



NOVA SCOTIA  
BARRISTERS' SOCIETY

### Verification of the Identity of an Organization Checklist

1. Have you been retained by an organization<sup>1</sup> to provide legal services to a client?
2. If yes, will you engage in or instruct with respect to the receipt, payment or transfer of funds?
3. If yes, is there an exemption to the requirement to verify the client's identity?

Exemptions re certain activities:

- a. Are you providing legal services to your employer (ex. In-house counsel)
- b. Are you acting for a client that is a financial institution, public body (government) or reporting issuer (public company)<sup>2</sup>?
- c. Are you acting as an agent for a lawyer who has already verified the identity of the client?
- d. Are you acting for a client who has been referred to you by a lawyer who has already verified the identity of the client?
- e. Are you acting for a client whose identity you have previously verified?
- f. Are you providing legal services as duty counsel<sup>3</sup>?

Exemptions re certain funds:

- a. being paid to or received from a financial institution, public body (government) or reporting issuer (public company)
- b. received from the trust account of another lawyer
- c. received from a peace officer, law enforcement agency or other public official acting in their official capacity
- d. paid or received to pay a fine, penalty, or bail
- e. paid or received for professional fees, disbursements, or expenses
- f. being paid, received or transferred by electronic funds transfer<sup>4</sup>.

---

<sup>1</sup> An "organization" is defined as a body corporate, partnership, fund, trust, co-operative or an unincorporated association.

<sup>2</sup> See definitions in subregulation 4.13.1.

<sup>3</sup> If you are providing legal services as duty counsel that involves engaging in or instruction with respect to the receipt, payment or transfer of funds, this exemption does not apply.

<sup>4</sup> "Electronic funds transfer" means an electronic transmission of funds conducted by and received at a financial institution or a financial entity headquartered in and operating in a country that is a member of the Financial Action Task Force, where neither the sending nor the receiving account holders handle or transfer the funds, and where the transmission record contains a reference number, the date, transfer amount, currency and the names of the sending and receiving account holders and the conducting and receiving entities.

4. If an exemption applies, you are not required to verify the identity of your client.
5. If no exemption applies, you must verify the identity of your client and any third party instructing your client or who has the authority to instruct your client.
6. To verify the identity of an organization either before or when you act or give instructions on behalf of the client regarding the receiving, paying or transferring of funds, you must obtain and review an original government issued identification of the individual giving instructions on behalf of the organization that is valid and has not expired such as a:
  - Driver's Licence;
  - Birth Certificate;
  - Passport; or
  - Other similar record
7. If the organization is a corporation or other organization created or registered pursuant to legislative authority, no later than 60 days after you first act or give instructions regarding the receiving, paying or transferring of funds obtain and review a written confirmation from a government registry as to the existence, name and address of the organization including the names of the directors such as:
  - a certificate of corporate status issued by a public body (e.g. government);
  - a copy of a record obtained from a public body that the organization is required to file annually under applicable legislation (e.g. annual government filings); or
  - a copy of a similar record obtained from a public body that confirms the organization's existence.
8. If the organization is a trust, partnership or other organization which is not registered in any government registry, no later than 60 days after you first act or give instructions regarding the receiving, paying or transferring of funds, review a copy of the organization's constating documents or similar record that confirms its existence as an organization such as:
  - a trust agreement;
  - a partnership agreement;
  - articles of association; or
  - other similar record that confirms the organization's existence as an organization.
9. You must make reasonable efforts to obtain:
  - the name and occupation or occupations of each director of the organization unless the organization is a securities dealer; and
  - the name, address and occupation of each person who owns 25% or more of the organization or of the shares of the organization.

10. You must retain a record of the information that you obtain and copies of the documents you receive to verify the identity for the longer of:

- six years following completion of the work for which you were retained; or
- the duration of the lawyer or paralegal and client relationship for as long as it is necessary for the purposes of providing service to the client.