**CLIENT VERIFICATION FORM (Organization)**

Prior to using the **Client Verification Form (Organization)**, 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?lang=en-ca).

Note that this Form should only be used where:

* You are providing legal services to an organizational client or an organizational [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-(individual-or-organization)-en.docx) for the client or third party (if any).

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

* Parts I through IV, and
* If the matter is or will be ongoing, Part V

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 organizational client or third party 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 **organization** that is **created or registered pursuant to legislative authority** (e.g., corporation or society).

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| **REGISTERED ORGANIZATION** | | |
| **Requirements:** If the organizational client or third party is created or registered pursuant to legislative authority, you can rely on written confirmation from a government registry as to the existence, name, and address of the organization. Examples of documents that you can rely on to confirm the existence of a corporation include:   * a certificate of corporate status issued by a public body * a record filed annually under provincial securities legislation * a published annual report signed by an independent audit firm * a letter or notice of assessment from a municipal, provincial, territorial, or federal government * any other record obtained from a public body that confirms the corporation’s existence | | |
| Government registry: |  | |
| Type of record referred to: |  | |
| Date of issue: |  | |
| Place of issue: |  | |
| Expiry date, if applicable: |  | |
| If electronic record used: | Registration number: |  |
| Source of electronic version of the record: |  |
| I confirm that the record(s) obtained and relied on from the government registry confirms the existence of the organization, and contains the name and address of the organization, as well as the names of its directors (if applicable) which matches the information provided by the organization during the identification process. | | |
| I further confirm that the record(s) used to verify identity are authentic, valid, and current, and any other information used is valid and current. | | |
| A copy of the above-noted record(s) is attached to this form. | | |
| Date information verified:(immediately, and, in all cases, no later than 30 days after engaging in a financial transaction) |  | |
| Name of person who verified: |  | |

Client or third party is an **organization** other than a corporation or society that is **not registered in any government registry** (e.g., trust or partnership).

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| **NON-REGISTERED ORGANIZATION** | | |
| **Requirements:** If the organizational client or third party is not registered in any government registry, you may rely on documents that establish or create the organization. Examples of such documents include: a partnership agreement, articles of association, or any other similar record that confirms the organization’s existence. | | |
| Type of record referred to: |  | |
| Date established or created: |  | |
| Place established or created: |  | |
| Expiry date, if applicable: |  | |
| If electronic record used: | Registration number: |  |
| Source of electronic version of the record: |  |
| I confirm that the record(s) obtained and relied on confirms the existence of the organization, and that the record(s) is authentic, valid, and current, and any other information used is valid and current. | | |
| A copy of the above-noted record(s) is attached to this form. | | |
| Date information verified:  (immediately, and, in all cases, no later than 30 days after of engaging in a financial transaction) |  | |
| Name of person who verified: |  | |

**PART II: REQUIREMENT TO VERIFY IDENTITY OF INSTRUCTING INDIVIDUALS**

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| **INSTRUCTING INDIVIDUALS** | |
| **Requirements:** In addition to obtaining the verification information above for the organization, you must also verify the identity of each individual who is authorized to give instructions on behalf of the organization with respect to the matter for which you have been retained. You can verify the identity of the instructing individuals using one of the below methods of verification. If there is more than one individual authorized to instruct on behalf of the organization, you should complete this section of the form for each. | |
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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 instructing individual’s name, a unique identifying number, and photograph. The name and photograph found in the photo identification document must match that of the instructing 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 instructing individual. | |
| 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 instructing 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 must match the name, date of birth, and address provided by the instructing 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 instructing 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 instructing individual 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 instructing 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 instructing individual 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: |  | |

