

**RE: INDIVIDUAL CLIENT IDENTIFICATION**

As you may be aware, new FINTRAC requirements have taken effect on February 1, 2014. These requirements require brokers to conduct ongoing monitoring of their clients when acting as an agent for the purchase or sale of a real estate once a “business relationship” is formed. **If this is at least the second time the brokerage have conducted a purchase or sale transaction with a particular client in the past five years, the FINTRAC Regime deems that you have a “business relationship” with that client.**

To ensure that FINTRAC requirements are complied to, please complete Sections A, C and D of the Individual Identification Information Record form (OREA Form 630) for each of your clients, if there are more than one buyer or seller. Also complete Section B if third party is involved in the transaction.

Even though FINTRAC requires that client risk and business relationship be monitored only when a “business relationship” with a client is formed, i.e. completed two purchase or sale transactions with the same client in the past 5 years, it is JDL Realty’s policy that you complete Section C and D for each of your clients for each transaction.

Please also note that you are not required to complete this form if you are dealing with leases.

**Section A – Verification of Individual**

Please ensure all questions from 1 to 8 are answered. Very often, we find that principal business or occupation is not completed. Please make sure you indicate your client’s occupation. You can specify if your client is a student, or housewife or unemployed or retiree if he/she is not working.

You need to personally verify your client’s ID by examining the original document of an acceptable and valid identification documents as listed in the footnote of the form.

If your client is not physically present, there are other rules to deal with client identification. Please refer to other newsletter – Non Face-to-Face Identification.

**Section B – Verification of Third Parties**

Agents are required, in all transactions, to verify the identity of their respective clients (buyer or seller). In addition, agents must verify the identity of (1) persons or entities that provide cash, money orders, bank drafts, etc. to them for a transaction or (2) persons or entities from whose bank account funds are drawn to complete a transaction.

For example:

- If the parent of a prospective buyer provides a real estate agent with funds for a property purchased by their child, the agent will have to verify the identity of the parent and the child.
- If, however, the agent receives funds only from the child, the agent will have to verify the identity of the child only. This is true even if the parent has provided funds directly to the child (for use in the transaction and the child has deposited it into their account and provides the agent or broker with a cheque drawn on their (the child's) account.

When dealing with Power of Attorney, the person acting under a power of attorney is the person conducting the transaction and would be considered as the agent's client. You would identify the actual property owner or buyer as the third party on the ID form as he is the one giving instructions to the person acting under the power of attorney.

### **Section C – Client Risk**

Please complete Section C to indicate your client's risk level. If your client is a Canadian or Citizen, he or she would be in the Low Risk Category. Please check one of the top three boxes to indicate the appropriate status he/she is in.

If your client is a citizen or resident from China, please check the box "Foreign Citizen or Resident that does not Operate in a High Risk Country (physically present or not)".

If you client does not belong to the above-mentioned categories, please indicate his or her risk level and explain.

### **Section D – Business Relationship**

Please complete this Section for all transactions.

In order to make it easier for you to complete this section, we have modified the original form from CREA and added some pre-printed questions for you to answer. **Please download and complete the modified version from JDL Realty Inc. website instead.**

## **RE: Individual Client Identification**

相信各位都知道，新的 FINTRAC 要求已于 2014 年 2 月 1 日生效。如果经纪与客户在五年内至少有两次买或卖的经纪交易，那么 FINTRAC 会认定经纪与这个客户之间具有“业务关系”。当经纪与客户建立“业务关系”后，每当经纪为这客户买或卖楼房，FINTRAC 要求经纪持续监督管理他们的客户。

为确保满足 FINTRAC 要求，请为每位客户填写完成 Individual Identification Information Record (OREA Form 630) 表中 A, C 和 D 部分，包括一项交易中的多个卖方和买方。如果有第三方涉及交易，需要填写完成 B 部分。

