

— FOR ONTARIO BROKERAGES AND DEVELOPERS

You are already a reporting entity

Whether or not you have ever filed a report, the PCMLTFA already applies to your firm. Since 26 March 2026 the cost of getting it wrong has risen by up to 40 times, and universal enrolment with FINTRAC is on the way.

\$20M

Maximum penalty for one very serious violation, from 26 March 2026. Was \$500,000.

11

Brokerages named in public notices, May 2025 to July 2026

40x

How much higher the same failure can now cost

Sources: FINTRAC public notices of administrative monetary penalties, May 2025 to July 2026; FINTRAC penalty policy and its page on the 26 March 2026 changes. \$20M applies FINTRAC's stated increase of up to 40 times to the previous \$500,000.

Five things FINTRAC expects, whatever the size of the firm

Obligations apply to a brokerage whenever it acts as agent on a purchase or sale, and to a developer selling new property to the public. Property management on its own is out of scope.

1 A compliance program that works

Compliance officer, written policies, a documented risk assessment, training, and an independent review every two years. Since 26 March 2026 the program must be reasonably designed, risk-based and effective, so a binder on a shelf no longer passes.

2 Knowing who you are dealing with

Verify identity, collect beneficial ownership for entity clients, make the third party determination, check for politically exposed persons. Since 1 October 2025 this extends to unrepresented buyers and sellers.

3 Four reports, and the judgment behind them

Suspicious transactions, including attempted ones. Cash or virtual currency of \$10,000 or more, including amounts within 24 hours. Property of a listed person, immediately. STR duty binds the individual rep as well as the brokerage.

4 Records that survive an examination

Receipt of funds records, client identification and information records, beneficial ownership records, and copies of every report filed. Generally five years.

5 Enrolment, once the regulations land

Every brokerage and developer will have to enrol with FINTRAC for the first time, on terms set by regulations still to be published in the Canada Gazette.

The failures FINTRAC penalizes are basic program gaps

Across the public notices, the recurring failures are the same: no documented risk assessment, policies that are not current or not approved by a senior officer, weak training, and missed suspicious transaction reports.

MINOR

\$40,000

From 26 March 2026. Was \$1,000.

SERIOUS

\$4 million

From 26 March 2026. Was \$100,000.

VERY SERIOUS

\$20 million

From 26 March 2026. Was \$500,000.

Maximum penalty per violation for a business: FINTRAC's stated increase of up to 40 times, from 26 March 2026, applied to the previous maximum beneath each figure. Some program violations moved up to very serious, and every penalty now comes with a compliance agreement.

Recent penalties, all set under the old scale

NOTICE	LOCATION	WHAT WAS MISSED	PENALTY
Jul 2026	Ottawa, ON	No two-year effectiveness review	\$33,000
May 2026	Kitchener, ON	No documented risk assessment	\$24,750
Feb 2026	Windsor, ON	4 violations, under appeal	\$107,250
Feb 2026	GTA and Southern ON	One suspicious transaction report not filed, under appeal	\$148,912.50
Nov 2025	Toronto, ON	3 violations, including outdated policies and no risk assessment	\$36,135

Seven pieces of work, in an examiner's order

Risk assessment

Documented and defensible, covering clients, geography, property types, delivery channels and new developments.

Policies and procedures

Real estate specific, approved by a senior officer, current with the October 2025 rules.

Two-year effectiveness review

Independent review run against FINTRAC's own examination approach.

Agent training

Annual sessions for brokers and reps, built around FINTRAC's real estate indicators.

STR support

Case review and report drafting for escalated files, so the call is made and recorded.

Enrolment readiness

Ready to file the day the enrolment regulations are published.

Examination preparation

A mock examination and a remediation plan, which matters more now that every penalty carries a mandatory compliance agreement.

Start with a gap check

A short review of your current program against the March 2026 standard, with a written list of what an examiner would ask for first.

[Book an appointment](#)

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