**CLIENT VERIFICATION FORM (Individual)**

Prior to using the **Client Verification Form (Individual)**, you should review and ensure you are familiar with the client verification requirements set out in [By-Law 7.1](https://lso.ca/about-lso/legislation-rules/by-laws/by-law-7-1). You should also consider reviewing the Law Society’s [Anti-Money Laundering resources](https://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing).

Note that this Form should only be used where:

* You are providing legal services to an individual client or an individual [third party](http://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/glossary-of-defined-terms) that the client is acting for or representing,
* You are engaged in or giving instructions in respect of the receipt, payment, or transfer of funds (a “financial transaction”),
* You have determined that none of the [exemptions](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/client-identification-and-verification-flowchart-en.pdf) to client verification apply in this matter, and
* You have already completed the [Client Identification Form](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/client-identification-form-%28individual-or-organization%29-en.docx) for the client or third party (if any).

To use this Form to comply with your verification obligations, you should complete:

* Either Part I or II,
* Part III, and
* If the matter is or will be ongoing, Part IV.

Note that if at any point while retained, including while obtaining the information contained in this Form, you know or ought to know that you are or would be assisting the client in fraud or other illegal conduct, you must immediately cease to and not engage further in any activities that would assist the client in fraud or other illegal conduct and/or withdraw from representation of the client.

**If there is more than one client, third party, or other individual (such as a parent/guardian, if applicable) who you are required to verify, you should complete one Form for each.**

You should also retain the completed Form as part of your paper or electronic client file in accordance with the record retention requirements set out in [By-Law 7.1](https://lso.ca/about-lso/legislation-rules/by-laws/by-law-7-1).

**Licensees with questions about their verification obligations or how to comply with the requirements should contact the** [**Practice Management Helpline**](https://lso.ca/lawyers/practice-supports-and-resources/practice-management-helpline)**.**

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| Client No./Matter No.: |  |
| Client/Third Party Name: |  |
| Matter Description: |  |
| Responsible Lawyer/Paralegal: |  |

**PART I: VERIFICATION INFORMATION AND DOCUMENTS**

[ ]  Client or third party is an **individual** **over 15 years of age** (*select one of the below methods to verify the
 identity of* the *client or third party*), or

[ ] Client or third party is an **individual** **under 12 years of age** (*select one of the below methods to verify the
 identity of their parent or guardian)***:**

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| [ ]  **GOVERNMENT ISSUED PHOTO IDENTIFICATION METHOD** |
| **Requirements:** You may rely on a valid, original, and current federal, provincial, or territorial government issued document containing the name, a unique identifying number, and photograph of the individual being verified. The name and photograph found in the photo identification document must match that of the individual. A foreign government issued photo identification document is acceptable if it is equivalent to a Canadian issued photo identification document. However, photo identification documents issued by any municipal government, whether Canadian or foreign are not acceptable. [Click here](https://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/examples-of-government-issued-photo-identification) for a list of acceptable government-issued documents.  |
| Name or type of document: |  |
| Unique identification number: |  |
| Date of issue: |  |
| Place of issue: |  |
| Expiry date, if applicable: |  |
| [ ]  I confirm that the name and photograph match that of the individual being verified. |
| [ ]  I further confirm that the document used to verify identity is an original that is authentic, valid, and current, and any other information used is valid and current. |
| [ ]  A copy of the above-noted document (front and back) is attached to this form and includes the name, photo, type of document, unique identification number, place of issue, and expiry date (if applicable). |
| Date information verified:(must verify immediately after engaging in a financial transaction) |  |
| Name of person who verified: |  |

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| [ ]  **CREDIT FILE METHOD** |
| **Requirements:** You may rely on information that is in the individual’s credit file if that file is located in Canada and has been in existence for at least three years. The information in the credit file mustmatch the name, date of birth, and address provided by the individual during the identification process. If any of the information does not match, you have not met your verification obligation and must use another method to verify identity. You must conduct the credit file search at the time legal services are provided in respect of the financial transaction; historical credit files are not acceptable. You must also obtain the information directly from a Canadian credit bureau (e.g., Equifax or TransUnion) or third-party vendor authorized by a Canadian credit bureau to provide Canadian credit information. You cannot rely on a copy of the credit file provided by the individual , or on information from a foreign credit bureau.  |
| Date credit search conducted: |  |
| Location of credit file: |  |
| Length of credit history: |  |
| Name of Canadian credit bureau or third-party vendor: |  |
| Credit file or reference number: |  |
| [ ]  I confirm that the name, date of birth, and address provided by the individual being verified during the identification process matches the information in the credit file. |
| [ ]  I further confirm that the credit file documentation used to verify identity is not a copy; it is authentic, valid, and current; and any other information used is valid and current. |
| [ ]  A copy of the credit file documentation is attached to this form. |
| Date information verified:(must verify immediately after engaging in a financial transaction) |  |
| Name of person who verified: |  |

