

May 17, 2018

Director General
Financial Systems Division
Financial Sector Policy Branch
Department of Finance Canada
James Michael Flaherty Building
90 Elgin Street
Ottawa ON K1A 0G5

Sent Via Email: fin.fc-cf.fin@canada.ca

Re: Consultation paper regarding anti-money laundering and anti-terrorist financing laws

To whom it may concern:

Fairstone would like to thank you for the opportunity to comment on the Department of Finance Canada white paper titled "Reviewing Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime", dated February 7, 2018. We applaud the government's efforts to increase the protections afforded to Canadians, and to reduce the risk of money laundering and terrorist financing in Canada. However, we are concerned that the list of areas identified as high risk unintentionally includes companies that do not represent a high risk for money laundering or terrorist financing.

Given the nature of the activities performed by non-deposit taking financial institutions such as Fairstone, we do not believe that the sectors occupied by such institutions represent a target for money launderers or terrorists. As such, we are of the view that institutions such as non federally regulated mortgage lenders and finance companies should not be included in any proposed expansion of Canada's anti-money laundering or anti-terrorist financing laws. We thank you for the opportunity to review and provide our feedback.

Sincerely,

Carol Bell
General Counsel