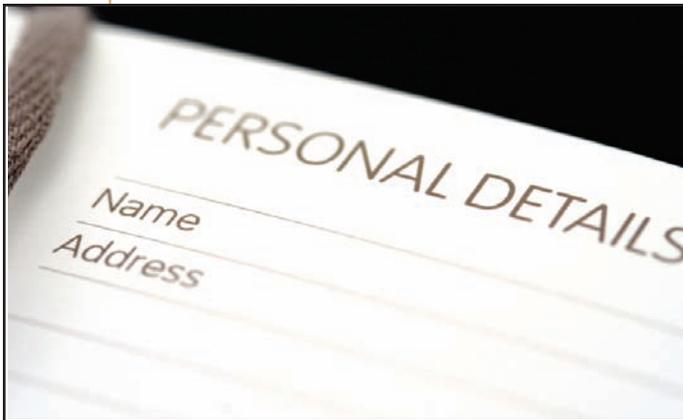


NEW RULES FOR CLIENT IDENTIFICATION AND VERIFICATION

“Know Your Client”: It’s the Law

Heather M. Picken, Michael J. Luchenski

As a result of global concerns about fraud and money-laundering, the federal government asked the Federation of Law Societies of Canada to create a national standard for client identification and verification, to safeguard law firm trust accounts.



resolution from the directors in connection with our retainer. If the client represents a third party, we must record the same information about the third party, whether an individual or an organization.

Verification

We may also need to review certain documents in order to verify identification information when we are handling certain funds on behalf of our clients. For individuals, these will be such documents as drivers’ licences or birth certificates. For organizations, we may also need to obtain documents that are filed with or issued by public authorities to confirm the organization’s existence and corporate status.

Our Commitment to Our Clients

We are committed to carrying out our obligations under these new regulations with the least possible inconvenience to our clients. We will also maintain the privacy of the personal information in our custody or under our control in the same manner that we safeguard all other client information, in compliance with our privacy policy, which is available on our website at <http://www.lawrences.com>.

If you have any questions about our new file-opening procedures, verification requirements or privacy policy, please contact any of our lawyers. We thank you for your co-operation.



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In response, The Law Society of Upper Canada has introduced new rules that require all lawyers in Ontario to obtain, record, and retain certain information about the identity of clients (including long-standing clients) and verify this information in circumstances where we will be handling funds on behalf of clients.

Identification

As of December 31, 2008, we are required to record the information shown in Table 1 when we are retained to act on a new file, whether for an existing or a new client. In some cases, we will need to obtain identification information about significant shareholders and directors and an authorizing

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Table 1. Required Information to Identify Clients

For Individuals	For Organizations
Full name	Full name of organization
Home address and telephone number	Business address and telephone number
Business address and telephone number	Incorporation or business identification number
Occupation	Jurisdiction in which the organization was founded
	Description of the organization’s business activity
	Name, position and contact information for all individuals authorized to give instructions on the retainer