

FINTRAC: What you should know ... and why you should care!

MYTH: FINTRAC doesn't have anything to do with me.

REALITY: REALTORS® are responsible for assisting the Canadian government to prevent money laundering and terrorist financing activities. The Department of Finance gave the real estate industry a high vulnerability rating in a 2015 report: Assessment of Inherent Risks of Money Laundering and Terrorist Financing in Canada. Because the sector is vulnerable to abuse by criminals or terrorists, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act names real estate Brokers and Sales Representatives as entities that must report certain suspicious activities and large cash transactions to FINTRAC.

MYTH: I don't handle cash - the regulations don't apply to me.

REALITY: Large cash transactions (over \$10,000 received in 24 hours) are only one of the transactions that must be reported to FINTRAC. Transactions that are needlessly complex, involve unnamed third parties, or individuals or financial institutions from specified countries must also be reported. You are obligated to report if you are aware of a transaction; you don't have to handle the funds.

MYTH: FINTRAC compliance doesn't matter for my business.

REALITY: In 2015 FINTRAC levied fines against several brokerages for violating the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and Regulations. According to the Act, ALL Brokers and Sales Representatives are responsible to implement a compliance regime that includes risk analysis and mitigation, record keeping, written policies and procedures, ongoing training, appointing a compliance officer, and periodic internal review. FINTRAC has the right to audit brokerages for compliance and can impose administrative monetary penalties or lay criminal charges for severe violations.

REALITY:

REvia's FINTRAC compliance course was prepared by Canadian experts and has the backing of CREA. You'll learn what you need to know to implement FINTRAC compliant procedures in your office. The course can also be used to train sales representatives and staff members to meet their obligations under the Act.

Register for FINTRAC today at REvia.ca.
Compliance for REALTORS®, Brokers and Broker Managers.

REALTORS® get a discounted price on all REvia courses if they register as a CREA member!



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