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Department of Finance Canada
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Dear Sir/Madam,

The Canadian Life and Health Insurance Association (“CLHIA”) is pleased to provide our input into the 5-year review of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the “PCMLTFA” or the “Act”).

As detailed in the attached Appendix, in addition to our feedback on the proposals specifically delineated in the consultation document “Reviewing Canada’s Anti-Money Laundering and Anti-Terrorist Financing Regime” (February 7, 2018) we would like to highlight certain aspects we believe should also be addressed as part of this review:

- We believe that there is limited opportunity for criminals to move illicit funds through our sector and that the upcoming revisions to the “Assessment of Inherent Risks of Money Laundering and Terrorist Financing in Canada” (the “Risk Assessment”) published in 2015, should revisit the analysis and conclusions respecting life insurance that is found in the existing Risk Assessment.
- We feel strongly that policy changes to Anti-Money Laundering (“AML”) and Anti-Terrorist Financing (“ATF”) requirements should be evidence-based and should reflect a demonstrable gap in the effectiveness or efficiency in current requirements.

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- In addition to studying areas where the regime would benefit from extending ML/TF to new sectors, products or clients, we believe that the statutory legislative review should reevaluate existing measures to determine whether they continue to be required and to ensure that they remain proportionate relative to the threats they are designed to address.
- Our industry supports the development of a more formal consultation process, both for planning purposes and also to understand how feedback has been assessed by regulatory agencies.

If you have any questions or seek greater clarification, please contact me or my colleagues Ethan Kohn (ekohn@clhia.ca) or Craig Anderson (canderson@clhia.ca).

Yours sincerely,

"Stephen Frank"

Stephen Frank

APPENDIX

The CLHIA is pleased to provide comments on the Department's February 7, 2018 discussion paper entitled, "Reviewing Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime". We have structured our submission to include a series of recommendations which we believe would improve the regime in Canada.

1. The Insurance Sector

Canada's life and health insurers play a key role in providing a social safety net to Canadians. We protect over 75% of Canadians through a wide variety of life, health, and pension products. The industry paid over \$88 billion (almost \$1.7 billion a week) in benefits in 2016, with over 90% paid to living policyholders. The industry also plays a strong role in support of the Canadian economy. Almost 155,000 Canadians work within the sector (as employees or independent agents). The industry is a major investor in Canada with more than \$810 billion in assets, over 90% of which comprise long-term investments, providing an important source of stable capital for the federal and provincial governments and businesses. Canadian life insurers contributed over \$2.3 billion in corporate, capital, sales and other taxes to the federal government for the 2016 calendar year. Canada's life insurers have a long record of operating in international markets, with \$86 billion (or 47%) of their premiums coming from outside the country.

While the life insurance industry has a significant presence in Canada's economy, the majority of our products are low risk for money laundering/terrorist financing ("ML/TF"). The chart below lists products for which there is a very low risk of ML/TF due to the inherent product characteristics. The balance of products may bear some increased risk, but the risks of ML/TF are still low.

Proportion of Direct Premiums for products with AML/ATF Risk - 2016¹

Product	\$billions	% of Total Premiums
Individual Term Life	5.5	5%
Group Life	6.6	6%
Registered Annuities	37.2	33%
Disability Insurance	8.7	8%
Medical & Dental Insurance	10.7	9%
Personal Accident	1.1	1%
Uninsured Health Contracts	15.7	14%
TOTAL	85.5	76%

Our products are not transaction-intensive and cannot be used like a bank deposit account to easily deposit and withdraw funds. Liquidity in our products is limited both contractually (e.g., segregated fund contracts impose limits on the number of redemptions to prevent short-term trading in these products) and operationally (i.e., redemptions take at least one day to settle and process, so funds are not immediately available to the policyholder or beneficiary).

¹ Canadian Life and Health Insurance Association—Canadian Life and Health Insurance Facts (2017), and Internal CLHIA Industry Survey Information

Other aspects of our business reduce the risk that money launderers or terrorists will use life insurers' products:

- Most of our payments are first-party payments, where the policyholder is funding an investment directly in their name (unlike deposits, where third party payments regularly flow through an account).
- Payments made by policyholders are handled through licensed agents and brokers, but the cheque is paid directly to the insurer, not the intermediary.
- Life insurance is the only industry in which agents and brokers, on the one hand, and insurers, on the other, are independently subject to the PCMLTFA as reporting entities.
- Life insurers do not accept cash.
- Underwriting is part of the process before a policy is issued. This includes not only health information, but also financial information (including bankruptcy, etc.) to ensure that the risk being insured is consistent with an individual's insurance needs.

