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## NEWS RELEASE

### **New “Know Your Client” Rules Come into Effect December 31, 2008**

**Calgary** – Starting January 1st, 2009 all lawyers in Alberta will be required to comply with new client identification and verification rules.

New Alberta rules on client identification and verification are based on a model rule developed by the Federation of Law Societies of Canada. These rules are part of a national initiative to fight fraud and money laundering.

The new rules, adopted by the Law Society of Alberta, contain two distinct concepts of **identification** and **verification**.

**Identification** requirements apply whenever a lawyer is retained to provide legal services of any nature to a client. The lawyer must obtain basic identification information about individual or organizational clients in every retainer, subject to certain exceptions.

**Verification** requirements arise when a lawyer, who has been retained by a client to provide legal services, engages in or gives instructions in respect of the receipt, payment or transfer of funds on behalf of a client, again subject to certain exceptions. Lawyers will need to get documentary identification, such as a driver’s license or passport, in the verification phase.

All lawyers across Canada will have to abide by the new client identification rules when they are retained by a new client or an existing client on a new matter.

If the client is an organization, such as a limited company, corporation or society, the identification required will consist of the business’ name, address, phone number, the business incorporation or identification number, the nature of the business and contact information of the business owner.

If the client is acting for or representing a third party, lawyers are required to collect the same information about that third party in accordance to the new rules. Details are available on the Law Society of Alberta’s website, [www.lawsociety.ab.ca](http://www.lawsociety.ab.ca)

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