

**FINTRAC's Compliance Sector Template Welcome Letter  
(Provided to Cullen Commission – December 2020)**

Date:

Name of Managing Broker  
RE name  
Address  
Address  
Address

Dear xxxx:

**RE: Introduction to FINTRAC and your brokerage's obligations under the PCMLTFA**

We are writing to explain the role and function of the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), and to assist you in understanding your obligations under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA, or the Act)* and its associated Regulations. We are providing this information because we recognize that the results we achieve for Canadians would not be possible without the dedicated efforts of businesses across the country. We are also committed to working with businesses such as yours to ensure that you understand, and are able to comply with your legal obligations.

***What is FINTRAC?***

FINTRAC is Canada's financial intelligence unit. The Centre assists in the detection, prevention and deterrence of money laundering and the financing of terrorist activities. FINTRAC's financial intelligence and compliance functions contribute to the safety of Canadians and the protection of the integrity of Canada's financial system. Your organization's work helps FINTRAC in:

- sending the most accurate and timely information in the form of intelligence disclosures related to money laundering and terrorist activity financing;
- identifying and addressing future challenges of the country in relation to money laundering and the financing of terrorist activities; and,
- helping protect Canadians and the integrity of Canada's financial system.

***Your Role and Obligations***

Under the Act and associated Regulations, real estate developers, brokers and sales representatives must fulfill specific obligations to help combat money laundering and terrorist financing in Canada. By ensuring compliance with the Act and Regulations, real estate professionals are not only meeting their obligations but also positioning themselves to protect their businesses from money laundering and terrorist financing risks.

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A comprehensive and effective compliance program is crucial and foundational to meeting your brokerage's obligations and includes the following requirements:

- Appointing a compliance officer;
- Developing and applying policies and procedures;
- Conducting and applying an assessment of money laundering and terrorist financing risks;
- Developing and maintaining a training program; and
- Instituting and documenting a review of your program's effectiveness every two years.

A compliance program also ensures that you identify your clients, complete client information and receipt of funds records, as well as report the following transactions to FINTRAC:

- Suspicious transactions when you have reasonable grounds to suspect that the transaction is related to a money laundering or a terrorist activity financing offence;
- Property in your possession or control that you know is owned, controlled by or on behalf of a terrorist or a terrorist group; and
- Large cash transactions involving amounts of \$10,000 or more.

Where your brokerage has the means (e.g. internet access), we require your organization to submit these reports to us electronically through FINTRAC's web reporting system (FWR): <https://www6.fintrac-canafe.gc.ca/f2r/secure/>.

We recommend that your brokerage enrolls in our web reporting system, F2R, to ensure you meet your reporting obligations by obtaining a User ID and Password. To enroll, you can contact us at:

**Telephone:** Personal Information (select option 4 after choosing your language)  
**Email:** [f2r@fintrac-canafe.gc.ca](mailto:f2r@fintrac-canafe.gc.ca)

Detailed information on all your organization's obligations are set out on FINTRAC's webpage dedicated to the real estate sector (<https://www.fintrac-canafe.gc.ca/re-ed/real-eng>).

If you have any questions, please do not hesitate to contact us at the toll free number listed above or by email at [guidelines-lignesdirectrices@fintrac-canafe.gc.ca](mailto:guidelines-lignesdirectrices@fintrac-canafe.gc.ca).

Yours sincerely,

Murray Dugger  
Regional Director  
FINTRAC, Vancouver Office

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