

FINTRAC: What's Changing On June 1, 2021

The Financial Transactions & Reports Analysis Centre of Canada (FINTRAC) has introduced regulatory amendments that come into effect on June 1, 2021, that will impact your real estate practice and anti-money laundering obligations. This infographic provides a high-level overview of the June 1 changes. [Click here](#) to learn about the changes in more detail.

Before June 1, 2021

After June 1, 2021

Business Relationships

REALTORS®* entered into a business relationship after two transactions or activities for which they were required to verify a client's identity.



REALTORS® enter into a business relationship the first time they are required to verify a client's identity.

Beneficial Ownership

Only financial services entities were required to obtain beneficial ownership information when confirming the existence of an entity.



REALTORS® must also obtain beneficial ownership information when confirming the existence of an entity and take steps to verify its accuracy.

Politically Exposed Persons

Only financial services entities were required to make a PEP** and HIO** determination when entering into a business relationship.



REALTORS® must also make a PEP and HIO determination when entering into and conducting ongoing monitoring of a business relationship.

Virtual Currency Reporting

REALTORS® were required to report cash transactions of \$10,000 or more to FINTRAC when the funds are received in one or more transactions within a 24-hour period.



REALTORS® must also report virtual currency transactions of \$10,000 or more to FINTRAC when the funds are received in one or more transactions within a 24-hour period.

Record Keeping

REALTORS® were required to keep records of certain reports sent to FINTRAC.



REALTORS® must keep records of every report sent to FINTRAC.

*While both brokerages and REALTORS® have obligations to comply with federal anti-money laundering regulations, the bulk of the compliance obligations fall to the reporting entity, which is typically the brokerage. However, in practice, brokerages often have REALTORS® carry out certain obligations, so we have used "REALTOR®" throughout this infographic.

**A "PEP" is a politically exposed person and an "HIO" is the head of an international organization.