

Anti-Money Laundering Requirements

Due to the recent outbreak of COVID-19, the Law Society understands that members may face challenges in meeting their obligations under the anti-money laundering and terrorist financing rules. While we continue to expect that members will do everything possible to meet all of their obligations, we recognize that it may be challenging to verify a client's identity where the member and his/her client are unable to meet in person.

Members are reminded that the rules permit members to verify a client's identity by two methods that do not require meeting face to face with the client – the dual process method or using information in a client's credit file.

In addition, members should consider whether they may be able to rely upon the previous verification by another person (for example, a real estate agent) as permitted under the rules.

If however, a member is unable to available himself or herself of any other method, in these unique circumstances and as a last resort, the Law Society will take a reasonable approach in its compliance activity if the member were to conduct the verification of the client's identity by using video conference technology, provided that:

- The member can be reasonably satisfied that the government issued identification is valid and current;
- The member can compare the image in the government issued identification with the client to be reasonably satisfied that it is the same person;
- The member records, with the applicable date, the method by which the member verified the client's identification;
- The member treats the transaction as a high risk transaction and continues to monitor the business relationship as a high risk transaction;
- The member documents the efforts that were made to verify the client's identity in accordance with the existing rules and the reasons why the member was unable to verify the client's identity in accordance with the existing rules.

Members are reminded that fraudsters look to take advantage of unusual circumstances such as are being addressed here, and therefore, if a transaction presents too much of a risk, members should decline to act.