As a related issue, we note that the "Assessment of Inherent Risks of Money Laundering and Terrorist Financing in Canada" (the "Risk Assessment") published in 2015 ranks life insurance companies as carrying a high vulnerability to ML/TF, in the same category as deposit-taking institutions, casinos, and real estate agents. In our view this assessment overstates the risk posed to our industry, which for the reasons described above is generally considered to be low. Other countries also tend to rank the insurance sector as lower risk.

In Canada's Risk Assessment, a number of potential threat scenarios are attributed to insurance products, but some of these are not consistent with the operational reality. For example, the Risk Assessment observes that there can be rapid payment, withdrawal or redemption from insurance policies, but this is not consistent with how our products are settled. Moreover, the Risk Assessment does not translate theoretical vulnerabilities into an evidence-based, data driven assessment of the extent to which our sector has been targeted by money launderers and terrorist financiers. This analysis is important in implementing a risk-based approach to the deployment of supervisory and reporting entity resources.

Recommendation

- The CLHIA welcomes a closer dialogue with Finance officials in developing the Risk Assessment.
- CLHIA recommends that Canadian officials confer with their foreign counterparts to reconcile the different threat assessments involving the life insurance sector.

2. Analytical Framework

Since the inception of the PCMLTFA, there have been a steady stream of amendments to the PCMLTFA and the Regulations. Generally, these amendments have served to broaden the scope of reporting and record-keeping obligations on reporting entities—they tend not to scale back existing requirements. Good public policy dictates that changes which expand the framework should only be made where they address demonstrable gaps in the **effectiveness and efficiency** of the AML regime, not merely to fill gaps in terms of who or what is covered. In other words, there must be a linkage between the proposed new measure and how it improves detection of ML/TF. Furthermore, any benefits must be weighed against the corresponding cost to government and to industry. We are concerned that some measures that have been introduced, and some which are being proposed in the current paper, have at best a peripheral

impact in terms of reducing ML/TF, though they impose large implementation and ongoing compliance costs.

Similarly, existing measures should be evaluated to assess whether they continue to serve a useful purpose. An example is the requirement to identify domestic politically-exposed persons (“PEP”s). While insurers are required to identify domestic PEPs, there is currently no requirement on insurers to include domestic PEP status as a risk factor even though this is generally done. It is unclear why domestic PEP status should trigger special additional requirements, particularly since Canada has been ranked as one of the least corrupt countries in the world.

The problem is further compounded even if the scope of individuals considered domestic PEPs is not expanded. It is estimated that there are 200,000 to 300,000 new PEPs added globally each year. On average, it is believed that a PEP has 10 connections, including relatives and close associates. As such, even with no change in the regime, the compliance burden (e.g., screening for false positive hits) continues to grow significantly. For this reason, it is all the more important to review existing requirements to ensure that they are commensurate with the risks and costs involved.

At present, risk factor monitoring (including transactions) by financial institutions can uncover unusual patterns that suggest a potential linkage to ML or TF. As monitoring tools such as machine learning and data analytics continue to evolve, these tools become even more powerful, obviating the need to know whether a person is “politically-exposed”. Accordingly, removing the requirement to identify domestic PEPs for lower risk relationships would not compromise the ability of the regime to detect and deter ML. The requirement to identify PEPs is one example of a measure that should be reexamined. If the intent of the measure is to address concerns expressed by the Financial Action Task Force in its Mutual Evaluation of Canada, then a compromise could be to require the determination of an individual as a PEP only once other risk factors have been established which apply to the client.

Recommendations

- CLHIA recommends that a framework for analyzing proposed new measures be developed, and that the framework require evidence that a change will materially reduce the ability of criminals and terrorists to engage in ML/TF.
- Any demonstrated benefit in terms of effectiveness and efficiency should be weighed against the related costs to government and the industry.
- During the 5-year regime review, all existing measures should be reevaluated along with new measures to ensure that they continue to be required, effective and proportionate.

3. Specific Points

In the following section, we are pleased to provide our comments on the specific highlighted areas in the discussion paper.

