/or investigation of the RMC within its supervisory jurisdiction. These individuals jointly will coordinate the examination and/or investigative responsibilities of their respective supervisory agencies with other state supervisory agencies according to the principles of this Agreement. The State Coordinator and its designated Primary Contact Person will take the necessary steps to ensure that the goals of the Agreement are achieved.

The designated Primary Contact Person and the State Coordinator will be responsible, in coordination with the other State Supervisors, for the development of a written comprehensive examination and/or investigative plan. The plan will be prepared annually and updated as needed. The plan may include, but is not limited to the following:

1. An examination and/or investigative plan as described below;
2. Review and assessment of pending issues, such as the status of applications and compliance with supervisory actions;

3. Off-site monitoring plans; and
4. Such other matters as are necessary to promote the safety and soundness of the RMC and ensure consumer protection.

The State Coordinator and its designated Primary Contact Person, in cooperation with other State Supervisors, will ensure that a written examination and/or investigative plan is developed that details the type, timing and location of on-site examinations and/or investigations. It also will detail how participating State Supervisors will convey findings on a coordinated basis to management of the RMC and to the State Coordinator.

The plan also will include: (a) schedules for examination planning meetings; (b) the scope of on-site examinations and/or investigations to be conducted for each office to be examined and/or investigated; (c) the estimated resource requirements for conducting on-site examinations and/or investigations for each office scheduled for examination and/or investigation; (d) an Entry Letter(s); (e) the schedule of on-site examinations and/or investigations; and (f) the type and format for the reporting of examination and/or investigative findings, recommendations and conclusions.

The State Coordinator will furnish a copy of the proposed written examination and/or investigative plan to other participating State Supervisors for their review and comment.

Section 4.2. Examination and/or Investigative Findings, Recommendations and Conclusions

Results of all examinations and/or investigations of an RMC must be supported by a written analysis documenting the findings, recommendations and conclusions derived from the examination and/or investigative process. It will be prepared in accordance with the description contained in Section 4.1 of this Attachment.

The State Coordinator will receive copies of all examination and/or investigative reports or examination and/or investigative memoranda reflecting the findings, recommendations and conclusions derived from the on-site examination and/or investigation of each office subject to examination and/or investigation. The State Coordinator, in cooperation with other participating State Supervisors, will use this information, together with other supervisory information deemed appropriate, in preparing an assessment of the operations of the RMC.

In order to minimize regulatory burden and maximize efficiency, examinations and/or investigations may be conducted on a joint basis or on an alternate year basis between participating State Supervisors to the extent permitted under applicable law and regulation.

Although State Supervisors are committed to the principles of coordinated supervision of multi-state RMCs, nothing in this protocol will interfere with any State Supervisor's right or responsibility to conduct examinations and/or investigations in that state or to transmit examination and/or investigative findings, recommendations and conclusions to any supervised institution.

Section 4.3. Efficient Use of State Resources

As necessary, the State Supervisors may enter into separate bilateral agreements governing the sharing of resources and compensation for services rendered to the extent permitted by the laws of their respective jurisdictions. State Supervisors, will be responsible for providing sufficient examiner resources for the conduct of the portion of the examination and/or investigative plan for which they are responsible.

ARTICLE 5. SUPERVISORY ACTIONS

Section 5.1. Notification and Action.

The parties will, in all cases to the greatest extent practicable, consult one another regarding enforcement and supervisory actions involving the operations of an RMC.

The State Coordinator, in consultation with other State Supervisors, will coordinate supervisory actions that are to be taken jointly by involved State Supervisors against all effected offices of an RMC. Actions affecting RMCs in only one state will continue to be the responsibility of the supervisor in that state. In all cases a State Supervisor will notify the State Coordinator, which in turn will notify all other State Supervisors, of any type of supervisory action taken against an RMC in that state. If possible, notification by the State Supervisor will be given in advance of the supervisory action. Where possible, supervisory actions addressing violations of laws by all or some of the RMC's operations will be taken jointly by the State Coordinator and State Supervisors in the affected states.

Section 5.2. Emergency Actions by State.

Notwithstanding Section 5.1, any State Supervisor may in an emergency take any supervisory action against an RMC permitted under that state's law. Any State Supervisor doing so will notify the State Coordinator as soon as practicable. The State Coordinator will communicate notice of such action to all other appropriate State Supervisors.

ARTICLE 6. CONSUMER COMPLAINTS

Section 6.1. Responsibilities.

Each State Supervisor will process and resolve routine consumer complaints against offices of an RMC licensed or registered or required to be licensed or registered in its state. Instances of serious consumer abuse, violations of law and/or patterns or practices which cause serious supervisory concerns should be promptly reported to the State Coordinator in order for the states jointly to determine whether supervisory action should be taken against the RMC. To the extent that complaints concern an RMC licensed or registered or required to be licensed or registered in more than one state,

the State Coordinator will coordinate resolution of the complaint(s) upon consultation and agreement with all other involved State Supervisors. Information summarizing the volume, nature and resolution of consumer complaints will be provided by each supervisor to the State Coordinator on at least a quarterly basis, and the State Coordinator shall furnish a complete list of all such consumer complaints to each supervisor.

Section 6.2. Supervisory Actions

To the greatest extent practicable, any supervisory action resulting from a complaint against an RMC will be taken as provided in Article 5 of this Attachment.

US DEPARTMENT O TREASURY FINANCIAL
CRIMES ENFORCEMENT NETWORK
FinCEN

MEMORANDUM OF UNDERSTANDING

Between the
U.S. Department of the Treasury, Financial Crimes Enforcement Network
And the
Office of the Commissioner of Financial Institutions
of the Commonwealth of Puerto Rico

05 JUN -7 PM 2:05
COMISIONADO INSTITUCIONES FINANCIERAS EXAMENES

I. Background

A. Purpose.

This Memorandum of Understanding ("MOU") sets forth procedures for the exchange of certain information between the Financial Crimes Enforcement Network ("FinCEN"), a bureau within the U.S. Department of the Treasury, and the Puerto Rico Office of the Commissioner of Financial Institutions, a financial institution supervisory agency for the Commonwealth of Puerto Rico.

Information to be exchanged under this MOU includes information about FinCEN's administration of the Bank Secrecy Act ("BSA"), Titles I and II of Pub. L. 91-508, as amended, codified at 12 U.S.C. § 1829b, 12 U.S.C. §§ 1951-1959, and 31 U.S.C. §§ 5311-5332; information relating to the Puerto Rico Office of the Commissioner of Financial Institutions' (the "OCFI") policies and procedures for examination of BSA compliance, in the context of OCFI's examination of financial institutions for compliance with all laws and regulations, including federal law; significant BSA compliance issues at financial institutions supervised by the OCFI; and analytical data based on or derived from information provided by the OCFI.

Exchanges of information pursuant to the terms of this MOU are intended to assist FinCEN in fulfilling its role as administrator of the BSA and to assist the OCFI in fulfilling its role as a financial institution supervisor. The parties intend for this MOU to further the purpose of the BSA by better ensuring compliance in the filing of reports and keeping of records that "have a high degree of usefulness in criminal, tax or regulatory investigations or proceedings, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism."[1] Through this MOU, the parties intend to improve and enhance the level of cooperation in the area of BSA examination and compliance. From the standpoint of policy, examination, and enforcement, this MOU will enable the parties to maximize their resources in discharging their statutory obligations and better ensure consistency in the application of the regulatory provisions of the BSA. Ultimately, the collective goal of the parties is to enhance communication and coordination to help financial institutions identify, deter and interdict terrorist financing and money laundering.

Finally, by the effective use of the information exchanged under the provisions of this MOU, the parties will also seek to enhance the level of assistance and analysis that can be provided to the regulated industries and to law enforcement in the area of BSA compliance.

[1] 31 U.S.C. § 5311.

B. Jurisdiction.

OCFI has plenary examination and enforcement authority for the financial condition, safe and sound operation, and compliance with laws and regulations of the financial institutions it supervises. Puerto Rico Act No. 4 of October 11, 1985, as amended, codified in P.R. LAWS tit. 7, § 2001 *et seq.* (hereinafter, "Act No. 4").

Under delegated authority from the Secretary of the Treasury, FinCEN is the administrator of the BSA.[2] FinCEN has the authority under 31 U.S.C. § 5318(a)(3) to examine financial institutions for compliance with the BSA and regulations promulgated under the BSA at 31 C.F.R. Part 103, as well as to take enforcement actions for violations of the BSA and the implementing regulations under 31 U.S.C. §§ 5320-23.

The OCFI has separate authority pursuant to Act No. 4 to ensure that financial institutions comply with all laws and regulations, including the BSA. FinCEN supports the OCFI's efforts in this regard and believes examinations conducted under the OCFI's regulatory regime and voluntary reporting under this MOU will appropriately leverage resources of the OCFI and FinCEN to enhance industry compliance with the BSA and better ensure consistency in the application of the BSA.

C. Types of Financial Institutions Covered

To ensure the broadest scope of information sharing, this agreement shall cover all applicable types of financial institutions supervised by the OCFI and subject to regulation under the BSA (See 31 C.F.R. § 103.11(n)).

D. Assessment of MOU Operation.

The parties shall meet, no less often than annually, to discuss the operation of the MOU and to identify any issues or adjustments that may be required. During such meetings, FinCEN will provide an update on how the information provided by the OCFI under this MOU has been used or applied by FinCEN. The parties will also evaluate the effectiveness of the information sharing in meeting the goals outlined above.

II. Provision of Information to FinCEN by the OCFI.

A. Annual Report. The OCFI shall provide the Director of FinCEN or the Director's designee with the following information on an annual basis by October 1 of each year. For the first such report, the OCFI shall provide the information outlined in II.A.(1)-(6) and II.B by October 1, 2005. For each subsequent report, the OCFI will provide a summary updating any changes or other information regarding its examination program that relates to compliance with the BSA, including:

[2] *See* Treasury Order 180-01, dated September 26, 2002. The Secretary is authorized to delegate such responsibilities to FinCEN pursuant to 31 U.S.C. § 310(b)(2)(I) and (J).

1) Number of financial institutions, as defined in 31 C.F.R. § 103.11(n), categorized by type the OCFI examines for compliance with the applicable law(s) of the Commonwealth of Puerto Rico as it relates to BSA compliance as of the date of the report; and

   a. A list of all banking organizations supervised by the OCFI; and
   b. If available, a list of all other financial institutions, categorized by type, subject to regulation under the BSA and supervised by the OCFI.

