

ANTI MONEY LAUNDERING AND COUNTERING FUNDING OF TERRORISM ACT 2009

We are required by law to ask you for certain information.

Why?

New Zealand has enacted a law known as the Anti-Money Laundering and Countering Funding of Terrorism Act 2009 ("AML/CFT Act"). The purpose of this law is to further New Zealand's commitment to the international initiative to counter the impact that criminal activity has on funding activities that impact people and economies world-wide.

A 2018 Amendment to the AML/CFT Act now requires that from 1 July 2018, Lawyers must do certain things to help combat money laundering and the funding of terrorism and to assist police in the prosecution of such activities. The reason for this is that lawyers, as with other providers of professional services offer services that may be attractive to those seeking to launder money.

The upshot of this amendment is that law firms (amongst other professionals) are required to make an assessment of risk of whether a certain transaction may be "money laundering" and identify and report any suspicious activity.

In making that assessment, a lawyer must obtain and verify information from all prospective and existing clients about certain things, known as "customer due diligence".

What Due Diligence we are required to do

Customer due diligence requires that a law firm must undertake a background check of the client before providing services. Reasonable steps must be taken to ensure that the information received from clients is correct and supported by documents that verify this information.

You are required to provide us with the following information that we must verify:

- (a) your full name
- (b) your date of birth
- (c) your address

In order for us to verify these details, we will require either your driver's licence or passport and a document that contains your address – e.g. a bank statement, utility bill or rates notice.

If your matter is one that relates to a company or a trust, we will need further information about that trust and company and the people associated with that entity (e.g. directors, shareholders, trustees and beneficiaries)

We are also required to ask further information in respect of the proposed work you require us to do. For example we will require information about the source of funds for a transaction.

What if I can't provide the above information?

It is likely that if you cannot provide any or all of the above information, that we will not be able to act for you. There are no exceptions to this law, even for long standing clients.

We will advise you of the information required prior to commencing work on your matter and what documents you will be required to provide us.

If you have any further queries or concerns, please contact the lawyer undertaking your work.