A. Corporate Transparency

“The Department is seeking views on how to improve corporate ownership transparency and mechanisms to improve timely access to beneficial ownership information by authorities while maintaining the ease of doing business in Canada. This includes considering different beneficial ownership registry models and whether information should be made public. The Department is also seeking views on risks associated with legal entities that are not corporations, such as legal partnerships.”

The CLHIA strongly supports the development of a beneficial ownership registry, and we are equally pleased with the December 2017 announcement that provincial and federal officials are co-operating on the development of such a registry. We strongly believe that access to the database should be extended to reporting entities since, in the absence of such access, there is no reliable way for reporting entities to discharge their statutory obligation of identifying and confirming beneficial owners. Such access will also promote an efficient solution since each corporation could provide its information only once to the registry, instead of multiple times for each relationship it has with a reporting entity; the converse is also true—access to the registry by reporting entities will avoid each reporting entity having to replicate work by another reporting entity.

The design of the registry will require careful thought. At a minimum, the registry should house information that insurers are required to collect—i.e., name, address, nature of business, power to bind, directors, officers and details on beneficial ownership and corporate structure. We also support extension of the registry beyond corporations to include trusts, partnerships and other similar vehicles. There would need to be a mechanism to ensure the reliability of the information which is inputted into the repository, perhaps by making it a criminal offence to provide false information into the repository. To keep information current, those required to report beneficial ownership should be required to communicate ownership changes on a timely basis.

To further leverage the power of such a database and promote efficiency, we suggest that all other aspects of the regime such as PEP status, and presence on sanctions lists could be undertaken centrally, rather than separately by each institution. This type of screening could be performed by government or by a for-profit commercial entity under contract with the government. We would appreciate being at the table at an early stage as part of the development of the registry to ensure optimal functionality and to minimize the chance of deficiencies being built into the registry at the outset. We would hope that part of the discussion could include tailoring the database to allow not only AML/ATF functionality, but also that it could be used by financial institutions to discharge their Common Reporting Standard (“CRS”) obligations for tax purposes. This could entail harmonization of the information collected for tax and ML purposes. (Whereas CRS distinguishes between passive and active non-financial entities and that classification determines the type of information that needs to be collected, no such distinction is found under the PCMLTFA.). Finally, we would hope that there would only be one central repository that captures federally-incorporated as well as provincially-incorporated entities, rather than have 14 different databases.

Recommendations

- CLHIA supports the development of a central repository, not only for beneficial ownership, but to house information that would enable reporting entities to discharge all of their AML/ATF obligations (and perhaps CRS) through the database.

- CLHIA feels that it is imperative that reporting entities have access to the database, albeit with appropriate protection in place.
- CLHIA believes that the database should cover not only corporations, but other legal entities and arrangements.
- The database should include information to facilitate other requirements of the regime such as PEP status and presence on sanctions lists, and consideration should be given to having government (or an authorized agent) perform requisite screening.
- CLHIA would welcome the opportunity to participate in the development of the database, since reporting entities will ultimately be important users.

B. Definition of Head of an International Organization

The discussion paper suggests that recent bribery and corruption scandals have been linked to international bodies such as the International Olympic Committee and FIFA, and proposes the possibility of including them in the definition of “Head of an International Organization” (“HIO”), despite the fact that they are not established by the government of a state. We believe that this change is not required. As noted above, transaction monitoring is an effective way of unearthing suspicious behaviour. Heads of international organizations are not automatically considered high-risk, and it is likely that suspicion of a particular sporting organization would be triggered through negative news (or suspicious transaction activity), which is already monitored in many programs.

A further concern with this proposal is that the question of extending the HIO definition to include sporting organizations was considered and rejected when the category of HIO was first introduced a couple of years ago. At that time, the decision was taken not to include them, but to advise reporting entities that they should continue to monitor sporting associations through their AML program to identify those that are considered high risk. Insurers incorporated the new HIO requirements at that time, omitting sports groups from the definition. In keeping with the theme that changes to the regime should be evidence-driven, we are unaware of any factors that have come to light since the HIO requirement was introduced in June 2017 to prompt this new proposal

Recommendation

- CLHIA does not support the modification to the definition of HIO to include the heads of international sporting organizations.