2) Description of the OCFI's examination cycle(s);

3) Description of criteria used for determining timing and scope of examinations;

4) Description of examination staffing and resources;

5) Description of training programs provided to examiners pertaining to compliance with the BSA; and

6) Description of the extent to which the OCFI coordinates with any federal agencies to conduct examinations related to BSA compliance.

B. Program Documents. To the extent FinCEN does not already have them, the OCFI will provide copies of written program documents pertaining to examination related to BSA compliance, or amendments thereto, when they become available. Program documents include:

1) Examination workprogram documents, including core or basic procedures, expanded procedures, procedures for areas to receive special scrutiny, and any other written procedures pertaining to BSA compliance;

2) Written guidance pertaining to examinations, including relevant sections from manuals of examination policies, handbooks, policy statements, and any other written directives that represent the current examination policy of the OCFI as they related to BSA compliance; and

3) Relevant sections from written instructions for preparing BSA-related comments and citing violations of the applicable law(s) of the Commonwealth of Puerto Rico, based on BSA violations in Reports of Examination.

C. Quarterly Reports. Within 45 days after the end of each calendar quarter, the OCFI shall provide to FinCEN the following aggregate information:

1) Number of examinations conducted[3] within the OCFI's established examination cycle where BSA compliance is reviewed, including examinations conducted jointly with a federal agency;

2) Number of examinations conducted under an established joint or alternate examination program where the examination is not conducted by the OCFI jointly with a federal agency, where BSA compliance is reviewed;

3) Number of examinations or visitations conducted outside the OCFI's established examination cycle, where BSA compliance is reviewed;

4) If available, number of financial institutions, categorized by type of financial institution cited for violations under the applicable law(s) of the Commonwealth of Puerto Rico for failure to comply with the BSA;

5) If available, number and type of violations cited under the applicable law(s) of the Commonwealth of Puerto Rico for failure to comply with the BSA;

6) Number of enforcement actions, categorized by type of action and type of financial institution, taken to address compliance with the applicable law(s) of the Commonwealth of Puerto Rico for failure to comply with the BSA;

7) Number of terminated enforcement actions, categorized by type of action and type of financial institution, that addressed compliance with the applicable law(s) of the Commonwealth of Puerto Rico for failure to comply with the BSA.

D. Special BSA Examination Project Information. FinCEN performs an important networking function to ensure, among other things, the efficient use of examination resources. For purposes of this MOU, a "special BSA examination initiative" is defined as a special initiative designed to address identified or emerging risks on a statewide or regional basis. It also includes examinations conducted because of, or to address, serious anti-money laundering issues that could have a systemic impact on a regulated industry. To better ensure such coordination, prior to a OCFI conducting any special BSA examination initiative, the OCFI shall notify FinCEN and provide FinCEN with written information regarding the special BSA examination initiative. Written information to be provided to FinCEN shall include, but is not limited to, a description of the scope of the special BSA examination initiative and the procedures and criteria used by the OCFI to determine the scope. Nothing in this paragraph shall affect the exercise of a OCFI's examination authority with respect to institutions under its supervision.

[3] For purposes of this MOU, an examination has been "conducted" once a final Report of Examination is issued to the subject financial institution, or once there is an interim written communication to the financial institution analogous to the issuance of a final Report of Examination.

E. Provision of Information Concerning Significant BSA Violations or Deficiencies. As set forth below, and to the extent it is not legally prohibited under the laws of the Commonwealth of Puerto Rico, the OCFI will promptly notify FinCEN of instances when the OCFI believes there are significant BSA violations or deficiencies. For purposes of this MOU, a "significant BSA violation or deficiency" includes: a systemic or pervasive BSA compliance program deficiency; systemic or pervasive BSA reporting or recordkeeping violations; or a situation where a financial institution fails to respond to supervisory warnings concerning BSA compliance program deficiencies or systemic or pervasive recordkeeping or reporting violations, or continues a history of program, or systemic or pervasive recordkeeping or reporting deficiencies, even when such deficiencies or violations are dissimilar to those cited in prior Report(s) of Examination or supervisory correspondence. A significant BSA violation or deficiency also includes a non-technical, one-time BSA violation that demonstrates willful or reckless disregard for the requirements of the BSA, or that creates a substantial risk of money laundering or the financing of terrorism within the institution.

To the extent such information has not been provided to FinCEN already by a federal agency, and to the extent it is not legally prohibited under the laws of the Commonwealth of Puerto Rico, the OCFI shall provide FinCEN with information as follows:

1) When OCFI discovers what it believes to be a significant BSA violation or deficiency, OCFI will notify FinCEN as soon as practicable, but no later than 30 days after OCFI cites the organization, in a written communication, for a violation of the applicable law(s) of the Commonwealth of Puerto Rico based on a significant BSA violation or deficiency.

2) As soon as practicable, but no later than 30 days after completion, OCFI will provide to FinCEN portions of the Report(s) of Examination and other written materials relating to the violation of the applicable law(s) of the Commonwealth of Puerto Rico based on a significant BSA violation or deficiency.

3) OCFI will notify FinCEN of public enforcement actions involving a violation of the applicable law(s) of the Commonwealth of Puerto Rico based on a significant BSA violation or deficiency as soon as practicable, but no later than 30 days after the OCFI has decided to pursue the action. In all cases, the notification must occur before such action is made public. For all other enforcement actions involving a violation of the applicable law(s) of the Commonwealth of Puerto Rico based on a significant BSA violation or deficiency, the OCFI will notify FinCEN of the action as soon as practicable, but no later than 30 days after taking the action.

4) Follow-up Information on Enforcement Actions. If an enforcement action involving a violation of the applicable law(s) of the Commonwealth of Puerto Rico based on a significant BSA violation or deficiency requires the financial institution subject to the action to take corrective measures, develop and implement an action plan, or submit progress reports to the OCFI, the OCFI

will use its best efforts to provide FinCEN with a quarterly assessment of those financial institutions that have failed to comply with such requirements. The OCFI will use its best efforts to provide to FinCEN copies of any relevant Report(s) of Examination related to such financial institutions if not otherwise provided. Copies of the Report(s) of Examination will be provided as soon as practicable, but not later than 30 days after completion. Upon request by FinCEN, the OCFI will provide reports submitted by the financial institution in response to an enforcement action, as well as Report(s) of Examination related to follow up on actions involving a violation of the applicable law(s) of the Commonwealth of Puerto Rico based on a significant BSA violation or deficiency.

5) Resolution of Actions Involving a Violation of the applicable law(s) of the Commonwealth of Puerto Rico Based on a Significant BSA Violation or Deficiency. To the extent not otherwise known to FinCEN, the OCFI will notify FinCEN of the resolution of any action involving a significant BSA violation or deficiency as soon as practicable, but no later than 30 days after the resolution of the action, and provide any material relevant to the resolution. For purposes of this MOU, resolution is defined as termination of an action, or the issuance of a subsequent action.

6) Report(s) of Examination, Workpapers, and Supporting Documentation. Portions of the Report(s) of Examination relating to BSA examinations that are not provided under II.E.1) through 5) shall be available to FinCEN as soon as practicable upon FinCEN's written request, but no later than 15 days after such request. Workpapers and supporting documentation relating to BSA examinations shall be available to FinCEN as soon as practicable upon FinCEN's written request, but no later than 45 days after such request.

F. Format for Information. The OCFI shall provide information under this MOU in a format that is mutually acceptable to FinCEN and the OCFI. Where available, information provided to FinCEN under this MOU shall be provided in electronic format.

III. Provision of Information to the OCFI by FinCEN

A. FinCEN Enforcement Actions.

1) When FinCEN learns of information pursuant to paragraph II.E. of the MOU between FinCEN and the Federal Banking Agencies, dated September 30, 2004, FinCEN will notify the OCFI when FinCEN determines that the imposition of civil enforcement remedies under the BSA may be warranted. Notification from FinCEN shall be made as soon as practicable, but no later than 30 days after the determination, and in any event before taking any public enforcement action.

2) FinCEN will, to the extent possible, notify the OCFI prior to taking an enforcement action against any financial institution under the OCFI's supervision.

3) A copy of correspondence relating to a pending or possible enforcement action sent by FinCEN to a financial institution that is under the supervision of the OCFI shall be sent to the OCFI. Copies of correspondence received by FinCEN from an organization under the supervision of the OCFI relating to a pending or possible enforcement action shall be forwarded to the OCFIto the extent the OCFI has not received a copy.

B. FinCEN Analytical Products. The information provided by the OCFI pursuant to this MOU will further assist FinCEN, alone and in conjunction with the OCFI, in developing a variety of analytical products that identify common BSA compliance deficiencies, patterns and trends in BSA compliance, developments in money laundering and terrorist financing, and trends and best practices in BSA examination. Such products will also focus on assisting the regulated industries in meeting their BSA compliance obligations. Accordingly, FinCEN will provide the OCFI and, as appropriate, the industry, and the public with such analytical products to enhance the overall effectiveness of the administration of the BSA.

C. Assistance in Identifying BSA Compliance Deficiencies within Financial Institutions. Using information provided pursuant to this MOU, as well as BSA data and other information, FinCEN will provide support to the OCFI in helping to identify financial institutions with possible BSA compliance deficiencies for the purpose of assisting the OCFI in utilizing its examination resources.

D. Public Reports by FinCEN. In the event that information (other than confidential supervisory information, which is subject to the restrictions in Section IV of this MOU) provided by the OCFI is included in any documents that are made public or disclosed to any Congressional entity, such documents shall be provided to the OCFI before they are released by FinCEN with as much notice as possible.

IV. Restrictions on Disclosure and Use of Confidential Supervisory Information Provided to FinCEN by the OCFI

A. 1) The OCFI retains ownership of all information provided to FinCEN under this MOU. All confidential supervisory information provided by the OCFI remains subject to Puerto Rico's laws and regulations governing the disclosure of confidential supervisory information. FinCEN will use information provided by the OCFI under this MOU in accordance with the restrictions applicable to information shared by the OCFI under Puerto Rico's laws and regulations.[4] Except as provided in IV.A.2, FinCEN will make no public use of confidential supervisory information provided by the OCFI under this MOU without the prior written approval of the OCFI.

[4] P.R. LAWS tit. 7, § 151.

2) Confidential supervisory information provided by the OCFI under this MOU may be used by FinCEN in investigative proceedings and, upon notice to the OCFI, FinCEN may base factual findings in its enforcement orders on factual information it obtains as a result of its review of confidential supervisory information.

3) FinCEN will establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of the information which is provided under this MOU and information derived therefrom.

