



May 5, 2016
File No.: 71000-01
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To: All Provincially Regulated Financial Institutions

Re: Anti-money Laundering/Anti-terrorist Financing

Anti-money laundering/anti-terrorist financing (AML/ATF) is an integral part of the Financial Institutions Commission's (FICOM) supervisory framework, forming a significant component of FICOM's assessment of both regulatory compliance and operational risk.

FICOM works closely with the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), the federal government agency tasked with detecting, deterring and preventing money laundering and terrorist financing activities, to ensure compliance with the [Proceeds of Crime \(Money Laundering\) and Terrorist Financing Act](#) (PCMLTFA).

In October 2015 FINTRAC released a "[Risk-Based Approach Guide](#)" to help reporting entities better understand what a risk-based approach (RBA) is and to take inventory of their risks relating to products, services and delivery channels, clients and business relationships, geography and other relevant factors. FICOM encourages all provincially regulated financial institutions (PRFIs) to review this document, along with the PCMLTFA, associated regulations and [FINTRAC Guidelines](#), to ensure they are in compliance with AML/ATF requirements.

Note that FINTRAC has also released sector-specific workbooks to help smaller reporting entities develop their RBA, including one targeted specifically to [Credit Unions](#).

FICOM will continue to dedicate heightened attention to FINTRAC examination results of PRFIs in the coming years to ensure all regulatory compliance requirements are being met.

If you have any further questions or comments, please contact your FICOM relationship manager.

Yours truly,

Frank Chong
Deputy Superintendent, Regulation

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- Superintendent of Financial Institutions
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