

Why do we need your ID? *It's the law.*



Federal money laundering and anti-terrorist financing rules require Realtors® to collect personal identification information from buyers and sellers

FINTRAC (Financial Transactions and Reports Analysis Centre of Canada)

It is the federal *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) that requires financial institutions and real estate agents, among other professionals and services covered by the legislation, to obtain information about individuals and corporations who conduct financial transactions. These include depositing funds or buying and selling real estate. The Act also requires real estate agents to keep these identification records for five years.

Canada has had substantial anti-money laundering and terrorist financing legislation since 2001. Since then REALTORS® have had a legal responsibility in Canada's efforts to combat money laundering and terrorist financing.

In addition to these original legal requirements, REALTORS® must document personal information, including occupation, and proof of the identity of their client in each and every purchase or sale transaction. If the client is a corporation, REALTORS® must obtain official corporate documents, and the names of directors.

Penalties for non-compliance can result in administrative and/or criminal penalties of to \$2 million and/or 5 years imprisonment

Details of the deposit

Every time funds are received by a REALTOR® (e.g. a deposit) during the course of a real estate transaction, they are required to record the amount received, the originating account number funds were drawn from, the source of funds (account holder/client) and how it was obtained.

REALTORS® are required to report cash transactions of \$10,000 or more to FINTRAC and complete a report of all funds they receive.

Your real estate agent then must record this information, and also keep it on file at the brokerage for a five year period.

Government Issued ID Required

To confirm your identity, we need to refer to a government issued photo identification document, such as a **driver's license or a passport**.

We are not permitted to accept a health card as proof of identity. Your identification must be valid (that is, current and not expired) and must contain a unique ID number.

The compliance requirements affect even a buyer or seller not using the services of a licensed real estate practitioner. If there is a real estate agent involved in the transaction, they are also required by law to verify that private buyer or seller's information as well.



Your information is kept confidential

The only reason the REALTOR® keeps your personal information on file is to comply with federal laws. It will not be used in any commercial way, and will not be provided to anyone else except in response to a request from the federal agency responsible for compliance, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC). The law requires these files be kept at the broker's office for five (5) years.

You can be assured that all information you provide will be kept confidential and private in accordance with our firm's privacy policy and as required by the Personal Information Protection and Electronic Documents Act, also a federal statute of Canada.

For more information, you can visit the FINTRAC website at www.fintrac.gc.ca or call 1-866-346-8722. If you have any concerns, email our Compliance Officer, Ryan Kennedy rkennedy@rlpottawa.com Our Privacy Policy can be viewed at www.teamrealty.ca or can be sent to you upon request by your sales representative.

Helping **you** is what we do.

Nina TACHUK

REALTOR®

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ROYAL LEPAGE

Team Realty

Independently Owned and Operated, Brokerage