

**MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES
FEDERAL TRADE COMMISSION AND THE ROYAL CANADIAN MOUNTED POLICE
ON MUTUAL ENFORCEMENT ASSISTANCE IN CONSUMER FRAUD MATTERS**

The United States Federal Trade Commission (“FTC”) and the Royal Canadian Mounted Police (“RCMP”) hereinafter referred to as the “Participants”,

RECOGNIZING that fraudulent and deceptive commercial practices victimizing consumers cause significant financial harm, and undermine the integrity of both domestic and global consumer markets;

RECOGNIZING that the enforcement challenges of combatting such practices go beyond national frontiers and that cooperation between national authorities is essential to fight such practices;

RECOGNIZING that cross-border fraud and deception often involve violations of both criminal and civil laws, and that cooperation between civil and criminal enforcement bodies may effectively help address and deter such unlawful conduct;

RECOGNIZING that coordination between civil and criminal agencies may provide complementary approaches to serious economic crime, including mass marketing fraud, through information and intelligence sharing and cooperative enforcement; and

RECOGNIZING that the Participants have already worked together to combat consumer fraud, including as part of the Montreal-based Centre of Operations Linked to Telemarketing Fraud (“COLT”) and other strategic partnerships based in Alberta, British Columbia, Ontario and Saskatchewan, and through the RCMP’s use of the FTC’s Consumer Sentinel Network as an investigative tool;

HAVE REACHED THE FOLLOWING UNDERSTANDING:

1. Definitions

For the purposes of this Memorandum of Understanding (“Memorandum”),

“Applicable Laws” means the laws, acts, and regulations identified in Annex 1, and such other laws, acts, or regulations that the Participants may from time to time jointly identify in writing.

“Covered Violation” means practices that violate the Applicable Laws of one Participant and that are the same or substantially similar to practices prohibited by the Applicable Laws of the other Participant.

“Evidence” means information, testimony, statements, documents or copies thereof, or other things, that are obtained in anticipation of or during the course of an investigation or proceeding under the Participants' respective Applicable Laws.

“Material” means documentary material (the original or copy of any book, record, report, memorandum, paper, communication, tabulation, chart or other document), information, tangible things, written reports or answers to questions, and transcripts of oral testimony.

“Person” means any natural person or legal entity, including corporations, unincorporated associations, and partnerships.

“Request” means a request for assistance under this Memorandum.

“Requested Participant” means the Participant from which assistance is sought under this Memorandum, or which has provided such assistance.

“Requesting Participant” means the Participant seeking or receiving assistance under this Memorandum.

2. Objectives and Scope of Assistance

- (a) This Memorandum sets forth the Participants' intent with regard to mutual assistance and the exchange of Material for the purpose of enforcing and securing compliance with the Applicable Laws.
- (b) The Participants understand that it is in their common interest to:
 - (i) cooperate with respect to the enforcement of the Applicable Laws, including sharing complaints and other relevant Material and providing investigative assistance; and
 - (ii) inform each other of developments in their respective countries that relate to this Memorandum.
- (c) In furtherance of these common interests, and subject to paragraph 4, the Participants intend to use their best efforts to:
 - (i) share Material, including complaints and other personally identifiable information, that a Participant believes may be relevant to investigations or enforcement proceedings regarding Covered Violations of the Applicable Laws;

- (ii) provide investigative assistance in appropriate cases, including obtaining Evidence under their respective legal authorities, on behalf of the other Participant;
 - (iii) exchange and provide other relevant Material in relation to matters within the scope of this Memorandum, such as Material relevant to consumer and business education; government and self-regulatory enforcement solutions; amendments to Applicable laws; and staffing and resource issues;
 - (iv) coordinate enforcement against cross-border Covered Violations that are priority issues for them;
 - (v) meet at least once a year and participate in periodic teleconferences to discuss ongoing and future opportunities for cooperation; and
 - (vi) provide other appropriate assistance that may aid in the enforcement against Covered Violations.
- (d) The FTC intends to provide training on the use of the Consumer Sentinel Network.

3. Requests for Assistance

- (a) Each Participant intends to designate primary contacts for the purposes of requests for assistance and other communications under this Memorandum.
- (b) If the request relates to Enforcement of Applicable Laws, the Participants understand that:
 - (i) requests for assistance are expected to include sufficient information to enable the Requested Participant to determine whether a request relates to a Covered Violation and to take action in appropriate circumstances. Such information may include a description of the facts underlying the request and the type of assistance sought, as well as an indication of any special precautions that are expected to be taken in the course of fulfilling the request;
 - (ii) requests for assistance are expected to specify the purpose for which the Material requested is used; and
 - (iii) consistent with **Paragraph 5**, a request for assistance certifies that the Requesting Participant intends to maintain the confidentiality of each request for assistance, the existence of any investigation related to the request, all materials related to each request, and all Materials

provided in response to each request, unless otherwise determined by the Requested Participant;

- (c) Prior to requesting assistance, the Participants intend to perform a preliminary inquiry to ensure that the request is consistent with the scope of this Memorandum and does not impose an excessive burden on the Requested Participant.
- (d) The Participants intend to use their best efforts to resolve any difference in interpretation and application of this Memorandum, and, failing resolution in a reasonably timely manner, by discussion between appropriate senior officials the Participants designate.

4. Limitations on Assistance

- (a) The Requested Participant may exercise its discretion to decline the request for assistance, or limit or condition its cooperation, including when it is outside the scope of this Memorandum, or when it may be inconsistent with domestic laws, or important interests or priorities.
- (b) As it may not be feasible for a Participant to offer assistance for every Covered Violation, the Participants intend to use their best efforts to seek and provide cooperation focusing on those Covered Violations most serious in nature, such as those that cause, or are likely to cause, injury to a significant number of persons, and those causing substantial injury.
- (c) A Requesting Participant may request the reasons for which a Requested Participant declined or limited assistance.