C. PEP Determination of Beneficial Owners

The discussion paper identifies a gap in the absence of a requirement to determine whether beneficial owners of corporations, trusts and other entities are PEPs.

We agree with the principle that beneficial owners of legal entities should be subject to the same PEP requirements as natural persons transacting directly with an insurer. Applying this principle, a legal entity would not be considered high-risk merely because a beneficial owner is a domestic PEP.

The difficulty with introducing this requirement today, is that reporting entities already generate significant false positive results when screening for PEPs. Commercial databases do not necessarily contain a reliable record of dates of birth (DOB) or in some cases do not include any information other than name and country for PEPs, making any reliable determinations difficult.

As has been mentioned, there does not exist at present a reliable method to confirm beneficial ownership, though we support initiatives currently underway to remedy this situation. We also encourage the inclusion of robust information (such as DOB and PEP status) to link the two and reduce the incidence of false hits. Even if the proposed registry included such information, it would still be important to consult with users since there are difficulties beyond DOB that make operationalization challenging using existing commercial databases. Until such time as a reliable registry is up and running, it does not make sense to enhance the beneficial ownership regime with an additional PEP-identification requirement.

Recommendation

- The requirement to determine if a beneficial owner is a PEP should only be considered once a reliable method of identifying PEPs (such as a registry) is in place.

D. Clarification of the Definition of Domestic PEP

The paper indicates that FINTRAC has received inquiries on the meaning of various positions contained in the definition. The term, “mayor” is given as one example. We welcome any clarification where, in FINTRAC’s experience, reporting entities are struggling to capture the intent of a particular category of PEP. We would not limit any clarification to the definition of domestic PEP, as we understand that some insurers are struggling with similar uncertainty regarding foreign PEPs, specifically whether a foreign organization is a government “agency”.

In terms of extending the definition to include First Nations Chiefs, we do not object in principal, but from an implementation standpoint, there needs to be enough data in the public domain to determine whether a particular individual is a Chief, and the extension of the requirement will also mean that relatives and close associates must also be identified, all of which will entail additional work. It is not clear what new risks have been discovered since the domestic PEP requirements were first established to warrant the change.

Recommendation

- We welcome clarification of the definition of PEPs, both domestic and foreign, but we do not support the extension of the definition to include First Nations Chiefs, until such time as there is reliable information that would allow insurers to make comparisons between their customers and those on PEP screening lists.

E. Standardize Record Keeping and Client Identification

The paper asks whether dollar thresholds that trigger record keeping and client identification requirements should be standardized. The insurance sector is not affected by disparate triggers, so we have no comment on the streamlining proposal. Presumably, the notion of establishing minimum thresholds is grounded in the philosophy that a risk-based approach should focus on the transactions representing the greatest risk. We think this principle should be extended by establishing a minimum

threshold for suspicious transaction reports (“STRs”), as is the case in the U.S. We would revisit our position if it can be shown that the cost of filing and reviewing low-dollar value STRs is justified in terms of the law enforcement benefit.

Recommendation

- We encourage officials to consider introducing a minimum dollar threshold for suspicious transaction filing.

F. A Stronger Partnership with the Private Sector

The discussion paper alludes to advantages associated with improved information sharing between government and the private sector and also better communication across private sector institutions. We are very supportive of amendments to privacy and AML legislation which would facilitate better information flows.

For example, insurers do not know the results of FINTRAC’s analysis of STRs which have been submitted. It may be that FINTRAC makes the determination that a particular disclosure does not meet the threshold of reasonable grounds to suspect that a ML/TF offence has been committed and the matter ends there with no further referral to law enforcement. The insurer has no knowledge of this determination and it must continue to file STRs for subsequent similar transactions undertaken by the same client. This results in inefficient, time consuming reports being filed by the insurer and received by FINTRAC. FINTRAC should also be able to communicate with a federally-regulated financial institution in order to clarify an STR or seek additional information.

A similar problem occurs due to restrictions on financial institutions being able to share information amongst themselves. Without the ability to share information, an insurer may not have a complete view of a customer’s financial activity, and with certain pieces of information absent it may not report transactions as suspicious. Even more significantly, the inability of private sector institutions to share information about high-risk clients, including those that have been de-risked, hinders the ability of institutions to impede the activities of criminals who would simply jump from one reporting entity to another. The exemption in privacy legislation which allows institutions to share information to combat fraud should be extended to apply to information exchanges that would detect instances of potential ML/TF.

