

# Blakes Bulletin

## Important Information for our Clients

### New Law Society Regulations

JACQUELINE SHINFIELD

In response to global concerns from lawmakers that law firm trust accounts may be targeted by those wishing to launder money, the federal government has called upon all law societies across Canada to implement regulations to create a national, uniform standard for client identification and verification that will apply to all lawyers.

As a result of this initiative, new regulations have been introduced by all provincial law societies that require lawyers, whenever a new matter is opened, to collect specific client information and, in circumstances where a lawyer's trust account is utilized, to verify and confirm client identity.

#### WHAT THIS MEANS FOR YOU

Commencing January 1, 2009, whenever you retain us on a new matter, we are required to obtain certain information about you, your organization, or any party on whose behalf you may be acting. This requirement to collect information will apply to all of our clients, even those with whom we have had longstanding relationships.

The information we will be requesting from you, effective January 1, 2009 when you retain us for a new matter, is as follows:

- *For Individual Clients.* We will require your name, home address and telephone number, your occupation and, if applicable, your business address and business telephone number.
- *For Organizational Clients.* We will require the organization's name, business address, business telephone number and a description of the organization's business activity. We will also require the organization's incorporation number or business identification number and its place of issue. In addition, we will need details on the contact person(s) at the organization who is providing us with instructions.

If you are retaining us on behalf of a third party, we will be required to collect similar information in respect of that third party.

#### USING OUR TRUST ACCOUNT

In circumstances where you are utilizing our trust account or otherwise using our services in respect of receiving, paying or transferring monies, negotiable instruments or securities, we may, depending on circumstances, also be required to **verify** your identity (for individuals) and confirm your existence (for organizations). As a result, we may be required to ask for more information from you about your organization and its ownership structure and about your organization's directors and controlling owners. We may also need to review (in person or by an appointed agent) identification documents for both clients who are individuals and for those persons employed by an organization who are providing us with instructions in respect of the payment, receipt or transfer of funds.

We will endeavour to carry out our obligations under the new law society regulations and make our inquiries in the most efficient and least intrusive way possible while continuing to provide you with the service that you have come to expect from Blakes.

We note that these new "know your client" obligations will apply to all law firms across Canada and accordingly these procedures will be implemented at all of our offices effective January 1, 2009.

If you have any questions about our new file opening procedures or our verification requirements, please contact any Blakes lawyer.

We thank you in advance for your co-operation.

Go to [blakes.com/english/subscribe.asp](http://blakes.com/english/subscribe.asp) to subscribe to other Blakes Bulletins.

Blakes periodically provides materials on our services and developments in the law to interested persons. If you do not wish to receive further bulletins or other materials from Blakes, please contact Blakes Marketing Department at 416-863-3036 or [dorothy.byers@blakes.com](mailto:dorothy.byers@blakes.com). For additional information on our privacy practices, please contact us at [privacyofficer@blakes.com](mailto:privacyofficer@blakes.com). *Blakes Bulletin* is intended for informational purposes only and does not create a lawyer-client relationship. The transmission of this information does not suggest Blakes or any of its lawyers are practising law of any jurisdiction other than Canada. The information provided in this bulletin is summary in nature and does not constitute legal advice. We would be pleased to provide additional details or advice about specific situations if desired. For permission to reprint articles, please contact Blakes Marketing Department at 416-863-2403 or [lynn.spencer@blakes.com](mailto:lynn.spencer@blakes.com). ©2008 Blake, Cassels & Graydon LLP.