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| [ ]  **DUAL PROCESS METHOD** |
| **Requirements:** You may rely on any two of the below categories of information by obtaining the information from two independent and different reliable sources (e.g., not you, the individual being verified, or an agent acting on your behalf). A reliable source is the originator or issuer of information that is well known and considered reputable. [Click here](https://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/examples-of-reliable-sources-of-information-client) for examples of reliable sources of information. The information may be found in documents from a reliable source or may be information that the reliable source is able to provide. In all cases, the documents must be originals that are authentic, valid, and current, and the information used must be valid and current. Photocopies, faxes, and electronic images of a document are not acceptable. |
| **Categories of Information** *(you must select two and the information must be from different sources)* |
| Individual’s name and address: | Name of source: |
|  | Type of document/information:  |
|  | Account/reference number:  |
| Individual’s name and date of birth: | Name of source: |
|  | Type of document/information:  |
|  | Account/reference number:  |
| Individual’s name and confirmation of deposit account, credit card, or other loan amount with a [financial institution](http://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/glossary-of-defined-terms): | Name of source: |
|  | Type of document/information: |
|  | Account/reference number: |
| [ ]  I confirm that the name, date of birth and/or address provided by the individual being verified matches the information provided during the identification process. |
| [ ]  I further confirm that the documents used to verify identity are originals that are authentic, valid, and current, and any other information used is valid and current. |
| [ ]  A copy of the information and/or documents obtained is attached to this form. |
| Date information verified:(must verify immediately after engaging in a financial transaction) |  |
| Name of person who verified: |  |

[ ] Client or third party is an **individual** between **12 and 15 years of age**

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| [ ]  **MINOR BETWEEN 12 AND 15 YEARS OF AGE** |
| **Requirements:** You can verify the identity of an individual client or third party who is at least 12 years of age, but no more than 15 years of age by obtaining information from an independent reliable source (e.g., not you, the client, the third party, any other individual whose identity is being verified, or an agent acting on your behalf) that contains the name and address of the client’s parent or guardian. You must confirm that the address of the parent or guardian matches the address the individual provided during the identification process. [Click here](https://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/examples-of-reliable-sources-of-information-client) for examples of reliable sources of information. |
| Name of source:  |  |
| Type of document/information:  |  |
| Account/reference/ID number for document/information: |  |
| [ ]  I confirm that the address of the parent/guardian matches the individual’s address.  |
| [ ]  I further confirm that the documents used to verify identity are authentic, valid, and current, and any other information used is valid and current. |
| [ ]  A copy of the information and/or documents obtained is attached to this form. |
| Date information verified:(must verify immediately after engaging in a financial transaction) |  |
| Name of person who verified: |  |

**PART II: USE OF AGENT**

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| [ ]  **USE OF AGENT** |
| **Requirements:** You may rely on an agent to verify the identity of an individual. Before the agent can act on your behalf to verify the identity of an individual, you must have a written agreement with the agent for that purpose. While there is no required format for the agreement, consider using the Law Society’s [sample letter agreement](http://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/using-an-agent-for-verification-of-identity). As the responsibility to verify identity is yours, you must choose and retain the agent yourself. The agent may verify the identity of the individual in one of the ways identified above (depending on the age of the individual). You are also required to obtain from the agent the information and copies of documents used by the agent under the agreement to verify the identity of the individual, and to satisfy yourself that the information is valid and current, and that the agent has complied with the verification requirements set out in By-Law 7.1.  |
| Date of agreement: |  |
| Name of agent:  |  |
| Verification method used: |  |
| Date agent verified identity: |  |
| Date verification information received from the agent: |  |
| [ ]  I confirm that the information obtained from the agent matches what the individual being verified provided and is valid and current.  |
| [ ]  A copy of the signed agent agreement, and copies of the information and documents obtained by the agent to verify the individual’s identity are attached to this form. |