4) FinCEN will notify the OCFI in writing of any legally enforceable demand for information provided by the OCFI under this MOU, prior to complying with the demand. FinCEN will assert all such legal exemptions or privileges on the OCFI's behalf as the OCFI may request. Unless subject to a court order or other compulsory process, FinCEN may not grant any demand or request for the information without prior written notice to, and approval of, the OCFI.

5) The OCFI expressly reserves all evidentiary privileges and immunities applicable to any information provided to FinCEN under this MOU.

B. Confidentiality Restrictions of Federal Agencies. Disclosure to FinCEN of confidential supervisory information that is jointly held by a federal agency and the OCFI shall be subject to the approval of the applicable federal agency and the OCFI.

V. Restrictions on Disclosure and Use of Information Provided by FinCEN to the OCFI

FinCEN analytic products typically incorporate information obtained from BSA reports, and may also be based on information from other sensitive sources, such as law enforcement. The OCFI agrees that, unless advised in writing by FinCEN to the contrary, FinCEN analytic products received under this MOU shall not be publicly disclosed, nor disseminated beyond the recipient agency, without written authorization from FinCEN.

VI. Consent to Federal Agencies' Disclosure of Jointly Held Information to FinCEN

In the interest of ensuring timely and efficient disclosures to FinCEN with respect to information jointly held by a federal agency with delegated authority to examine institutions for BSA compliance under 31 C.F.R. § 103.56 and the OCFI ("Jointly Held Information"), and to the extent it is not legally prohibited under the laws of the Commonwealth of Puerto Rico, the OCFI hereby consents to such federal agency's disclosure to FinCEN of confidential supervisory information that is Jointly Held Information, provided such information is accorded the protections detailed in Section IV of this MOU.

VII. Civil Enforcement

No provision of this MOU is intended to affect the parties' respective enforcement authority.

VIII. Term of MOU

This MOU is effective upon signature and will remain in effect until amended, replaced or terminated by signed, mutual agreement of the parties or terminated by either party upon 30 days' written notice to the other.

The parties agree that amendments to the format and delivery of information required by this MOU may be done by the mutual agreement of staff of the parties.

This MOU may be executed in counterparts.

IN WITNESS WHEREOF, each of the parties hereto has caused this MOU to be executed by its duly authorized officer on the date indicated below.

FINANCIAL CRIMES ENFORCEMENT NETWORK

By: William J. Fox
Director
Dated: 1-JUN-2005

PUERTO RICO OFFICE OF THE COMMISSIONER OF FINANCIAL INSTITUTIONS

By: Alfredo Padilla
Commissioner
Dated: May 26, 2005

ISIONADO DE
INSTITUCIONES FINANCIERAS
AREA DE DIRECCION
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MEMORANDUM DE ENTENDIMIENTO ENTRE LA COMISION NACIONAL DE VALORES DE LA REPUBLICA DE PANAMA Y EL COMISIONADO DE INSTITUCIONES FINANCIERAS DEL ESTADO LIBRE ASOCIADO DE PUERTO RICO SOBRE CONSULTA Y ASISTENCIA TÉCNICA

ANTECEDENTES

La Comisión Nacional de Valores, representada por su titular el Señor Rolando de León de Alba en su calidad de Comisionado Presidente, y la Oficina del Comisionado de Instituciones Financieras del Estado Libre Asociado de Puerto Rico, representado por su titular, el Señor Alfredo Padilla en su calidad de Comisionado de Instituciones Financieras, son conscientes de la importancia que revisten los mercados de valores como mecanismos idóneos dentro del proceso de asignación de recursos, ayudando de esta forma al desarrollo económico de los países.

Asimismo, los antedichos titulares concuerdan que la creciente globalización de los mercados de valores obliga a una asistencia técnica efectiva entre ambas Autoridades en todo aquello relacionado con su labor específica a fin de alcanzar mercados de valores cada vez más abiertos, sanos y eficientes en Panamá y en el Estado Libre Asociado de Puerto Rico.

Consideran igualmente que es importante establecer un sistema eficiente de comunicación respecto a todas las cuestiones relacionadas con la operación de sus respectivos mercados de valores.

Sobre la base de las consideraciones precedentes, la Comisión Nacional de Valores de Panamá y la Oficina del Comisionado de Instituciones Financieras del Estado Libre Asociado de Puerto Rico han decidido suscribir el presente Memorándum de Entendimiento, con respecto a la consulta y la asistencia técnica a efectuarse en el futuro entre ambos organismos.

ARTICULO I: DEFINICIONES

Para los propósitos de este Memorándum de Entendimiento:

1. "Autoridad" es:

   (I) La Comisión Nacional de Valores de Panamá;

(II) El Comisionado de Instituciones Financieras de Puerto Rico;

2. "Autoridad Solicitada" es el organismo al que se dirige la consulta o solicita asistencia técnica, bajo los términos de este Memorándum de Entendimiento.

3. "Autoridad Solicitante" es el organismo que efectúa la consulta o solicita asistencia técnica, bajo los términos de este Memorándum de Entendimiento.

ARTICULO II: CONSULTAS RELATIVAS A ASUNTOS DE INTERES MUTUO Y MEDIDAS DE ASISTENCIA TÉCNICA PARA EL DESARROLLO DE LOS MERCADOS

Sección 1: PRINCIPIOS GENERALES PARA LA CONSULTA Y LA ASISTENCIA TÉCNICA.

1. Las Autoridades consideran conveniente establecer un marco para incrementar la cooperación en todos los asuntos relacionados con las actividades de supervisión, regulación, operación de sus respectivos mercados y la protección de los inversionistas. Con ese propósito desean concertar medidas de asistencia técnica sobre bases de continuidad mejorando la comunicación y el mutuo entendimiento entre ellas.

2. Este acuerdo constituye una declaración de la intención de las Autoridades respecto a dicho marco de consulta y asistencia técnica. Las Autoridades se comprometen a mantener un diálogo regular y fluido sobre aspectos relacionados a la regulación, fiscalización, desarrollo y operatividad de sus respectivos mercados de valores.

3. Las Autoridades convienen en facilitarse mutuamente la información de que dispongan y que consideren de utilidad para la otra Autoridad, sujeto a lo dispuesto en el Artículo III.

4. Las Autoridades se comprometen a adoptar las medidas necesarias para asegurar la máxima eficacia en la ejecución de asistencia, siempre y cuando la Autoridad Solicitada esté capacitada en ley para proveer dicha asistencia.

5. Ambas Autoridades aceptan que la prestación efectiva de la asistencia técnica específica a que se refiere el presente Memorándum de Entendimiento estará sujeta a la disponibilidad de recursos de la Autoridad Solicitada, así como a las autorizaciones legales internas propias de cada jurisdicción. Si la Autoridad Solicitada tuviese que incurrir en costos sustanciales para responder al requerimiento de asistencia bajo este Memorándum de Entendimiento, las Autoridades convendrán previamente como se cubrirán dichos costos, antes de continuar respondiendo a dicho requerimiento de asistencia.

Sección 2: CONSULTAS SOBRE ESTABILIDAD, EFICIENCIA Y DESARROLLO DE LOS MERCADOS

Las Autoridades se proponen consultarse periódicamente sobre asuntos de interés mutuo, con miras a lograr la estabilidad, eficiencia y desarrollo de los Mercados de Valores de la República de Panamá y de Puerto Rico. Tales consultas pueden abarcar, entre otros aspectos, el desarrollo de mercados de capitales, prácticas operativas, evolución de los sistemas de custodia, administración, compensación, liquidación y transferencia de valores y el establecimiento de otros sistemas de mercado, la coordinación de la vigilancia y supervisión del mercado y la aplicación de las leyes y reglamentación existentes en materia de valores en la República de Panamá y Puerto Rico.

Sección 3: DISPOSICIONES SOBRE ASISTENCIA TECNICA PARA EL DESARROLLO DE LOS MERCADOS DE VALORES

Las Autoridades se proponen efectuar consultas y asesorarse, con vistas a establecer e implantar programas de asistencia técnica dirigidos al desarrollo, administración y operación de sus respectivos Mercados de Valores. En todo caso deberá precisarse el tipo específico de asistencia técnica que las Autoridades soliciten, en términos razonables y siempre y cuando la autoridad solicitada tenga la experiencia para ello.

La asistencia podrá incluir, entro otros aspectos, la capacitación de personal, intercambio de información y asesoría sobre aspectos relativos a:

- Emisiones de valores;
- Sistemas de transmisiones de órdenes y verificación y registro de transacciones,
- Mecanismos de custodia, compensación, liquidación y transferencia de valores;
- Procedimientos y prácticas de protección a los inversionistas;
- Regulación y supervisión de los puestos de bolsa;
- Regulación y supervisión de las instituciones de inversión colectiva y los fondos que administren;
- Regulación y supervisión de las empresas calificadoras de riesgos;
- Estrategias de promoción y desarrollo del mercado de valores;
- Diseño de sistemas informáticos para el monitoreo en línea de las operaciones; y,
- Otros temas vinculados con el mercado de valores.

ARTICULO III: CONSULTAS O PETICIONES DE ASISTENCIA TECNICA

Sección 1: CONTENIDO Y FORMA DE LA SOLICITUD

1. Las consultas o peticiones de asistencia técnica deben hacerse por escrito y dirigirse a la persona de enlace de la Autoridad Solicitada, indicada en el Anexo que forma parte del presente acuerdo.

2. En las consultas o peticiones de asistencia técnica, la Autoridad Solicitante especificará:
   (I) La materia u objeto de la consulta o de la petición de asistencia técnica, así como su propósito;
   (II) Una descripción general de la documentación, asistencia, información o declaración solicitada por la Autoridad Solicitante;
   (III) La persona que posee la información solicitada o el lugar donde esa información puede ser obtenida, en caso de ser conocidos dichos datos por la Autoridad Solicitante;
   (IV) En el caso en que la solicitud resulte de la investigación de la violación de leyes y reglamentos, deberán especificarse las leyes y reglamentos que hayan podido vulnerarse, así como la lista de personas u organismos que la Autoridad solicitante supone que tienen en su poder la información solicitada o los lugares en los que pudiera obtenerse dicha información, en caso de que la Autoridad Solicitante tuviera conocimiento de ello; y,
   (V) El plazo en que se espera recibir la respuesta a la consulta o la asistencia técnica solicitada.

3. En caso de urgencia, las consultas o peticiones de asistencia técnica y las respuestas correspondientes pueden realizarse mediante procedimientos expeditos o mediante un tipo de comunicación que no sea el intercambio de cartas.