尽管 FINTRAC 只要求经纪持续监管有“业务关系”的客户，即在过去五年内有两宗买卖交易的，但 JDL 要求你就每一笔交易，都为客户填写 C 和 D 部分。

请注意，如果经纪处理的是租赁交易时，FINTRAC 并没有要求填写完成此表。

### **Section A – Verification of Individual**

请确保全部回答 1 到 8 项问题。我们经常遇到主要业务或职位没有填写的情况。请确保指明客户的职位。如果你的客户没有在工作，你必须显示是学生，家庭主妇、待业或退休。

你需要按照这张表格下方所列示的文件目录，检查你的客户有效的原始个人信息文件，验证他的身份。

如果你的客户出差或不在加拿大，无法见面，FINTRAC 有其他规则来管理如何验证客户身份。请参阅相关文件 – Non Face-to-Face Identification 。

### **Section B – Verification of Third Parties**

在所有交易中，经纪均需要验证客户的身份（包括所代表的买方或卖方）。另外，经纪必须验证下列个人或机构的身份：（1）为这项交易提供 cash, money orders, bank drafts 等个人或机构的身份，或（2）在交易中所涉银行账户的持有人或机构的身份

例如：

- 如果在购买合同上，孩子是买方，而购买资金却是由孩子的父母提供的（即直接由父母的银行账户所出），经纪必须同时验证父母和孩子的身份

- 如果购买资金是孩子提供的，经纪只需验证孩子的身份，这包括即使父母给孩子提供资金。（孩子直接存入自己的银行账户，然后从自己的银行账户写支票支付给经纪）

当使用授权委托书时，授权委托书中的被授权实施交易的人会被认为是经纪的客户。你应该在 ID form 上把实际业主或买方作为第三方进行身份验证，因为实际业主或买方是在交易中接受授权人指令的人。

### **Section C – Client Risk**

请在 Section C 确定你的客户的风险水平。如果你的客户是加拿大公民或居民，他的风险水平是属于“低”风险项。请在前三个选项中选出一项，指明他的适当的风险水平。

如果你的客户是中国公民或居民，请选择“Foreign Citizen or a Resident that does not Operate in a High Risk Country (physically present or not)”

如果你的客户不属于以上任何一种情况，请指明客户的风险水平并进行说明。

### **Section D – Business Relationship**

所有交易均需完成 Section D

为帮助你更容易的完成本部分的内容，我们修改了 CREA 的原始表格，并预先加印了相应问题，你只需回答即可。请从 JDL Realty Inc website 下载修订后的表格。



# Individual Identification Information Record

## D. Business Relationship

Ask the client(s) if ever purchased or sold any other property through JDL Realty (including any other JDL agents) in the past 5 years?

Yes                       – Complete rest of Section D                      No                       – End here

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

Acting as an agent for the purchase and sale of:

- Residential property
- Commercial property
- Other, please specify: \_\_\_\_\_
- Residential property for income purpose
- Land for Commercial Use

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

	Yes	No
D.2.1.a) Have you ask the Client if their name, address or principal business or occupation has ever changed since the last time they had a business deal with JDL Realty Inc.?	<input type="checkbox"/>	<input type="checkbox"/>
D.2.1.b) Have you included the updated information on page one?	<input type="checkbox"/>	<input type="checkbox"/>
D.2.2.a) Have you kept all 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?	<input type="checkbox"/>	<input type="checkbox"/>
D.2.2.b) If you have taken measures beyond simply keeping correspondence on file, please specify them here:		

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.

Please ask the following questions to your client.

	Yes	No
D.2.3.a) Does this transaction involve a third party?	<input type="checkbox"/>	<input type="checkbox"/>
	cash	mortgage
D.2.3.b) Will the property purchase be settled by cash or mortgage?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
D. 2.3.c) Have you consulted a bank for mortgage approval?	<input type="checkbox"/>	<input type="checkbox"/>

### D.3. Suspicious Transactions

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