**PART III: SOURCE OF FUNDS**

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| [ ]  **SOURCE OF FUNDS INFORMATION** |
| **Requirements:** When you provide legal services in respect of a financial transaction, you must obtain and record from your client, their parent/guardian, or third party, information about the source of funds being received, paid, or transferred. For a list of red flags to consider, you should consult the Law Society’s [Worksheet: Red Flags of Fraud, Money Laundering, Terrorist Financing, and Other Illegal Activity](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/red-flags-worksheet-en.pdf).If the information you receive and record below about the source of funds is reasonable and there are no red flags or anything else suspicious or unusual about the client’s explanation, then you have complied with the source of funds requirement. However, if the information from your client is unreasonable or inconsistent with what you know about them, and the client cannot provide a satisfactory explanation as to the source of funds or documentation to support their explanation, you should consider whether you should act or continue to act for the client.  |
| Amount of funds: |  |
| Currency: |  |
| Date the funds were received, transferred, or paid: |  |
| Form in which the funds were received, transferred, or paid (e.g., wire transfer, cheque): |  |
| Economic activity or action that generated the funds (e.g., savings from employment): |  |
| Purpose of the funds: |  |
| Payer’s information: | Full name: |
| Occupation: |
| Contact information: |
| Relationship of payer to client: |  |
| Name and contact information of all financial institutions or other entities through which the payer processed the funds: | Full name: |
| Type of entity:  |
| Contact information:  |
| Any other information relevant to determining the source of funds: |  |
| [ ]  The information obtained from the client is reasonable and consistent with what I know about the client and the financial transaction. |
| [ ]  A copy of the supporting information/documents are attached to this form. |
| Date source of funds information obtained: |  |
| Name of person who obtained information: |  |
| [ ]  The information obtained from the client is reasonable and consistent with what I know about the client and the financial transaction.  |
| [ ]  A copy of the supporting information/documents are attached to this form. |

**PART IV: MONITORING**

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| [ ]  **MONITORING ASSESSMENT** |
| **Requirements:** When you are retained by a client or third party in respect of a financial transaction, you must monitor the professional business relationship on a periodic basis to determine whether your client’s instructions, the information you have obtained about your client’s activities, and the source of funds used in the transaction, are consistent with the purpose of the retainer and the information you know about the client. You are also required to periodically assess whether there is a risk that you may be assisting in or encouraging fraud or other illegal activity. **This requirement applies to all clients where there is a financial transaction, including long-standing clients, and continues until the retainer is complete.** You must also keep a record of the monitoring measures you have taken, including the date on which the measures were taken, and the information obtained. While periodic monitoring is required, the degree and frequency of monitoring will depend on the nature and duration of the retainer, and whether there are any red flag indicators or risks associated with the matter, the client, or the transaction. To assist you in complying with your monitoring obligations, you should:* review, complete, and attach to this form the Law Society’s [Red Flags Worksheet](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/red-flags-worksheet-en.pdf) to help you identify and document red flags and other risks associated with the client matter,
* review the Law Society’s [Risk Assessment Case Studies](http://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/risk-assessment-case-studies-anti-money-laundering) and the [Federation of Law Societies of Canada’s Risk Advisories for the Legal Profession](https://flsc.ca/wp-content/uploads/2020/02/CasestudiesENv5.pdf) for practice area specific risks,
* consider the information identified below to help you determine the appropriate degree and frequency of monitoring for the matter, and
* review and complete the Law Society’s [Sample Monitoring Record](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/sample-monitoring-record-en.docx) at the intervals you have determined you will monitor the professional business relationship with the client.
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| What is the anticipated duration of the retainer? |  |
| How complicated or unusual is the matter or transaction?  |  |
| Are the legal services you will be providing susceptible to being used for money laundering or the financing of terrorist activities?(e.g., purchase and sale of real estate, establishing, purchasing, and selling business entities, etc.)  |  |
| Are there any red flags present? Explain. |  |
| What is the level of risk related to the client or third party? Explain. | [*Note, to assess the level of risk, review, and complete Sections 1, 2, and 3 of the* [*Red Flags Worksheet*](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/red-flags-worksheet-en.pdf)] |
| What is the level of risk related to the transaction? Explain.  | [*Note, to assess the level of risk, review, and complete Sections 4 and 5 of the* [*Red Flags Worksheet*](https://lawsocietyontario.azureedge.net/media/lso/media/lawyers/practice-supports-resources/red-flags-worksheet-en.pdf)] |
| Based on the above information, what is your overall risk assessment for this client matter (i.e., low, medium, or high)?  |  |
| Given your overall risk assessment, how frequently will you monitor?  | [*Note, that an overall low-risk assessment may require minimal or infrequent monitoring, whereas an overall high-risk assessment will require more frequent monitoring*] |
| Date monitoring assessment completed: |  |
| Name of person who completed assessment: |  |