4. Las Autoridades acuerdan consultarse mutuamente en caso de cualquier dificultad que pudiera surgir.

Sección 2: UTILIZACIÓN DE LA INFORMACIÓN

1. La Autoridad Solicitante sólo podrá utilizar la información obtenida para los motivos indicados en la solicitud, para garantizar el cumplimiento o la aplicación de las disposiciones legales o reglamentarias indicadas en la solicitud y por requerimiento de un proceso penal o un procedimiento administrativo iniciado tras una violación de las disposiciones indicadas en la solicitud.

2. Para cumplir con sus funciones legales, la Autoridad Solicitante podrá facilitar la información a otras Autoridades del mismo gobierno, teniendo que solicitar previamente autorización a la Autoridad Solicitada.

3. Cuando la Autoridad Solicitante desee utilizar la información recabada con fines distintos a los expresados en la solicitud, deberá requerir previamente el consentimiento de la Autoridad Solicitada. Al autorizar dicha utilización, la Autoridad Solicitada podrá supeditarla a ciertos requisitos que considere pertinentes. Asimismo, podrá oponerse a la utilización de la información para fines diversos a los expresados en la solicitud.

4. No obstante lo anterior, la Autoridad solicitante no podrá divulgar aquella información que bajo las leyes aplicables resulte ser de carácter confidencial.

Sección 3: CONFIDENCIALIDAD DE LA INFORMACIÓN

Cada Autoridad preservará, con arreglo a los requisitos previstos legalmente, el carácter confidencial de las solicitudes o de los comunicados informativos en el ámbito del presente Memorándum de Entendimiento, del contenido de dichas solicitudes y de cualquier otra cuestión relacionada con la aplicación del presente Memorándum de Entendimiento, especialmente de las consultas entre Autoridades.

En todos los casos, la Autoridad Solicitante garantizará la información que recabe en aplicación del presente Memorándum de Entendimiento y con arreglo a los requisitos previstos legalmente, un grado de confidencialidad que será por lo menos equivalente al que dicho tipo de información tenga en la jurisdicción de la Autoridad Solicitada.

Sección 4: DENEGACIÓN DE LA INFORMACIÓN

1. La asistencia prevista en el presente Memorándum de Entendimiento se denegará cuando:

   a) La satisfacción de la solicitud pudiera afectar la seguridad, los intereses económicos fundamentales y el orden público de la República de Panamá y del Estado Libre Asociado de Puerto Rico;

   b) Se haya incoado cualquier proceso penal o se haya dictado una resolución definitiva en la jurisdicción de la Autoridad Solicitada, sobre la base de los mismos hechos y contra las mismas personas.

   c) No sea permitida por las leyes y reglamentos.

2. La denegación de asistencia no perjudicará el derecho que tienen las Autoridades de consulta recíproca. Cuando la Autoridad Solicitada, no sea competente para dar respuesta a una solicitud de asistencia, la Autoridad Solicitada y la Autoridad Solicitante se consultarán sobre otros medios posibles para dar tratamiento a la solicitud.

ARTICULO IV: DISPOSICIONES FINALES

Sección 1: VIGENCIA

Este Memorándum de Entendimiento entrará en vigor a partir de la fecha de su firma.

Sección 2: EVALUACIÓN

Transcurridos dos (2) años desde la entrada en vigor de este acuerdo, las Autoridades efectuarán un examen de los resultados alcanzados a fin de ampliar o adecuar el contenido de este acuerdo o sus objetivos.

Sección 3: TERMINACIÓN

Cualquiera de las Autoridades podrá dar por terminada la vigencia de este Memorándum de Entendimiento dando a la otra parte un aviso con treinta (30) días de anticipación. Si cualquiera de las Autoridades da dicho aviso, este Memorándum de Entendimiento seguirá surtiendo sus efectos con respecto a todas las consultas y peticiones de asistencia técnica que se hubieren hecho antes de la fecha efectiva de la notificación, hasta en tanto la Autoridad requerida no haya concluido el asunto materia de la solicitud.

OTORGAMIENTO

Dado en Julio el día 12 del 2005, por duplicado en lengua española.

Rolando de León de Alba
Comisionado Presidente
Comisión Nacional de Valores
República de Panamá

Alfredo Padilla
Comisionado de Instituciones
Financieras del Estado Libre Asociado
de Puerto Rico

ANEXO "A"

Personas de Enlace

COMISION NACIONAL DE VALORES DE REPUBLICA DE PANAMA

Ana Isabel Díaz V.
Directora Nacional de Asesoría Legal
Ave. Balboa, Edif. Bay Mall, 2do Piso, local 206
Panamá, Rep. de Panamá
Tel (507) 265-2574
Fax (507) 269-8842
E-mail: aidiaz@conaval.gob.pa

Oliver Muñoz Esquivel
Asesor Legal
Ave. Balboa, Edif. Bay Mall, 2do Piso, local 206
Panamá, Rep. de Panamá
Tel (507) 265-2514
Fax (507) 269-8842
E-mail: omunoz@conaval.gob.pa

OFICINA DEL COMISIONADO DE INSTITUCIONES FINANCIERAS DEL ESTADO LIBRE ASOCIADO DE PUERTO RICO

Alfredo Padilla Cintrón
Comisionado
apadilla@ocif.gobierno.pr

RECIBIDO
COMISIONADO DE
INSTITUCIONES FINANCIERAS
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MEMORANDUM DE ENTENDIMIENTO
ENTRE
LA COMISION NACIONAL DE VALORES
DE LA REPUBLICA DE PANAMA
Y
EL COMISIONADO DE INSTITUCIONES FINANCIERAS
DEL ESTADO LIBRE ASOCIADO DE PUERTO RICO
SOBRE
CONSULTA Y ASISTENCIA TÉCNICA

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5. Ambas Autoridades aceptan que la prestación efectiva de la asistencia técnica específica a que se refiere el presente Memorándum de Entendimiento estará sujeta a la disponibilidad de recursos de la Autoridad Solicitada, así como a las autorizaciones legales internas propias de cada jurisdicción. Si la Autoridad Solicitada tuviese que incurrir en costos sustanciales para responder al requerimiento de asistencia bajo este Memorándum de Entendimiento, las Autoridades convendrán previamente como se cubrirán dichos costos, antes de continuar respondiendo a dicho requerimiento de asistencia.

Sección 2: CONSULTAS SOBRE ESTABILIDAD, EFICIENCIA Y DESARROLLO DE LOS MERCADOS

Las Autoridades se proponen consultarse periódicamente sobre asuntos de interés mutuo, con miras a lograr la estabilidad, eficiencia y desarrollo de los Mercados de Valores de la República de Panamá y de Puerto Rico. Tales consultas pueden abarcar, entre otros aspectos, el desarrollo de mercados de capitales, prácticas operativas, evolución de los sistemas de custodia, administración, compensación, liquidación y transferencia de valores y el establecimiento de otros sistemas de mercado, la coordinación de la vigilancia y supervisión del mercado y la aplicación de las leyes y reglamentación existentes en materia de valores en la República de Panamá y Puerto Rico.

Sección 3: DISPOSICIONES SOBRE ASISTENCIA TECNICA PARA EL DESARROLLO DE LOS MERCADOS DE VALORES

Las Autoridades se proponen efectuar consultas y asesorarse, con vistas a establecer e implantar programas de asistencia técnica dirigidos al desarrollo, administración y operación de sus respectivos Mercados de Valores. En todo caso deberá precisarse el tipo específico de asistencia técnica que las Autoridades soliciten, en términos razonables y siempre y cuando la autoridad solicitada tenga la experiencia para ello.

La asistencia podrá incluir, entro otros aspectos, la capacitación de personal, intercambio de información y asesoría sobre aspectos relativos a:

- Emisiones de valores;
- Sistemas de transmisiones de órdenes y verificación y registro de transacciones,
- Mecanismos de custodia, compensación, liquidación y transferencia de valores;
- Procedimientos y prácticas de protección a los inversionistas;
- Regulación y supervisión de los puestos de bolsa;
- Regulación y supervisión de las instituciones de inversión colectiva y los fondos que administren;
- Regulación y supervisión de las empresas calificadoras de riesgos;
- Estrategias de promoción y desarrollo del mercado de valores;
- Diseño de sistemas informáticos para el monitoreo en línea de las operaciones; y,
- Otros temas vinculados con el mercado de valores.

ARTICULO III: CONSULTAS O PETICIONES DE ASISTENCIA TECNICA

Sección 1: CONTENIDO Y FORMA DE LA SOLICITUD

1. Las consultas o peticiones de asistencia técnica deben hacerse por escrito y dirigirse a la persona de enlace de la Autoridad Solicitada, indicada en el Anexo que forma parte del presente acuerdo.

2. En las consultas o peticiones de asistencia técnica, la Autoridad Solicitante especificará:
   (I) La materia u objeto de la consulta o de la petición de asistencia técnica, así como su propósito;
   (II) Una descripción general de la documentación, asistencia, información o declaración solicitada por la Autoridad Solicitante;
   (III) La persona que posee la información solicitada o el lugar donde esa información puede ser obtenida, en caso de ser conocidos dichos datos por la Autoridad Solicitante;
   (IV) En el caso en que la solicitud resulte de la investigación de la violación de leyes y reglamentos, deberán especificarse las leyes y reglamentos que hayan podido vulnerarse, así como la lista de personas u organismos que la Autoridad solicitante supone que tienen en su poder la información solicitada o los lugares en los que pudiera obtenerse dicha información, en caso de que la Autoridad Solicitante tuviera conocimiento de ello; y,
   (V) El plazo en que se espera recibir la respuesta a la consulta o la asistencia técnica solicitada.

3. En caso de urgencia, las consultas o peticiones de asistencia técnica y las respuestas correspondientes pueden realizarse mediante procedimientos expeditos o mediante un tipo de comunicación que no sea el intercambio de cartas.

4. Las Autoridades acuerdan consultarse mutuamente en caso de cualquier dificultad que pudiera surgir.

Sección 2: UTILIZACIÓN DE LA INFORMACIÓN

1. La Autoridad Solicitante sólo podrá utilizar la información obtenida para los motivos indicados en la solicitud, para garantizar el cumplimiento o la aplicación de las disposiciones legales o reglamentarias indicadas en la solicitud y por requerimiento de un proceso penal o un procedimiento administrativo iniciado tras una violación de las disposiciones indicadas en la solicitud.

2. Para cumplir con sus funciones legales, la Autoridad Solicitante podrá facilitar la información a otras Autoridades del mismo gobierno, teniendo que solicitar previamente autorización a la Autoridad Solicitada.