**PART III: ADDITIONAL REQUIREMENT TO IDENTIFY DIRECTORS & BENEFICIAL OWNERS**

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| **IDENTIFY DIRECTORS & BENEFICIAL OWNERS** | |
| **Requirements:** When you are engaged in a financial transaction and your client or a third party is an organization (other than a [securities dealer](http://lso.ca/lawyers/practice-supports-and-resources/topics/the-lawyer-client-relationship/anti-money-laundering-and-terrorist-financing/glossary-of-defined-terms)), you must obtain and record the names of all **directors** of the organization. For all organizations, including securities dealers, you are also required to make reasonable efforts to obtain information about the **beneficial owners** and about the **control and structure of the organization**.  Beneficial ownersare the individuals who are the trustees or known beneficiaries and settlors of a trust, or those who directly or indirectly own or control 25% or more of an organization or shares of an organization (if applicable). You may obtain information establishing beneficial ownership as well as the required control and structure information from the organization or by referring to the following records:   * Minute book * Securities register * Shareholders’ register * Articles of incorporation, * Annual returns, * Certificate of corporate status, * Shareholder or partnership agreements, * Board of directors’ meeting records of decisions, or * Trust deed.   Once you have obtained information establishing beneficial ownership as well as the control and structure of the organization, you must make reasonable efforts to confirm the accuracy of this information. You may use one of the above documents to satisfy the two distinct requirements of obtaining the information and confirming the accuracy of the information. You must keep records of the information obtained, the date it was obtained, the measures taken to confirm the accuracy of the information, and the date those measures were taken.  **You must use your own judgement to assess whether the information and/or documentation relied on is appropriate and complies with the verification requirements**. | |
| **Name(s) of director(s) (if applicable):** |  |
| Source of information: |  |
| Type and source of record or other reasonable methods used to confirm accuracy of information (Note, if you are unable to confirm accuracy of information, you must complete the next section): |  |
| **Name(s) of beneficial owner(s):** |  |
| Address(es) of beneficial owners: |  |
| Source of information: |  |
| Type and source of record or other reasonable methods used to confirm accuracy of information (Note, if you are unable to confirm accuracy of information, you must complete the next section): |  |
| **Ownership, control, and structure of organization:** |  |
| Source of information: |  |
| Type and source of record or other reasonable methods used to confirm accuracy of information (Note, if you are unable to confirm accuracy of information, you must complete the next section): |  |
| Date(s) information obtained, records reviewed, or other reasonable measures taken: |  |
| Date(s) on which reasonable measures were taken to confirm accuracy of information: |  |
| I confirm that the documents and records used to verify identity are authentic, valid, and current, and other information used is valid and current. | |
| A copy of the records or information obtained is attached to this form. | |
| Name(s) of person who obtained and/or confirmed accuracy of the information: |  |

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| **UNABLE TO OBTAIN OR CONFIRM ACCURACY OF ABOVE INFORMATION** | |
| **Requirements:** If you are unable to obtain or confirm the accuracy of the information about the directors, shareholders, and owners of the organization, you must take reasonable measures to ascertain the identity of the most senior managing officer of the organization and assess the organizational client or third party’s activities in the context of the purposes of the retainer and any risks that the financial transaction(s) may be part of fraudulent or illegal activity. | |
| I am unable to obtain the information above, or  I am unable to confirm the accuracy of the information obtained above. | |
| Reason(s) why you were unable to obtain the information or confirm the accuracy of the information: |  |
| Full name and title of the most senior managing officer: |  |
| Senior managing officer’s contact information: | Business address/Telephone number: |
| Home address/Telephone number: |
| Level of risk identified, including the reason(s) why: |  |
| Date risk assessment conducted: |  |
| I confirm that the client’s information in respect of their activities and client instructions in respect of the financial transaction are consistent with the purpose of the retainer and the information obtained about the organization’s directors and beneficial owners (if applicable). | |
| Date information confirmed: |  |
| Name of person who confirmed information: |  |

**PART IV: SOURCE OF FUNDS**

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| **SOURCE OF FUNDS INFORMATION** | |
| **Requirements:** When you provide legal services to an organization in respect of a financial transaction, you must obtain and record 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) (“Red Flags Worksheet”).  If the information you receive and record 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: |  |

**PART V: MONITORING**

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| **MONITORING ASSESSMENT** | |
| **Requirements:** When you are retained by an organization 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. | |
| What is the anticipated duration of the retainer? |  |
| How complicated or unusual is the matter or transaction? |  |
| Are there any red flags present? Explain. |  |
| 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.) |  |
| What is the level of risk related to the identity and behaviour of 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 (e.g., 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 a high-risk assessment will require more frequent monitoring*] |
| Date monitoring assessment completed: |  |
| Name of person who completed assessment: |  |