FINTRAC

Financial Transactions and Reports Analysis Centre

Training Presentation

January 2022

Receipt of Funds Record

A. BASIC TRANSACTION INFORMATION

Transaction Property Address: 123 Main Street, Kingston, ON, K7M 4V5

Sales Representative/Broker Name: Matt Mundell - Sutton Group - Masters Realty Inc., Brokerage

Date: January 22, 2022

B. INFORMATION ON FUNDS

Amount of Funds: $ 3,000.00 **Currency of Funds:** Canadian
Date of receipt of funds: January 21, 2022

Type of funds received:
☐ **Cheque** ☐ **Certified Cheque** ☐ **Cash** ☐ **Bank Draft** ☑ **e-transfer** ☐ **Wire Transfer** ☐ **Other, explain:**

Method of receipt:
☐ **in person** ☐ **mail** ☑ **electronically** (for e-transfer/wire transfer) ☐ **Other, explain:**

Purpose of funds (e.g., deposit for purchase): Deposit for purchase

For Funds not in CAD:
Exchange rate: **Source of exchange rate:**

Amount of Funds: $ 2,000.00 **Currency of Funds:** Canadian
Date of receipt of funds: January 22, 2022

Type of funds received:
☐ **Cheque** ☐ **Certified Cheque** ☐ **Cash** ☐ **Bank Draft** ☑ **e-transfer** ☐ **Wire Transfer** ☐ **Other, explain:**

Method of receipt:
☐ **in person** ☐ **mail** ☑ **electronically** (for e-transfer/wire transfer) ☐ **Other, explain:**

Purpose of funds (e.g., deposit for purchase): Deposit for purchase

For Funds not in CAD:
Exchange rate: **Source of exchange rate:**

Amount of Funds: $ **Currency of Funds:**
Date of receipt of funds:

Type of funds received:
☐ **Cheque** ☐ **Certified Cheque** ☐ **Cash** ☐ **Bank Draft** ☐ **e-transfer** ☐ **Wire Transfer** ☐ **Other, explain:**

Method of receipt:
☐ **in person** ☐ **mail** ☐ **electronically** (for e-transfer/wire transfer) ☐ **Other, explain:**

Purpose of funds (e.g., deposit for purchase):

For Funds not in CAD:
Exchange rate: **Source of exchange rate:**

C. INFORMATION ON INDIVIDUAL/ENTITY PROVIDING FUNDS

When a REALTOR® member completes a Receipt of Funds Record, they must also complete an Identification Information Record at the same time on the individual (or entity) from whom you receive the funds. Complete that record and attach it to this record.

D. ACCOUNT-RELATED INFORMATION

D.1. List any reference number(s) of the brokerage that received the Funds that is connected to this purchase/sale transaction and that functions as an account for the Funds: Confirmation # 1-34526-097 (1st) / #1-45387-996 (2nd)

D.2. If an account is affected* by the transaction complete this section for each affected account:**

* Some examples of when an account is affected are when funds are received by cheque , or a money order or bank draft purchased from an account. The account from which the funds are drawn is “affected”.

**Add additional information for additional accounts, if necessary

Account 1: Number of account: 4538645 Name of account holder: Jane Doe (Buyer)
Type of account: ☑ Chequing ☐ Saving ☐ Trust ☐ Other, explain:

Account 2: Number of account: 7689824 Name of account holder: Samanthan Doe (Parent)
Type of account: ☑ Chequing ☐ Saving ☐ Trust ☐ Other, explain:

Account 3: Number of account: Name of account holder: Trust Account - Re/Max Finest Realty
Type of account: ☐ Chequing ☐ Saving ☑ Trust ☐ Other, explain:

Account 4: Number of account: Name of account holder:
Type of account: ☐ Chequing ☐ Saving ☐ Trust ☐ Other, explain:

Account 5: Number of account: Name of account holder:
Type of account: ☐ Chequing ☐ Saving ☐ Trust ☐ Other, explain:

E. NOTES

TWO AGENTS: Where there are two agents involved in a transaction, the buyer’s agent is responsible for completing the receipt of funds record.

LISTING AGENT TRUST ACCOUNT: If funds are deposited into a listing agent’s trust account, the buyer’s agent is only required to record the fact that the funds were deposited into the listing agent’s trust account but is not required to include the number of the trust account or the name or entity that holds the trust account.

REASONABLE MEASURES: If the buyer agent’s client provides funds directly to the listing agent, the buyer agent is only obligated to take reasonable measures (i.e. ask) the listing broker for:

- Any listing brokerage reference numbers.
- Where a client account is affected (e.g. client’s chequing account), the account number, the name of the account holder and the type of account.