3. Cuando la Autoridad Solicitante desee utilizar la información recabada con fines distintos a los expresados en la solicitud, deberá requerir previamente el consentimiento de la Autoridad Solicitada. Al autorizar dicha utilización, la Autoridad Solicitada podrá supeditarla a ciertos requisitos que considere pertinentes. Asimismo, podrá oponerse a la utilización de la información para fines diversos a los expresados en la solicitud.

4. No obstante lo anterior, la Autoridad solicitante no podrá divulgar aquella información que bajo las leyes aplicables resulte ser de carácter confidencial.

Sección 3: CONFIDENCIALIDAD DE LA INFORMACIÓN

Cada Autoridad preservará, con arreglo a los requisitos previstos legalmente, el carácter confidencial de las solicitudes o de los comunicados informativos en el ámbito del presente Memorándum de Entendimiento, del contenido de dichas solicitudes y de cualquier otra cuestión relacionada con la aplicación del presente Memorándum de Entendimiento, especialmente de las consultas entre Autoridades.

En todos los casos, la Autoridad Solicitante garantizará la información que recabe en aplicación del presente Memorándum de Entendimiento y con arreglo a los requisitos previstos legalmente, un grado de confidencialidad que será por lo menos equivalente al que dicho tipo de información tenga en la jurisdicción de la Autoridad Solicitada.

Sección 4: DENEGACIÓN DE LA INFORMACIÓN

1. La asistencia prevista en el presente Memorándum de Entendimiento se denegará cuando:

   a) La satisfacción de la solicitud pudiera afectar la seguridad, los intereses económicos fundamentales y el orden público de la República de Panamá y del Estado Libre Asociado de Puerto Rico;

   b) Se haya incoado cualquier proceso penal o se haya dictado una resolución definitiva en la jurisdicción de la Autoridad Solicitada, sobre la base de los mismos hechos y contra las mismas personas.

   c) No sea permitida por las leyes y reglamentos.

2. La denegación de asistencia no perjudicará el derecho que tienen las Autoridades de consulta recíproca. Cuando la Autoridad Solicitada, no sea competente para dar respuesta a una solicitud de asistencia, la Autoridad Solicitada y la Autoridad Solicitante se consultarán sobre otros medios posibles para dar tratamiento a la solicitud.

ARTICULO IV: DISPOSICIONES FINALES

Sección 1: VIGENCIA

Este Memorándum de Entendimiento entrará en vigor a partir de la fecha de su firma.

Sección 2: EVALUACIÓN

Transcurridos dos (2) años desde la entrada en vigor de este acuerdo, las Autoridades efectuarán un examen de los resultados alcanzados a fin de ampliar o adecuar el contenido de este acuerdo o sus objetivos.

Sección 3: TERMINACIÓN

Cualquiera de las Autoridades podrá dar por terminada la vigencia de este Memorándum de Entendimiento dando a la otra parte un aviso con treinta (30) días de anticipación. Si cualquiera de las Autoridades da dicho aviso, este Memorándum de Entendimiento seguirá surtiendo sus efectos con respecto a todas las consultas y peticiones de asistencia técnica que se hubieren hecho antes de la fecha efectiva de la notificación, hasta en tanto la Autoridad requerida no haya concluido el asunto materia de la solicitud.

OTORGAMIENTO

Dado en Julio el día 12 del 2005, por duplicado en lengua española.

Rolando de León de Alba
Comisionado Presidente
Comisión Nacional de Valores
República de Panamá

Alfredo Padilla
Comisionado de Instituciones
Financieras del Estado Libre Asociado
de Puerto Rico

ANEXO "A"

Personas de Enlace

COMISION NACIONAL DE VALORES DE REPUBLICA DE PANAMA

Ana Isabel Díaz V.
Directora Nacional de Asesoría Legal
Ave. Balboa, Edif. Bay Mall, 2do Piso, local 206
Panamá, Rep. de Panamá
Tel (507) 265-2574
Fax (507) 269-8842
E-mail: aidiaz@conaval.gob.pa

Oliver Muñoz Esquivel
Asesor Legal
Ave. Balboa, Edif. Bay Mall, 2do Piso, local 206
Panamá, Rep. de Panamá
Tel (507) 265-2514
Fax (507) 269-8842
E-mail: omunoz@conaval.gob.pa

OFICINA DEL COMISIONADO DE INSTITUCIONES FINANCIERAS DEL ESTADO LIBRE ASOCIADO DE PUERTO RICO

Alfredo Padilla Cintrón
Comisionado
apadilla@ocif.gobierno.pr

Memorandum of Understanding between the Internal Revenue Service and the Office of the Commissioner of Financial Institutions for the Commonwealth of Puerto Rico concerning Money Services Businesses and Certain Other Non-bank Financial Institutions

1. Introduction:

A. This Memorandum of Understanding (MOU) between the Internal Revenue Service (IRS) and the Office of the Commissioner of Financial Institutions for the Commonwealth of Puerto Rico (the "OCFI"), for money services businesses and certain other non-bank financial institutions sets forth the agreement of the parties to facilitate the sharing of information in order to assist each party in the examination of money services businesses ("MSBs") and certain other non-bank financial institutions ("NBFIs") within their respective regulatory jurisdictions, and in so doing, to strengthen and enhance compliance with federal and state anti-money laundering laws and regulations (as set forth in the Bank Secrecy Act ("BSA") and the regulations promulgated pursuant thereto, as well as all applicable state anti-money laundering and related statutes and regulations), on the part of MSBs and certain other NBFIs, all of this to the extent it is legally permissible under the laws of the Commonwealth of Puerto Rico.

B. Only those MSBs (and certain other NBFIs) that are under the supervision and subject to examination by the OCFI are within the purview of this MOU.

C. The parties will meet, whenever both parties agree it is necessary to do so, to discuss any issues pertaining to the implementation of this MOU.

2. Authority:

A. The Secretary of the Treasury is responsible for the administration and enforcement of the BSA, codified in relevant part at 31 USC 5311, et seq. and the regulations promulgated thereunder, at 31 CFR Part 103. The Secretary has delegated this authority to the Director, Financial Crimes

Enforcement Network (FinCEN), including the authority to disseminate information required to be reported under the BSA. FinCEN is a bureau of the U.S. Department of the Treasury. With Treasury Order 180-01, the Secretary of the Treasury has delegated the authority to FinCEN to administer and enforce the provisions of the BSA. The authority to examine certain financial institutions (including, but not limited to, MSBs (and certain other NBFIs)) for BSA compliance, has been delegated to the IRS pursuant to 31 CFR 103.56(b) (8) and under Treasury Directive 15-41 (December 1, 1992).

B. IRS BSA examination reports and related data contain information obtained under the authority of Title 31 and do not contain tax information obtained under the authority of the Internal Revenue Code (IRC). Section 6103 of the IRC imposes restrictions on disclosure by IRS of tax information obtained under the authority of the IRC. The terms of the MOU do not provide for the exchange of such tax information with the State Regulator.

C. The authority for the OCFI to share information pursuant to the terms of the MOU and participate in joint activities is set forth in Puerto Rico Act No. 4 of October 11, 1985, as amended, codified in 7 L.P.R.A. §2001 et seq. (hereinafter, "Act No. 4").

D. The authority for IRS to exchange BSA examination information is set forth in FinCEN's Delegation of Authority for Dissemination of BSA Examination Information, dated June 15, 2004 ("Delegation of Authority"). The exchange of information under the terms of this MOU is subject to the terms and conditions of the Delegation of Authority.

3. <u>Definitions:</u>

A. "BSA and AML Examination Information" means both IRS BSA Examination Information and State AML Examination Information, unless the context specifies otherwise.

B. "IRS BSA Examination Information" means BSA examination reports, and IRS workpapers (and information contained therein) and copies of IRS Letters 1112 and 1052 relating to non-bank financial institutions. For purposes of this MOU, IRS BSA examination information does not include copies of particular BSA Reports or BSA Forms filed with FinCEN by financial institutions or related entities.

C. "BSA Report" or "BSA Form" means a report, and any information in such a report that might reveal its existence, that is filed with FinCEN pursuant to the BSA provisions of Title 31 and its implementing regulations.

D. "MSBs" are defined to include:
(1) Check Cashers,
(2) Currency dealers or exchangers,
(3) Issuers of traveler's checks, money orders, or stored value,
(4) Sellers or redeemers of traveler's checks, money orders or stored value, and
(5) Money transmitters
as those terms are defined in 31 C.F.R. 103.11(uu).

E. "Non-bank financial institution" ("NBFI") means a financial institution that is listed in 31 CFR 103.11(n) or is otherwise subject to a requirement under the BSA, other than a financial institution that is examined by a federal bank supervisory agency, a federal securities agency, a federal commodities agency, or a self-regulatory organization registered with a federal securities agency or a federal commodities agency, for compliance with the provisions of the BSA.

F. "State AML Examination Information" means all information, including but not limited to, reports, workpapers, correspondence and memoranda concerning or arising out of an examination of a MSB (or certain other NBFI) by the OCFI for compliance with Act No. 4 and other applicable law(s) of the Commonwealth of Puerto Rico.

G. "Program Documents" means (1) publicly available BSA or AML examination program documents; (2) publicly available written guidance pertaining to BSA or AML examinations; and (3) relevant sections from publicly available written instructions for preparing BSA-related examination reports or their functional equivalent. Program Documents do not include any documents that have not been made available to the public.

4. <u>Purpose and Scope:</u>

A. The primary purpose of this MOU is to enhance interagency cooperation and thereby enhance compliance with the BSA, the regulations promulgated pursuant to the BSA, and all applicable state anti-money laundering laws, including rules and regulations that apply to MSBs (and certain other NBFIs), by sharing information that will enhance the quality of examinations, alert parties to the existence of compliance issues involving entities under their supervision, and provide mutually beneficial training to BSA examiners employed by the parties. This MOU is intended to further the purpose of the BSA by encouraging, fostering and requiring the filing of reports and the retention of records that "have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism." <u>31 U.S.C. § 5311.</u>

This MOU is also intended to foster the flow of information between the parties in a manner that avoids undue regulatory duplication on MSBs (and certain other NBFIs), conserves regulatory resources, and better ensures consistency in the application of the regulatory provisions of BSA.

B. This MOU does not amend or supersede any other agreements between the IRS and the State Regulator, including, but not limited to, any other agreements that provide for the exchange of BSA information for law enforcement purposes. This MOU is not intended to alter or amend any authority provided under the Re-Dissemination Guidelines for Bank Secrecy Act Information, dated June 25, 2004, issued by FinCEN.

