

Final Amending Regulations Released under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act

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On June 10, 2020, the final version of the Regulations Amending the Regulations Amending Certain Regulations Made Under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act, 2019* (the Regulations) were released in the Canada Gazette. We previously reported on the amendments under the Regulations in our Comment “Further Amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*”.

The amendments in the Regulations align Canada’s anti-money laundering and anti-terrorist financing regime with the Financial Action Task Force (FATF) standards and level the playing field across reporting entities. Among other changes, and as described in our above-referenced Comment, the Regulations:

- apply customer due diligence requirements and beneficial ownership requirements to accountants and accounting firms, British Columbia notaries, casinos, departments and agents or mandataries of Her Majesty in right of Canada or of a province, dealers in precious metals and stones, and real estate brokers, sales representatives and developers;
- modify the definition of “business relationship” in the real estate sector, requiring real estate developers, real estate brokers and sales representatives to enter into a business relationship with a client after a single transaction or activity that triggers the client identification requirements under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and its associated regulations;
- align casinos customer due diligence requirements with the FATF standards; and
- align virtual currency record-keeping obligations with the FATF standards.

The amendments in the Regulations to the Cross-border Currency and Monetary Instruments Reporting Regulations came into force on June 1, 2020. All other amendments in the Regulations will come into force on June 1, 2021, giving reporting entities 12-months to update their policies and procedures to comply with the Regulations.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.