

For Immediate Release

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News Release

Law Society to launch ‘know your client’ requirements at year-end

Toronto: The Law Society of Upper Canada is launching new client identification and verification requirements on December 31, 2008, to help lawyers and paralegals identify potential fraudulent client activities.

The ‘know your client’ requirements, adopted in April 2008, were originally slated to come into force October 31, 2008, but will now become effective at year-end to give lawyers and paralegals more time to prepare for compliance. Other law societies across the country are implementing similar requirements.

“The Law Society joins other law societies throughout Canada in establishing rigorous client identification requirements for lawyers and paralegals, which will assist them in determining whether a client is attempting to use them to launder funds. In this way, the legal professions will contribute to the effort to fight money laundering and terrorist financing,” says Law Society Treasurer W. A. Derry Millar.

The new requirements are based on a model rule adopted by the Federation of Law Societies of Canada – the umbrella organization for Canada’s 14 law societies. “By adopting the new requirements through law societies in every province and territory, a national standard will be achieved. We will have an effective, practical and enforceable tool to ensure that members of the legal professions, in serving clients, remain vigilant,” says the Treasurer.

This is the second initiative the Law Society has implemented in recent years to combat money laundering. In 2005, the Law Society adopted the Federation’s ‘no cash’ rule, which prohibits lawyers and paralegals from accepting \$7,500 or more in cash from a client.

Several resources have been developed by the Law Society to assist lawyers and paralegals in meeting the new ID and verification requirements. They are available on the [Law Society’s website](#).

The Law Society regulates lawyers and paralegal in Ontario in the public interest. The Law Society has a duty to protect the public interest, to maintain and advance the cause of justice and the rule of law, to facilitate access to justice for the people of Ontario and act in a timely, open and efficient manner.

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