C. Scope of activities covered by this MOU may include:

(1) Sharing BSA and AML examination information, including upcoming examination schedules.
(2) Sharing lists of MSBs (and certain other NBFIs) and, to the extent it is legally permissible under the laws of the Commonwealth of Puerto Rico, providing access to certain information maintained on the OCFI databases.
(3) Sharing other MSB (and certain other NBFI) information available from the State Regulator, including, but not limited to, the status of licenses or charters granted by the OCFI to MSBs (and certain other NBFIs), to the extent it is legally permissible under the laws of the Commonwealth of Puerto Rico.
(4) Training and orientation of IRS examiners and examiners for the State Regulator.
(5) Sharing Program Documents.

D. Scope of activities not covered by this MOU:

IRS shall not share with the OCFI, under the terms of this MOU, BSA Reports or BSA Forms, as these terms are defined in section 3 of this MOU, or any information contained therein, or records required under the provisions of the BSA to be maintained by the financial institutions. FinCEN, as administrator of the BSA, coordinates all requests for access to such information pursuant to applicable law.

No information about criminal investigations or referrals for criminal investigations, or referrals for civil penalties, shall be shared with the OCFI under this MOU.

No information about criminal investigations or referrals for criminal investigations, or referrals for civil penalties, shall be shared with the IRS under this MOU.

5. Duties and Responsibilities of the IRS:

The IRS will provide the following under this MOU:

A. MSB (and certain other NBFI) BSA Compliance Examination History

For letters issued by the IRS on and after the date of this MOU, the IRS will provide the OCFI with copies of IRS Letter 1112, *Title 31 Violation Notification Letter with Report of Findings and Recommendations,* (Exhibit 1) identifying apparent violations of BSA requirements by the MSBs (or certain other NBFIs) that operate under the jurisdiction of the State Regulator. IRS will provide copies of these letters or examination reports to the OCFI on a quarterly basis. IRS will provide these copies to the OCFI on or about January 31, April 30, July 31, and October 31 of each year. Should any of these dates fall on a weekend or Federal holiday, IRS will provide copies to the OCFI on the next following workday. At its option, IRS may provide to the OCFI extracts of information contained in the copies of previously issued IRS Letter 1112 or examination reports in lieu of providing actual copies. The information may be provided in an electronic or paper format.

In addition, the IRS, to the best extent possible, will provide its upcoming BSA examination schedule to the OCFI on a quarterly basis. IRS will provide its examination schedule to the OCFI on or about January 31, April 30, July 31, and October 31 of each year. Should any of these dates fall on a weekend or Federal holiday, IRS will provide copies to the OCFI on the next following workday.

The IRS may grant requests from the OCFI to provide information outside of the quarterly schedule identified above.

B. MSB (and Certain Other NBFI) Identification Data

For letters issued by the IRS on or after the date of this MOU, IRS will provide copies of:

(a) IRS Letter 1052, *Notification of BSA Reporting and Record Keeping Requirements*, (Exhibit 2) and

(b) current listings of MSBs (and certain other NBFIs) non-bank financial institutions (NBFI) within the jurisdiction of the State Regulator.

IRS will provide copies of these letters and listings to the OCFI on a quarterly basis. IRS will provide these copies to the OCFI on or about January 31, April 30, July 31, and October 31 of each year. Should any of these dates fall on a weekend or Federal holiday, IRS will provide copies to the OCFI on the next following workday. At its option, IRS may provide to the OCFI extracts of information contained in the copies of previously issued IRS Letter 1052 in lieu of providing actual copies of the previously

issued Letter 1052. The information in the letters and the listings may be provided in an electronic or paper format.

The IRS may grant requests from the OCFI to provide information outside of the quarterly schedule identified above.

C. Program Documents
The IRS will provide to the OCFI copies of Program Documents that guide its examiners during the course of its BSA examinations of MSBs (and certain other NBFIs).

D. Training of OCFI Staff
Upon request, the IRS will provide to the State Regulator's examiners an orientation on the provisions of the BSA administered by the IRS, utilizing materials that have been previously approved by FinCEN. The time, place, and number of orientations will be determined by mutual agreement.

The State enters into this MOU with the understanding that IRS shall consult with FinCEN prior to providing any training under this MOU.

E. Notification of Legally Enforceable Demand for Information
To the extent practicable, the IRS agrees to notify the OCFI of any legally enforceable demand for information that was provided to the IRS by the OCFI under the terms of this MOU, prior to complying with the demand. IRS will make a best effort to assert any valid legal exemption or privilege that the OCFI requests. Unless subject to a court order or other compulsory process, the IRS will seek the approval of the OCFI before providing such information in response to a demand or request by a third party.

F. Tax Information is not to be Exchanged Under this MOU
This MOU provides for the exchange of BSA and AML Examination Information only and not for the exchange of any tax information. If any exchange between the IRS and the State of tax information is to be made, it is to be made under the terms of a separate agreement.

6. Duties and Responsibilities of the Office of the Commissioner of Financial Institutions

To the extent it is legally permissible under the laws of the Commonwealth of Puerto Rico, the OCFI will provide the following under this MOU:

A. MSB (and Certain Other NBFI) Licensing and Chartering Data
At least quarterly, the OCFI will provide a current listing of state licensed, chartered, or supervised MSBs (and certain other NBFIs). At least

quarterly, the OCFI will also provide reports of examinations or audits of MSBs (and certain other NBFIs) that were conducted by the OCFI and correspondence to MSBs (and certain other NBFIs) as the information relates to the BSA, agent lists and, subject to state and Federal disclosure laws, information concerning identified or suspected noncompliance with the BSA.

In addition, the State Regulator, to the best extent possible, will provide its upcoming BSA examination schedule for MSBs to the IRS on a quarterly basis.

The OCFI may grant requests from the IRS to provide information outside of the quarterly schedule identified above, including, but not limited to, requests to verify or provide specific licensing or chartering information.

B. Program Documents

The OCFI will provide to the IRS copies of Program Documents that guide its examiners during the course of examinations of MSBs (and certain other NBFIs) for compliance with applicable laws of the Commonwealth of Puerto Rico, to the extent it is legally permissible under such laws.

C. Other State MSB (and Certain Other NBFI) Information

Upon the request for specific information, to be used by the IRS only for the purpose of carrying out its responsibilities with respect to the BSA, and subject to state statute and regulations, the OCFI will make available information collected in the course of screening, licensing, chartering, and examining MSBs (and certain other NBFIs). Such information may include, but is not limited to, State AML examination information, business transaction reports, and fee structures. The OCFI agrees that, in carrying out its responsibilities with respect to the BSA, the IRS may share the information it receives from the OCFI with FinCEN as provided for in section 7.D. of this MOU.

D. Training of IRS Staff

Upon request, the State will provide an orientation on the provisions of the AML or other laws and regulations pertaining to MSBs (and certain other NBFIs) that are administered by the State Regulator. The time, place, and number of orientations will be determined by mutual agreement.

E. Notification of Legally Enforceable Demand for Information

To the extent practicable, the OCFI agrees to notify the IRS of any legally enforceable demand for information that was provided to the OCFI by the IRS under the terms of this MOU, prior to complying with the demand. The OCFI will make a best effort to assert any valid legal exemption or privilege that the IRS requests. Unless subject to a court order or other compulsory process, the OCFI will seek the approval of the IRS before

providing such information in response to a demand or request by a third party.

F. Tax Information is not to be Exchanged Under this MOU
This MOU provides for the exchange of BSA and AML examination information only and not for the exchange of any tax information. If any exchange between the IRS and the OCFI of tax information is to be made, it is to be made under the terms of a separate agreement.

7. Additional Understandings with Respect to the Use of the Information Obtained:

A. To the extent information provided hereunder by the OCFI is confidential within the meaning of State law, disclosure to the IRS is intended only as a limited waiver of confidentiality as permitted by state law.

B. Both parties agree that any BSA or AML Examination Information received under the terms of this MOU is to be used for official purposes only.

C. The OCFI enters into this MOU with the understanding that IRS may provide a copy of this MOU to FinCEN and that IRS may inform FinCEN of any terminated MOUs.

D. The OCFI enters into this MOU with the understanding that IRS may provide FinCEN with access to information received from the State under the terms of this MOU.

8. Protection of Information:

A. The OCFI agrees to adequately protect IRS BSA Examination Information shared under this MOU from unauthorized disclosure. The OCFI agrees to ensure that the IRS BSA Examination Information is only accessed by those individuals who are authorized to have access and who have a need for the information. The OCFI shall make adequate provisions for the secure storage of the IRS BSA Examination Information received pursuant to this MOU when it is not being used. The OCFI will ensure that all OCFI automated information systems and networks that receive, process, store, or transmit such information have adequate protective measures in place to restrict access. Information received from the IRS hereunder that is no longer needed shall be either returned to the IRS or destroyed by burning, mulching, pulping, shredding, or disintegrating. In the event this MOU is terminated, this provision, requiring the OCFI to protect IRS BSA Examination Information, will survive such termination for as long as the OCFI retains or has access to IRS BSA Examination Information.

B. The IRS agrees to adequately protect the State AML Examination Information received pursuant to this MOU from unauthorized disclosure. IRS agrees to ensure that such information is only accessed by those individuals who are authorized to have access and who have a need for the information. IRS shall make adequate provisions for the secure storage of the information provided to it under this MOU when it is not being used. IRS agrees to ensure that all IRS automated information systems and networks that receive, process, store, or transmit information pursuant to this MOU have adequate protective measures in place to restrict access. Information received by the IRS that is no longer needed shall be either returned to the OCFI or destroyed by burning, mulching, pulping, shredding, or disintegrating. In the event this MOU is terminated, this provision, requiring the IRS to protect State AML Examination Information, will survive such termination for as long as the IRS retains or has access to IRS BSA Examination Information.

9. Disclosure, Dissemination, and Record Keeping Requirements:

A. Both parties may be required, upon request, to verify that all requirements for recordkeeping and accounting for information provided pursuant to this MOU are being met.

B. Except for the sharing of information with FinCEN pursuant to the terms of this MOU and except as provided for in section 5.E. of this MOU, IRS will not share with other agencies or organizations State AML Examination Information shared under this MOU without the prior written approval of the State Regulator.

C. Both parties agree to make all requests for information in writing unless exigent circumstances apply. Each request must be signed by the person or persons designated for such purpose. If information is released based on an oral request due to exigent circumstances, the requester must send written confirmation of the oral request as soon as possible after the oral request has been made.

D. The OCFI enters into this MOU with the understanding that, to the extent that IRS workpapers contain information relating to a BSA examination, any disclosure of that information to the OCFI must be coordinated with FinCEN on a case-by-case basis.