Recommendation

- We support measures, in privacy and AML legislation, which will promote better information-sharing between the private and public sectors and also within the private sector. Canada should adopt best practices from models in other countries which permit this sort of information sharing.

G. Geographic Targeting Orders

Geographic targeting orders set out specific obligations for persons and entities in certain geographic areas to face heightened security. Our industry has consistently supported the development of actionable guidance by government and in that spirit we believe geographic targeting orders could be useful in indicating to industry that a particular geographic area is at risk of being targeted by money launderers or terrorists. Any implementation should be undertaken cautiously and, in particular, the initiative should

be introduced using a risk-based approach. Financial institutions should be able to use the information as part of their risk analysis, but the specifics of how a reporting entity should treat the information should not be mandated; in other words, it does not become an obligation subject to enforcement and examination.

Recommendation

- We believe that geographic targeting orders could be a useful addition to Canada’s AML/ATF regime by providing reporting entities additional useful information to be incorporated into their risk assessments. We welcome further consultation.

H. Enhancing and Strengthening Identification Methods

The paper notes that the Regulations to the Act need to remain flexible and adaptive to methods for ascertaining identification given the emergence of new technologies. It notes that progress towards a principles-based requirement could allow reporting entities to take a risk-based approach, allowing for better leveraging of technology solutions.

We support this proposal, particularly the suggestion that digital solutions should be principles-based and technology-neutral. Otherwise, governing legislation will always be one step behind technological advances, and it will hinder the ability of insurers to offer customers transaction platforms which suit their needs and preferences.

Recommendation

- We support the development of a principles-based framework for identifying customers and look forward to working with government and technology providers moving forward.

I. Exemptive Relief and Administrative Forbearance

Administrative forbearance provides a tool for regulators to exempt, on a temporary or permanent basis, regulated entities from the full panoply of requirements, with the objective of fostering new and innovative business models or mechanisms for complying with regulation. Forbearance (or colloquially, the “regulatory sandbox”) has been explored in various countries (e.g., UK, Singapore, Australia and by the Canadian Securities Administrators in the context of securities regulation).

Experimenting with new and innovative regulatory models, including testing a model with a light regulatory touch, represents an initiative which could yield many benefits. First, the sandbox could allow for new entrants and incumbents alike to develop new and innovative technologies without having to establish an extensive regulatory compliance infrastructure. The sandbox could also be adapted to accommodate “regtech” solutions where companies use technology to become more efficient in meeting regulatory requirements. Examples include the use of artificial intelligence or data analytics to achieve the objectives of the existing AML regime, even though these solutions may not adhere strictly to existing requirements requiring that specific steps be taken. Finally, sandboxes could be used as a test environment by regulators to assess whether any existing requirements can be dispensed with, without compromising the effectiveness of the regime. All of these potential applications will support Canada’s ability to keep pace with technological change internationally.

Recommendation

- We believe that exploring models which provide exemptive relief from the Act could yield significant dividends in terms of encouraging innovative business models and regulatory technology solutions for Canadian firms, consumers and regulators.

J. Consultation Process for the Development of Guidance

The paper asks whether stakeholders would benefit from a more formal process for consulting on guidance. It notes that informal consultations are currently undertaken but asks whether it would be beneficial to provide for a more formal process such as the one used by the Financial Consumer Agency of Canada (“FCAC”).

Insurers would welcome a more formal consultation process, one which allows reporting entities to prioritize resources and which is more transparent in how FINTRAC has assessed and disposed of comments it receives. Today, the industry is faced with considerable resource challenges in implementing new and existing requirements, in being proactive and trying to develop new, more efficient solutions, and in responding to new regulatory proposals.

Regulatory change seems to be constant. We have been and are going through the 5-year review of the Act, significant rewrites of all of FINTRAC’s guidance, another regulatory package which is still a holdover from the last set of amendments to the Act, and participation in international private sector regulatory forums. Industry would appreciate the introduction of a “roadmap” which provides a planned schedule for future regulatory consultations. This could be provided on an annual basis or multi-year. As a starting point, the government should consider publishing its workplan and priorities in the same way OSFI does on an annual basis (perhaps augmented with a more detailed timeline for planning purposes).