5. Confidentiality and Privacy

- (a) To the fullest extent possible, and consistent with applicable laws, each Participant intends to certify the confidential treatment of Material shared under this Memorandum. The certification of confidentiality is expected to apply not only to the shared Material, but also to the existence of an investigation to which the Material relates. The Participants intend to treat the shared Material, the existence of the investigation to which the Material relates, and any requests made pursuant to this Memorandum as confidential, and not further disclose or use this Material for purposes other than those for which it was originally shared, without the prior written consent of a Requested Participant.
- (b) Notwithstanding sub-paragraph (a), the Participants understand that:

- (i) A Participant may disclose Material provided pursuant to this Memorandum in response to a formal demand from a Participant country's legislative body or an order issued from a court with proper jurisdiction; and
 - (ii) Materials obtained in connection with the investigation or enforcement of criminal laws may be used for the purpose of investigation, prosecution, or prevention of violations of either Participant's country's criminal laws.
- (c) Each Participant intends to use its best efforts to safeguard the security of any Material received under this Memorandum and respect any safeguards mutually decided upon by the Participants. In the event of any access or disclosure of the Material not authorized by a Participant, the Participants intend to take all reasonable steps to prevent a recurrence of the event and to promptly notify the other Participant of the occurrence.
- (d) The Participants intend to oppose, to the fullest extent possible consistent with their countries' laws, any application by a third party for disclosure of confidential Materials received from a Requested Participant, unless the Requested Participant consents to its release. The Participant who receives such an application is expected to promptly notify the Participant that provided it with the confidential Material.
- (e) As Materials exchanged in connection with investigations and enforcement may contain personally identifiable information, the Participants are expected to take additional appropriate measures to safely transmit and safeguard the Materials containing personally identifiable information such as:
 - (i) transmitting the Materials in an encrypted format;
 - (ii) transmitting the Materials directly by a courier with package tracking capabilities;
 - (iii) transmitting the Materials by facsimile rather than email;
 - (iv) maintaining the Materials in secure, limited access locations (e.g., password-protected files for electronic information and locked storage for hard-copy information);
 - (v) considering the redaction of personally identifiable information in appropriate circumstances; and

- (vi) redacting, or filing under seal, personally identifiable information that may be used in a publicly disclosed law enforcement proceeding

6. Retention of Material

(a) The Participants do not intend to retain Materials obtained under this Memorandum for longer than is reasonably needed to fulfill the purpose for which they were shared or than is required by the Requesting Participant's country's laws.

(b) The Participants understand that they need to retain the shared Materials until the conclusion of the pertinent investigation or related proceedings for which the Materials were requested.

(c) The Participants intend to use their best efforts to return any Materials that are no longer needed if the Requested Participant makes a written request that such Materials be returned at the time they are shared. If no request for return of the Materials is made, the Requesting Participant may dispose of the Materials using methods prescribed by the Requested Participant, or if no such methods have been prescribed, by other secure methods, as soon as practicable after the Materials are no longer required.

7. Costs

Unless otherwise decided by the Participants, each Participant intends to bear its own costs.

8. Status

This Memorandum is not legally binding.

9. Duration of Cooperation

(a) This Memorandum is intended to take effect on the date of its last signature by the Participants and will expire five (5) years from that date.

(b) The Participants understand that assistance in accordance with this Memorandum is expected to be available for Covered Violations occurring before as well as after this Memorandum is signed.

(c) This Memorandum may be modified by mutual consent of the Participants. Any modification is to be in writing and signed by both the FTC and the RCMP.

(d) Either Participant may discontinue this Memorandum by providing 30 days written notice of such discontinuation after using its best efforts to consult with the other Participant.

(e) On discontinuation of this Memorandum, the Participants intend to maintain the confidentiality of any Material communicated to them by the other Participant in accordance with this Memorandum, and return or destroy, Material obtained from the other Participant in accordance with this Memorandum.

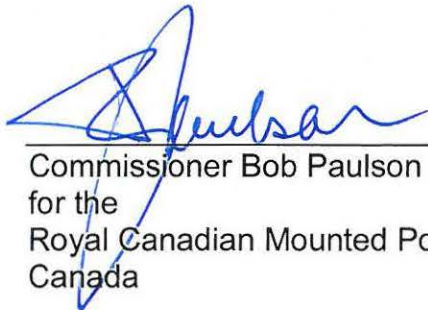
Signed in duplicate in the English and French languages

at Washington D.C., on 1-30-17

and at Ottawa, Ontario, on MAR 01 2017.



Acting Chairman Maureen K. Ohlhausen
for the
Federal Trade Commission
United States of America



Commissioner Bob Paulson
for the
Royal Canadian Mounted Police
Canada

ANNEX 1

Applicable Consumer Protection Laws

For the RCMP:

In particular Fraud Section 380 Criminal Code, Other Sections of the Criminal Code, Deceptive Telemarketing Competition Act Section 52.1(3), other Sections Competition Act, Revised Statutes of Canada.

For the FTC:

The Federal Trade Commission Act, 15 U.S.C. §§ 41-58, the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6101-6108, the CAN-SPAM Act of 2003, 15 U.S.C. §§ 7701-7713, and other consumer protection laws, and the regulations promulgated pursuant to such laws, except those provisions comprising Federal antitrust laws (as defined in section 12(5) of the International Antitrust Enforcement Assistance Act of 1994 (15 U.S.C § 6211(5))).