E. Except as provided for in section 6.E. of this MOU, the OCFI shall not share IRS BSA Examination Information shared under this MOU with other agencies or organizations without the prior written approval of both IRS and FinCEN.

F. Nothing in this MOU will cause the IRS or the OCFI to disclose information for which there is a statutory prohibition against such disclosure or there exists a legally recognized privilege.

G. Should the OCFI receive a request, pursuant to state law providing for access by the public to government information, for disclosure of IRS BSA Examination Information provided under this MOU, the OCFI shall notify the IRS as soon as practicable.

H. Should the IRS receive a request, pursuant to Federal law providing for access by the public to government information, for disclosure of State AML Examination Information provided under this MOU, the IRS shall notify the OCFI as soon as practicable.

I. The OCFI agrees to assert any legal exemption or privilege available under state law to protect IRS BSA Examination Information from public disclosure.

J. The IRS agrees to assert any legal exemption or privilege available under Federal law to protect State AML Examination Information from public disclosure.

10. Civil Enforcement:

No provision of this MOU is intended to alter in any way the enforcement authority of the OCFI or the IRS.

11. Third Party Rights:

This MOU does not confer any rights or benefits on any third party.

12. Effective Date:

The effective date of this MOU is the date it has been signed by all parties to the MOU.

13. Amendment of MOU:

This MOU may be amended provided that any such amendments are agreed to in writing by both parties.

14. Termination of MOU:

This MOU may be cancelled upon thirty (30) days prior written notice by either the IRS or the OCFI or immediately by signed agreement by the IRS and the State Regulator.

15. Contacts:

Contacts for the purpose of this MOU will be the IRS Governmental Liaison for the Commonwealth of Puerto Rico and the Commissioner of Financial Institutions.

16. Personnel Authorized to Request or Receive Information

Exchanges of information under this MOU shall be limited to those IRS and OCFI employees listed on Exhibit 3 of this MOU. Only those individuals are authorized to request or receive information on behalf of their respective agency. This list shall be updated as necessary, but at least annually by December 31 of each year.

Approvals:

For the Office of the Commissioner Financial Institutions

Name: Alfredo Padilla-Cintrón

Commissioner of Financial Institutions
Title:

Office of the Commissioner of Financial Institutions
Organization

July 1, 2005
Date

For the Internal Revenue of Service

Name:

Director, Fraud and BSA, SB/SE
Title

Internal Revenue Service
Organization

7/22/05
Date

Name

Area Manager, Governmental Liaison and Disclosure, SB/SE
Title

Internal Revenue Service
Organization

7/15/05
Date

Exhibit 1 – Letter 1052

Internal Revenue Service

Department of the Treasury

Person to Contact:

Contact Telephone Number:

Employee Identification Number:

Date:

Dear

Based on available information, it appears your business may be engaged in one or more of the following financial services:

- Currency dealer or exchanger
- Check cashier
- Issuer of traveler's checks, money orders or stored value
- Seller or redeemer of traveler's checks, money orders or stored value
- Money transmitter
- Casino or card club
- Domestic bank or other financial institution not supervised by a federal banking agency

This letter is to advise you that businesses providing the above financial services may be "financial institutions" as defined in 31 C.F.R §§ 103.11(n) and 103.11(uu) under the Bank Secrecy Act (BSA). If your business is providing these services, you may be required under the BSA to:

- Develop, implement and maintain an anti-money laundering compliance program
- Register as a "Money Services Business" with the Financial Crimes Enforcement Network (FinCEN) of the Department of the Treasury
- Obtain, record and maintain records relating to certain financial transactions
- File reports of currency transactions, in excess of $10,000, with the Internal Revenue Service, Detroit Computing Center
- File Suspicious Activity Reports with FinCEN

Enclosed please find information regarding the requirements of the BSA and implementing regulations. The provisions of the BSA, regulations implementing the BSA, BSA Forms, BSA guidance for financial institutions, and other relevant information is also available at, and downloadable from, FinCEN's web site at www.fincen.gov.

If you have any questions, please contact the employee named on the first page of this letter.

Sincerely,

Enclosure(s):

Exhibit 2 - IRS Letter 1112

Internal Revenue Service

Department of the Treasury

Person to Contact:

Contact Telephone Number:

Employee Identification Number:

Date:

Dear

We found apparent violations of the Bank Secrecy Act (31 CFR 103) while conducting a Bank Secrecy Act compliance examination.

We've attached a list of these apparent violations. If you accept our findings and recommendations and will correct the apparent violations, please sign and return the attached acceptance statement.

You need to contact the Detroit Computing Center by mail to correct any delinquent filings. Your cover letter should request a backfiling determination. Mail a copy of this letter with your request to:

Internal Revenue Service
Detroit Computing Service
Compliance Review Group
Post Office Box 32063
Detroit, MI 48232-0063

If you disagree with the attached findings and recommendations, please send us, within 30 days of this letter, a written response explaining why.

Please contact the person whose name and telephone number are shown above if you have any questions.

Thank you for your cooperation.

Sincerely yours,

Letter 1112 (DO) (Rev. 7-1999)
Catalog Number 40828K

Report of Findings and Recommendations

(Attachment to Letter 1112 (DO) dated)

Business name		Employer Identification Number (EIN)
Business address		Telephone number
City	State	ZIP Code

We found the following apparent reporting violations:

Date	Amount	Person(s) Involved

We found the following apparent recordkeeping violations:

Date	Amount	Person(s) Involved

Recommendations:

Acceptance Statement

(Attachment to Letter 1112 (DO) dated)

Business name		Employer Identification Number (EIN)
Business address		Telephone number
City	State	ZIP Code

I, _____ have received and reviewed The Internal Revenue Service Report of Findings and Recommendations, addressing specific areas of noncompliance with the Bank Secrecy Act recordkeeping and reporting requirements, dated _____.

I agree to follow the recommendations and to correct the reporting and recordkeeping violations.

_____
Name

_____
Title

_____
Date

Exhibit 3

Employees Authorized to Request or Receive Information under the Money Services Business Memorandum of Understanding

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IRS Employees
Maureen O'Rourke, IRS
290 Broadway; 7th Floor
New York, NY 10007
Attn: Maureen O'Rourke
e-mail: Maureen.O'Rourke@irs.gov
(212) 436-1888

David King; IRS
333 Market Street
San Francisco, CA 94105
Attn: David King
e-mail: david.king@irs.gov
(415) 848-4741

OCFI Employees
José M. Rosario, OCFI
1492 Ponce de Leon Ave.,
Centro Europa, 6th Floor
Santurce, P.R. 00907
e-mail: joser@ocif.gobierno.pr
(787) 722-6017

Asdrúbal Aponte, OCFI
1492 Ponce de Leon Ave.
Centro Europa. 6th Floor
Santurce, P.R. 00907
asdrubala@ocif.gobierno.pr
(787) 723-7508

Isabel Cruz, OCFI
1492 Ponce de Leon Ave.
Centro Europa, 6th Floor
Santurce, P.R. 00907
isabelc@ocif.gobierno.pr
(787) 723-8648

Laura Velázquez, OCFI
1492 Ponce de Leon Ave.
Centro Europa, 6th Floor
Santurce, P.R. 00907
(787) 722-6017
laurav@ocif.gobierno.pr

Exhibit 4

Types of Money Services Businesses and Certain Other Non-bank Financial Institutions that are within the Money Services Business Memorandum of Understanding

The purpose for this exhibit is to clarify what types of money services businesses and other non-bank financial institutions are within the purview of the Memorandum of Understanding between IRS and the Office of the Commissioner of Financial Institutions of the Commonwealth of Puerto Rico dated _____ (the MOU). This exhibit is not intended to alter any of the terms of the MOU.

The following types of Money Services Businesses and other Non-bank Financial Institutions within the Commonwealth of Puerto Rico are, as of June 28, 2005, under the supervision and subject to examination by the Office of the Commissioner of Financial Institutions. In accordance with section 1.B of the MOU, these are the types of non-bank financial institutions that will be within the purview of the MOU as of June 28, 2005. This attachment may be revised at a future date, as needed.

Type of MSBs:

1. Check Cashing Businesses. Puerto Rico Act No. 119 of August 11, 1996, as amended, codified as 10 L.P.R.A. Section 2501, et. Seq.
2. Money Transfer Businesses. Puerto Rico Act No. 106 of August 6, 1966, codified as 10 L.P.R.A. Section 2551, et. Seq.

Type of NBFIs other than MSBs:

1. Pawnbrokers ("casas de empeño"). Puerto Rico Act No. 130 of June 30, 1975, as amended, codified as 10 L.P.R.A., Section 511 et seq.
2. Casinos. Puerto Rico Act No. 221 of May 15, 1948, as amended, codified as 15 L.P.R.A., Section 71 et seq.

ACUERDO DE COMUNICACIÓN Y COOPERACIÓN PARA EL INTERCAMBIO DE INFORMACIÓN Y LA REGLAMENTACIÓN CONJUNTA DE LOS PRODUCTOS DE SEGUROS Y SERVICIOS FINANCIEROS EN PUERTO RICO

COMPARECEN

DE UNA PARTE: la Oficina del Comisionado de Seguros de Puerto Rico ("la OCS"), representada en este acto por la Comisionada de Seguros, Dorelisse Juarbe Jiménez.

DE OTRA PARTE, la Oficina del Comisionado de Instituciones Financieras de Puerto Rico ("la OCIF"), representada en este acto por el Comisionado de Instituciones Financieras, Alfredo Padilla Cintrón.

EXPONEN

POR CUANTO, la OCS es la agencia encargada de fiscalizar el negocio de seguros en Puerto Rico y sirve como reglamentadora principal de toda persona natural o jurídica que ostente una licencia de las emitidas por la OCS, y de toda persona natural o jurídica que realice actividades relacionadas directa o incidentalmente con el negocio de seguros.

POR CUANTO, la OCIF es la agencia encargada de fiscalizar el negocio de banca, valores y otros servicios financieros en Puerto Rico, además de que sirve como reglamentadora principal de toda persona natural o jurídica que ostente una licencia de las emitidas por la OCIF o por las agencias federales pertinentes, y de toda persona natural o jurídica que realice actividades relacionadas directamente o incidentalmente con el negocio de banca, valores y otros servicios financieros.

POR CUANTO, debido a la integración de las industrias de seguros, banca y valores, resulta indispensable que la OCS y la OCIF intercambien información y coordinen sus esfuerzos de reglamentación y fiscalización para fomentar el desempeño más efectivo de sus respectivas funciones y para el descargo más eficiente de sus respectivos deberes..