MULTIPLE ACCOUNTS: Note that if multiple accounts are affected, information on all accounts affected needs to be recorded subject to the caveats noted above with respect to listing agent trust accounts and the reasonable measures.

Individual Identification Information Record

NOTE: An Individual Identification Information Record is required by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. This Record must be completed by the REALTOR® member whenever they act in respect to the purchase or sale of real estate.
It is recommended that the Individual Identification Information Record be completed:

(i) for a buyer when the offer is submitted and/or a deposit made, and
(ii) for a seller when the seller accepts the offer.

Transaction Property Address: 123 Main Street, Kingston, ON, K7M 4V5

Sales Representative/Broker Name: Matt Mundell - Sutton Group - Masters Realty Inc., Brokerage
Date Information Verified/Credit File Consulted: January 21, 2022

A. Verification of Individual

NOTE: One of Section A.1, A.2. or A.3 must be completed for your individual clients or unrepresented individuals that are not clients, but are parties to the transaction (e.g. unrepresented buyer or seller) . Where you are unable to identify an unrepresented individual, complete section A.4 and consider sending a Suspicious Transaction Report to FINTRAC if there are reasonable grounds to suspect that the transaction involves the proceeds of crime or terrorist activity. Where you are using an agent or mandatary to verify the identity of an individual, see procedure described in CREA's materials on REALTOR Link®.

1. Full legal name of individual: Jane Susan Doe
2. Address: Apt 406 - 17 Old Colony Road, Kingston, ON, K7X 3P4

3. Date of Birth: October 20, 1984
4. Nature of Principal Business or Occupation: Dental Hygienist - Limestone Dental & Associates

A.1 Federal/Provincial/Territorial Government-Issued Photo ID

Ascertain the individual's identity by comparing the individual to their photo ID. The individual must be physically present unless using technology capable of assessing a government-issued photo identification document's authenticity.

1. Type of Identification Document*: Driver's Licence
(must view the original and have a photo, see CREA's FINTRAC materials on REALTOR Link® for examples)
2. Document Identifier Number: D0563-09748-41020
3. Issuing Jurisdiction: Ontario **Country:** Canada
(insert applicable Province, Territory, Foreign Jurisdiction or "Canada")
4. Document Expiry Date: October 20, 2025
(must be valid and not expired)

A.2 Credit File Method

Ascertain the individual's identity by comparing the individual's name, date of birth and address information above to information in a Canadian credit file that has been in existence for at least three years and is derived from more than one source. If any of the information does not match, you will need to use another method to ascertain client identity. Consult the credit file at the time you ascertain the individual's identity. The individual does not need to be physically present.

1. Name of Canadian Credit Bureau Holding the Credit File:

2. Reference Number of Credit File:

A.3 Dual ID Process Method

1. Complete two of the following three checkboxes by ascertaining the individual's identity by referring to information in **two** independent, reliable, sources. Each source must be well known and reputable (e.g., federal, provincial, territorial and municipal levels of government, crown corporations, financial entities or utility providers). The individual does not need to be physically present.

☑ Confirm the individual's name and date of birth by referring to a document or source containing the individual's name and date of birth*
- ☑ **Name of Source:** Birth Cirtificate
  (must be valid and not expired; must be recent if no expiry date)
- ☑ **Account Number**:** 5445687-43564

☐ Confirm the individual's name and address by referring to a document or source containing the individual's name and address*
- ○ **Name of Source:**
  (must be valid and not expired; must be recent if no expiry date)
- ○ **Account Number**:**

☑ Confirm the individuals' name and confirm a financial account*
- ☑ **Name of Source:** Bank of Montreal bank statement
- ☑ **Financial Account Type:** Chequing Account
- ☑ **Account Number**:** 9967465

*See CREA's FINTRAC materials on REALTOR Link® for examples. ** Or reference number if there is no account number.

Individual Identification Information Record

A.4 Unrepresented Individual Reasonable Measures Record *(if applicable)* i.e. For-Sale-By-Owner

Only complete this section when you are unable to ascertain the identity of an unrepresented individual.

1. Measures taken to Ascertain Identity *(check one):*

☐ Asked unrepresented individual for information to ascertain their identity
☐ Other, explain: ...

Date on which above measures taken: ...

2. Reasons why measures were unsuccesful *(check one):*

☐ Unrepresented individual did not provide information
☐ Other, explain: ...

B. Verification of Third Parties

NOTE: *Only complete Section B for your clients*. Take reasonable measures to determine whether your clients are acting on behalf of third parties by completing this section of the form. If you are not able to determine whether your clients are acting on behalf of a third party but there are reasonable grounds to suspect there are, complete Section B.1. If there is a third party, complete Section B.2.

B.1 Third Party Reasonable Measures

Is the transaction being conducted on behalf of a third party according to the client? *(check one):*

☐ Yes
☑ No

Describe why you think your client may be acting on behalf a third party:

...

