

— FOR BANKS, CREDIT UNIONS AND TRUST COMPANIES

If you take deposits in Canada, FINTRAC treats you as a financial entity

FINTRAC has published penalties on 13 banks and credit unions since January 2023, four of them on 24 September 2026. Nine had failed to report suspicious transactions. The penalty scale rose up to 40 times on 26 March 2026.

13

Banks and credit unions penalised by FINTRAC since January 2023

9 of 13

Cited for suspicious transactions they never reported

\$20M

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

Sources: FINTRAC public notices of administrative monetary penalties, January 2023 to September 2026; PCMLTFA Administrative Monetary Penalties Regulations, s. 5; FINTRAC penalty policy.

Six duties run on every account, and the high-risk ones carry the most weight

For banks, credit unions, caisses populaires, and trust and loan companies.

1

Know every account holder before the account is used

Verify identity before the first transaction after the opening deposit. Confirm who owns a business client. Check for politically exposed persons at opening, periodically, and on international transfers of \$100,000 or more.

2

Rate every client, then act on the high ones

Document each client's risk, monitor to match it, and apply enhanced measures to every high-risk client. Caisse Alliance, penalised in September 2026, is the latest cited for it.

3

Three reports, three clocks

A suspicious transaction report (STR) as soon as practicable, at any amount. A large cash report within 15 calendar days for \$10,000 or more. An electronic funds transfer report within five business days for international transfers of \$10,000 or more.

4

Sign off every correspondent bank

Before serving a foreign bank, confirm it is not a shell bank, get senior management approval and set out each side's obligations in writing.

5

Russia, Iran and North Korea: any amount

Every transaction from or to these countries is high risk, whatever the amount. Iran transactions are also reported to FINTRAC below the usual \$10,000 thresholds.

6

Since 26 March 2026, the program has to work

The program must now be reasonably designed, risk-based and effective, and some program failures are now very serious violations.

Nine of 13 penalised institutions missed a suspicious transaction report

All four credit unions added on 24 September 2026 had out-of-date policies.

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 per violation under the AMP Regulations. Previous maximums from FINTRAC's penalty policy. An unreported suspicious transaction is a very serious violation.

Bank and credit union penalties

INSTITUTION	WHAT WAS MISSED	PENALTY
Caisse populaire acadienne Caraquet · Sep 2026	Suspicious transactions not reported, policies not current, risk not assessed	\$676,500
Caisse Alliance North Bay · Sep 2026	Policies not current, no special measures for high risk, no two-year review	\$82,500
VersaBank London · May 2026	Policies out of date, and high-risk clients without enhanced measures	\$42,075
Exchange Bank of Canada Toronto · Dec 2024	Suspicious transactions and large cash not reported. Upheld by the Federal Court and varied from \$2,457,750, Dec 2025	\$1,027,975
The Toronto-Dominion Bank Toronto · May 2024	Suspicious transactions not reported, high-risk clients not rated or monitored	\$9,185,000

Also missed suspicious transaction reports: Synergy Credit Union, \$214,500 (Nov 2025); First Nations Bank, \$601,139.80 (Oct 2025); Cambrian Credit Union, \$116,160 (Jun 2025); RBC, \$7,475,000 and CIBC, \$1,329,150 (Dec 2023); Wealth One Bank, \$676,500 (Mar 2023). Policy gaps only: Pathwise Credit Union, \$41,250, and Your Neighbourhood Credit Union, \$16,500 (Sep 2026). Dates are FINTRAC publication dates.

A second set of eyes on the files FINTRAC reads first

We work alongside your compliance officer and leave the evidence an examiner asks for.

Suspicious transaction review

A second look at alerts closed without a report, and STR narratives that set out the grounds for suspicion.

High-risk client files

Risk ratings checked against the file, and enhanced measures and monitoring recorded for every client rated high.

Policies kept current

Matched to how your branches and digital channels run, kept current and approved by a senior officer.

Cash and transfer reporting

Large cash and international transfer reports, complete and on time, including incoming transfers and the 24-hour rule.

Onboarding and ownership reviews

Identity, beneficial ownership and politically exposed person files for personal and business accounts.

Two-year effectiveness review

An independent review against the effective standard in force since 26 March 2026.

Start with a suspicious transaction look-back

We sample alerts your team closed without a report and tell you how many should have been filed, before an examiner counts them for you.

[Book an appointment](#)

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