

FINTRAC Registration Process

In our last [article](#), we discussed the different types of services that qualify as “Payment Services” under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) which compel registration as a Money Services Business. This week’s article will touch on the registration process.

There are two stages of registration with the Financial Transactions and Reporting Analysis Centre of Canada (FINTRAC): Stage one is pre-registration. Stage two is the registration itself.

Pre-registration starts when you complete the [pre-registration form](#) on FINTRAC’s website. You are required to provide information about your business, your contact information and call back preferences. You must also select “payment service provider” in the business activities section. In the “additional information” section, you should provide as much detail about your business model as possible. And be sure to keep a copy of the form you completed BEFORE you submit the form because it won’t be available once you press submit.

Given the influx of applications being submitted, FINTRAC is backlogged. What used to take about five business days, can now take a few months.

You might ask, why is it taking FINTRAC so long to respond? The answer is easy. The FINTRAC policy interpretation team reviews each new payment service provider application form to determine eligibility for registration. There are so many different types of payment services and FINTRAC is trying very hard to understand your specific business model to ensure they are not making you register unnecessarily.

This is why it is so important that you provide as much information about your business model as possible during the pre-registration stage. One of the ways we help clients at this stage is the develop clear language with reference to precedents to help speed up the process and to achieve predictable outcomes. Without that approach, it is likely that you will receive clarifying requests from FINTRAC via email during this review process. You may also receive a phone call or two to discuss the model. It is very important to respond to these requests promptly. If you do not respond within the given timeframe, FINTRAC can cancel your request which means you will have to start the process again. Some clients designate us as authorized representatives to engage in these calls for them. Make sure you keep a copy of all correspondence between you and FINTRAC for your records.

Once the policy interpretation team has determined whether or not you qualify to register as an MSB, someone from FINTRAC will notify you. You may get this notification via email or through a phone call. If eligible, FINTRAC will provide you with a username and password, as well as access to the registration site. FINTRAC does not provide the username and password via email. Be sure to look out for private callers or unknown callers as their phone numbers are not listed.

You have passed the hard part and now are able to complete stage 2. This stage requires you to log into the FINTRAC [registration site](#) using your username and password and complete the registration form. Here are some of the details you will need to complete this form:

- bank account information;
- information about your compliance officer;
- number of employees;
- incorporation information (if your business is a corporation);
- information about your MSB's owners and senior management, such as their name and date of birth;
- an estimate of the expected total dollar amount of transactions per year for each MSB service you provide;
- detailed information about every branch; and
- detailed information about every MSB agent.

Once you submit the form, you cannot make any changes. FINTRAC may still have clarifying questions that need to be addressed promptly during this stage. Be sure to look out for emails from FINTRAC and remember to keep copies of all communications you might have.

Under normal circumstances, the approval process takes about 15 business days. Pack your patience once again, as due to the high volume of applications, the response time is more likely to be months rather than days.

Approval comes in the form of two emails; the first email advised that your application was approved. The second email contains the official approval letter as a pdf attachment. FINTRAC will not reissue either of these emails or the pdf so be sure to keep them safe. The last step is having your MSB information listed on FINTRAC's public registry. That registry can be found [here](#). If you don't keep this information up to date, or respond in a timely fashion to subsequent requests from FINTRAC, you could be subject to penalties and/or revocation of your registration.

Remember, FINTRAC does not charge a fee for registration, nor does it issue certificates. Please read a previous article for more information related to this topic [here](#). If you are approached to pay money for a FINTRAC certificate, we encourage you to report such activity to the [Canadian Anti-Fraud Centre](#).

For more information about this or any other aspect related to payment services, please reach out to Marcelle Dadoun (marcelle@theamlshop.ca). Stay tuned for the next article that will cover key differences between the PCMLTFA and the Retail Payments Activities Act.