Another tool that we find helpful is the publication, after consultations have been conducted, of comments received and how they have been addressed. FCAC and OSFI both provide this feedback and we would appreciate similar feedback from FINTRAC.

Recommendation

- Insurers support the development of a more formal consultation process, both for planning purposes and also to understand how feedback has been assessed by regulatory agencies. We would be pleased to participate in developing such a framework.

K. Public Naming, Confidentiality in Court Proceedings, and Penalty Calculation

The PCMLTFA sets out FINTRAC’s discretionary power to make public certain information related to an administrative monetary penalty (“AMP”), once proceedings have ended, including when all appeals have been exhausted. The discussion paper asks whether it would be appropriate to allow FINTRAC to name an entity at an earlier stage, in order to enhance deterrence.

We do not accept the premise that the deterrence effect is significantly compromised if done at the end of a proceeding. The reputational impact of having an AMP levied is significant, regardless of whether it takes place at the outset, during or after proceedings have ended. Early naming denies an institution of significant due process, and the mere threat provides government with a tool that may encourage the

institution to settle an alleged offence in exchange for an agreement that it will not be named, even when it feels strongly that it has a good case. An institution involved in regulatory and court proceedings also faces the additional likelihood that institutions with which it does business will consider it higher risk and will require evidence demonstrating that its AML procedures are adequate, or its counterparties may impose other special measures. The prospect of facing these additional requirements means that the deterrence effect is strong even if regulators wait until proceedings have ended to name an entity. Similar considerations apply with respect to confidentiality in court proceedings.

With respect to penalty calculation, we support the inclusion of greater transparency (possibly by providing a formula for how AMPs should be calculated). Similarly, FINTRAC should set out the criteria it will use in deciding whether to name an institution.

Recommendation

- CLHIA believes that due process requires regulators to wait until the conclusion of proceeding before naming an offender.
- CLHIA supports the publication of criteria for deciding whether to name an offending entity and also that will apply in calculating the quantum of an AMP.

L. Mitigation of Money Laundering and Terrorist Financing Commensurate with the Risks

The paper notes that section 9.6 of the Act requires that special measures be taken by reporting entities only if that risk is considered high, but that there is no obligation to mitigate risks that are assessed as being lower than that.

The CLHIA has significant concerns with the suggestion that lower risks would now need to be mitigated. If this proposal is adopted, it would gut the proportionality that a risk-based approach is meant to engender. The number of clients that are lower than high risk greatly outnumbers the high risk category and the resources that would be diverted from areas of greatest concern could have a deleterious effect (either in terms of compliance costs or loss of focus on the highest risk category of customer).

Reporting entities already take measures to identify suspicious behaviour, monitor it on an ongoing basis, and require that customers undergo a rigorous KYC, along with required updates (including purpose of the account, third party determination and beneficial ownership requirements). These, along with others such as policies for not accepting cash, and processes such as underwriting which are inherent to insurance, all serve to reduce the ability of any client - be they high or low risk - to exploit the insurance sector for nefarious purposes, and should be sufficient mitigation for lower risks.

The insurance industry is concerned that this proposal misconstrues the proper objective of a risk-based AML regime. The purpose is not to eliminate every single instance of ML/TF as the costs of such a scheme would be prohibitive. Rather, the objective should be to put in place a robust framework which significantly deters criminals and reduces their ability to exploit the financial system.

Recommendation

- CLHIA strongly opposes the suggestion that lower risk clients should be subject to additional mandatory risk mitigation measures.

Definition Section

As a final point, we would like to raise one technical issue that has not been addressed in the discussion paper, which is the definition of “client”. A client is currently defined in section 2(1) to include a person or entity that engages in a financial transaction with another person or entity. This definition is far too broad and could lead to misapplication of requirements to parties that are not intended to be covered by the PCMLTFA. For example, this definition would include the authorized signing officer of a non-personal client who provides instructions to transact on their employer’s behalf.

Recommendation

- CLHIA recommends that the definition of “client” be revisited to ensure that the term does not capture unintended individuals or entities and subject them to the AML/ATF regime.

Conclusion

The CLHIA appreciates the opportunity to participate in the 5-year review. We have been active participants through existing consultation forums (Advisory Committee on Money Laundering and Terrorist Financing and its working groups), through the House Finance Committee, and by providing comments on legislation, regulations and guidance. We look forward to continuing our engagement on the ML/TF file going forward.