B.2 Third Party Record i.e. Parent helping with deposit (Daughter is Jane Doe)

Where there is a third party, complete this section.

1. Name of other entity: Samantha Doe
2. Address: 17 Valleyview Cres, Kingston, ON, K7M 1Z2
3. Telephone number: 613-889-5607
4. Date of Birth *(if applicable)*: March 13, 1952
5. Nature of Principal Business or Occupation: Retired - Nurse - Kingston General Hospital

6. Registration or incorporation number, and jurisdiction and country that issued that number *(if applicable)*: ...

7. Relationship between third party and client: Mother

Individual Identification Information Record

NOTE: *Only complete Sections C and D for your clients.*

C. Client Risk *(ask your Compliance Officer if this section is applicable)*

Determine the level of risk of a money laundering or terrorist financing offence for this client by determining the appropriate cluster of client in your policies and procedures manual this client falls into and checking one of the checkboxes below:

Low Risk

- ☑ Canadian Citizen or Resident Physically Present
- ☐ Canadian Citizen or Resident Not Physically Present
- ☐ Canadian Citizen or Resident – High Crime Area – No Other Higher Risk Factors Evident
- ☐ Foreign Citizen or Resident that does not Operate in a High Risk Country (physically present or not)
- ☐ Other, explain:

Medium Risk

- ☐ Explain:

High Risk

- ☐ Foreign Citizen or Resident that operates in a High Risk Country (physically present or not)
- ☐ Other, explain:

If you determined that the client's risk was high, tell your brokerage's Compliance Officer. They will want to consider this when conducting the overall brokerage risk assessment, which occurs every two years. It will also be relevant in completing Section D below. Note that your brokerage may have developed other clusters not listed above. If no cluster is appropriate, the agent will need to provide a risk assessment of the client, and explain their assessment, in the relevant space above.

Individual Identification Information Record

D. Business Relationship

D.1. Purpose and Intended Nature of the Business Relationship

Check the appropriate boxes.

Acting as an agent for the purchase or sale of:

☑ Residential property
☐ Residential property for income purposes
☐ Commercial property
☐ Land for Commercial Use
☐ Other, please specify: . . . .

Optional: describe your business dealings with the client and include information that would help you anticipate the types of transactions and activities that the client may conduct.

. . . .
. . . .

D.2. Measures Taken to Monitor Business Relationship and Keep Client Information Up-To-Date

D.2.1. Ask the client if their name, address or principal business or occupation has changed and if it has include the updated information on page one.

D.2.2 Keep all relevant correspondence with the client on file in order to maintain a record of the information you have used to monitor the business relationship with the client. Optional - if you have taken measures beyond simply keeping correspondence on file, specify them here:

i.e. First time client. Verified identification in person.

OR

i.e. Existing past client. All information has not changed.

D.2.3. If the client is high risk you must conduct enhanced measures to monitor the brokerage's business relationship and keep their client information up to date. Optional - consult your Compliance Officer and document what enhanced measures you have applied:

CONTACT BROKERAGE IF YOU ARE UNSURE OF:

D.2.3.
D.3
E.

D.3 Suspicious Transactions

Don't forget, if you see something suspicious during the transaction report it to your Compliance Officer. Consult your policies and procedures manual for more information.

E. Terrorist Property Reports

Don't forget to follow your brokerage's procedures with respect to terrorist property reports. Consult your policies and procedures manual for more information.

Examples of acceptable **photo identification** documents

Identification Method

Canadian passport

Ontario photo card

Permanent resident card

Secure Certificate of Indian Status

Ontario Driver's Licence (If expired please get a copy of the temporary licence stick and included it with your I.D. form)

***Note you CANNOT use a provincial health card for identification purposes in Ontario)

Credit File Method

Valid and current information from a Canadian credit file that **has been in existence for at least three years** where information is derived from more than one source.

Identification details that must match
Name address and date of birth

Information that must be recorded
Person's name, date you consulted/searched the credit file, name of the credit bureau or third party vendor, person's credit file number.

Dual process

Valid and current information **from two different reliable sources** where neither the RE (Reporting Entities) nor the person is a source

Identification details that must match
A Combination of **two of the following**: Name and address, Name and date of birth or name a confirmation of a financial account.

Information that must be recorded
Person's name, date you verified the information, name of the two different sources used to verify the identity of the person, type of information referred to, account number or number associated with the information if no account number exists.
(Examples: Statement from their bank, Bell Canada invoice, Hydro,etc...)

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You can use any of the 5 methods to identify a person

1.) Government-issued photo identification

2.) Credit file method

3.) Dual process method

4.) Affiliate or member method

5.) Reliance method