POR CUANTO, la OCS y la OCIF consideran que resulta útil y necesario viabilizar tal intercambio y coordinación mediante la suscripción de un acuerdo que contenga las condiciones, obligaciones y responsabilidades bajo las cuales podría efectuarse este esfuerzo de comunicación y cooperación, reconociendo que en el ejercicio de sus funciones cada una continuará asumiendo la jurisdicción que le corresponda conforme a los poderes que le han sido conferidos por ley.

POR TANTO, la OCS y la OCIF acuerdan suscribir este acuerdo de comunicación y cooperación, sujeto a las siguientes:

CLÁUSULAS Y CONDICIONES

I. Intercambio de Información

1. Disposiciones Generales

a) En tanto lo requiera o lo permitan la ley, los reglamentos, las normas o prácticas aplicables, y en cuanto la información solicitada sea pertinente o esencial a la jurisdicción de la OCS o de la OCIF, estas agencias podrán intercambiar información acerca de cualquier persona, natural o jurídica, que se encuentre bajo la jurisdicción de la agencia solicitante, por ostentar una licencia o autorización de las conferidas por la OCS o la OCIF, o por haber realizado actividades relacionadas directa o incidentalmente con los negocios que la OCS y la OCIF fiscalizan.

b) La OCS y la OCIF utilizarán la información que reciban la una de la otra para el ejercicio de sus funciones de conformidad con los poderes que le han sido conferidos por ley en relación con aquellos asuntos que estén contenidos dentro del alcance de su jurisdicción.

2. Oficial Designado

La OCS y la OCIF designarán a uno de sus oficiales, empleados o representantes autorizados para que esté a cargo de manejar y coordinar el intercambio de información entre ambas agencias.

3. Querellas y Solicitudes de los Consumidores

En tanto lo requiera o lo permitan la ley, los reglamentos, las normas o prácticas aplicables, y en cuanto la información solicitada sea pertinente o esencial a la jurisdicción de la OCS o de la OCIF, éstas se comprometen a remitir a la persona nombrada en cada agencia, conforme a lo dispuesto en el inciso 2 anterior, copia de toda querella o solicitud escrita que le sea presentada y que se relacione con actividades, actuaciones o conductas de una persona, natural o jurídica, que inciden directa o incidentalmente en el negocio que la otra fiscaliza, siempre y cuando tal información guarde relación con los asuntos que estén contenidos dentro del alcance de la jurisdicción de dicha agencia.

4. Acciones, Órdenes y Determinaciones

En tanto lo requiera o lo permitan la ley, los reglamentos, las normas o prácticas aplicables, y en cuanto la información solicitada sea pertinente o esencial a la jurisdicción de la OCS o de la OCIF, éstas acuerdan remitir a la persona nombrada en cada agencia, conforme al inciso 2 anterior, copia de toda acción, orden o determinación que sea emitida en relación con las actividades, actuaciones o conducta de una persona, natural o jurídica, que inciden directa o incidentalmente en el negocio que la otra fiscaliza, siempre y cuando tal información guarde relación con los asuntos que estén contenidos dentro del alcance de la jurisdicción de dicha agencia.

5. Confidencialidad

(a) La OCS y la OCIF establecerán las salvaguardas que sean necesarias para la conservación y protección de la confidencialidad de la información que intercambien, conforme al derecho aplicable.

(b) La OCS y la OCIF, tomando en cuenta sus respectivas políticas sobre documentos no sujetos a inspección pública, limitarán el acceso a la información confidencial únicamente a aquellas personas bajo la supervisión y control de la agencia, incluyendo pero sin limitarse a los representantes legales externos, consultores o expertos, que estén directamente involucrados en el asunto o proceso al cual la información es pertinente, y a aquellas personas que tengan derecho a ello. La OCS y la OCIF mantendrán la información confidencial de una manera que garantice la confidencialidad de la misma y adiestrarán a todas las personas que tengan acceso a ésta acerca de los procedimientos adecuados para garantizar la confidencialidad de la información.

(c) La OCS y la OCIF reconocen que cada una retiene el título sobre toda la información confidencial que suministre a la otra agencia y acuerdan no tomar acción alguna que tenga el efecto de limitar, obviar o menoscabar los privilegios o derechos sobre la confidencialidad de la misma, tal como la divulgación no autorizada de dicha información a otras agencias del Estado Libre Asociado de Puerto Rico o de cualquier otra jurisdicción de Estados Unidos, a los tribunales o cuerpos legislativos o a cualquier otra agencia, instrumentalidad, entidad o persona natural o jurídica. Sin embargo, la OCS y la OCIF reconocen que cuando un tribunal con jurisdicción competente emita una orden para requerir la entrega de la información confidencial cubierta por el presente Acuerdo, la agencia requerida podrá acatar dicha orden, en cuyo caso, la misma deberá notificar a la otra la agencia acerca de lo que le fue requerido y de su cumplimiento con lo ordenado.

(d) La OCS y la OCIF determinan que al recibir de un tercero una solicitud para obtener la información confidencial intercambiada, como por ejemplo, un emplazamiento acompañado de una citación, una orden u otro mecanismo mediante el cual se le requiera la entrega de dicha información confidencial o testimonio relacionado con la misma, éstas deberán:

(i) Notificar de inmediato a la otra agencia acerca de lo que se les ha requerido y proveerle a ésta la oportunidad de tomar toda acción que estime pertinente para proteger el carácter confidencial y/o privilegiado de la información, así como coòperar plenamente en la preservación y protección de todo privilegio o derecho sobre la confidencialidad aplicable a dicha información entregada.

(ii) Notificar a la parte que solicita la entrega de la información confidencial acerca del hecho de que ésta pertenece a la otra agencia y que las solicitudes para la entrega de dicha información deberán remitirse directamente a ésta, conforme a las leyes aplicables;

(iii) Consentir a toda solicitud que haga la otra agencia para intervenir en cualquier acción con el propósito de afirmar y preservar todo privilegio y/o reclamación de confidencialidad sobre la información entregada.

(e) La OCS y la OCIF reconocen que no se interpretará que el compartir la información a tenor con el presente Acuerdo, ni la divulgación compulsoria a terceros de la información confidencial intercambiada a tenor con el presente Acuerdo, representa una renuncia a los privilegios o reclamaciones que tengan sobre la confidencialidad de su información, salvo en la medida en la que lo determine expresamente un tribunal o ente con jurisdicción competente.

(f) La OCS y la OCIF reconocen que el no actuar sobre el incumplimiento de la otra agencia con alguna disposición del presente Acuerdo no se interpretará como una renuncia a reclamar lo que en derecho proceda en caso de que ocurra un incumplimiento similar o de otra disposición del presente Acuerdo.

5. Autoridad y Obligaciones Legales

(a) El presente Acuerdo no limitará de forma alguna la discreción de la OCS o de la OCIF para denegar, en su totalidad o en parte, una solicitud de información o notificación presentada por la otra agencia, cuando medien fundamentos que sean cónsonos con la protección de sus intereses y el ejercicio de sus obligaciones, o cuando la misma esté prohibida por ley.

(b) Nada de lo dispuesto en el presente Acuerdo restringe, amplía o modifica de manera alguna la jurisdicción de la OCS o de la OCIF, y su rescisión no afectará los derechos y obligaciones de éstas bajo las leyes aplicables, ni se entenderá que el contenido del mismo es una interpretación de dichas leyes.

(c) La OCS y la OCIF expresan que no serán responsables la una ante la otra por la corrección o la vigencia de la información que se provea bajo el presente Acuerdo, ni por la obtención, el mantenimiento o la actualización de la misma.

II. Reglamentación y Fiscalización Conjunta

Para evitar la duplicidad de esfuerzos dirigidos a la reglamentación y fiscalización de aquellas actividades o asuntos que se encuentren dentro del alcance de la jurisdicción tanto de la OCS como de la OCIF, como resultado de la integración de las industrias de seguros, banca y valores, éstas acuerdan cooperar y trabajar en conjunto para la emisión de órdenes, resoluciones, normas, reglas y reglamentos, así como también para la emisión y radicación de querellas y el comienzo de procedimientos de adjudicación, realizar investigaciones o exámenes en conjunto, que sean necesarios para un ejercicio efectivo de sus funciones y el descargo eficiente de sus deberes dentro del alcance de la jurisdicción de cada agencia y de conformidad con los poderes que les han sido conferidos por ley.

III. Autoridad para suscribir el Acuerdo

Cada una de las agencias suscribientes afirma expresamente que, a tenor con las leyes aplicables, tiene la debida autoridad para cumplir con los términos y condiciones del presente Acuerdo en relación con el intercambio de información y la reglamentación conjunta, y acuerdan notificarse cualquier cambio esencial en su autoridad.

VI. Vigencia y Separabilidad

Este Acuerdo entrará en vigor a partir de su fecha de suscripción y el mismo remplaza todo otro acuerdo o expresión, verbal o escrita, suscrita por la OCS y la OCIF con respecto a lo aquí contenido. Ninguna alteración o modificación de las disposiciones del presente Acuerdo obligará a las partes, salvo que se haga por escrito y se suscriba por los representantes autorizados de las agencias. La invalidez de cualquier parte del presente Acuerdo no afectará la vigencia de las restantes partes del mismo.

V. Rescisión

El presente Acuerdo podrá ser rescindido por cualquiera de las dos agencias, previo aviso escrito con treinta (30) días de anticipación, disponiéndose, sin embargo,

que dicha rescisión no afectará los derechos y obligaciones de ninguna de las dos agencias con respecto a la información confidencial que haya sido intercambiada y los reglamentos que hayan sido emitidos conforme a las disposiciones del presente Acuerdo. A esos efectos, la OCS y la OCIF reconocen que en caso de rescisión del presente Acuerdo, la información confidencial, que hubieren intercambiado retendrá su carácter confidencial por lo que vendrán obligadas a continuar protegiendo la misma conforme a los términos y condiciones del presente Acuerdo, y que los reglamentos emitidos continuarán en vigor hasta tanto los mismos sean derogados de conformidad con las disposiciones de ley aplicables.

POR TODO LO CUAL, libre y voluntariamente, las partes suscriben el presente acuerdo en San Juan Puerto Rico hoy 8 de agosto de 2005.

DORELISSE JUARBE JIMÉNEZ
COMISIONADA DE SEGUROS
DE PUERTO RICO

ALFREDO PADILLA CINTRÓN
COMISIONADO DE INSTITUCIONES
FINANCIERAS DE PUERTO RICO