

## What you need to know

There will have been some changes since you last used a lawyer. We are now required to formally identify all our clients before acting for them. This is a result of a new law called the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act).

From 1<sup>st</sup> July 2018, we are obliged to comply with the requirements of this Act.

You will now need to bring identification and proof of address documentation to your meeting with us. To save you time and money please take some time to prepare this before our meeting and bring the original documents along with you.

The simplest forms of acceptable identification are:

- ▶ Passport – this adequate on its own
- ▶ NZ Drivers Licence **plus one** of either:
  - Bank Credit Card (embossed and signed)
  - SuperGold card
  - Bank account statement (original)
  - Any statement issued by a government agency (original)
  - Birth Certificate

The simplest documents acceptable to confirm you address are (any one):

- ▶ Rates or Utility bill
- ▶ Bank statement or letter from your bank
- ▶ Car registration
- ▶ IRD notices
- ▶ Letter from an employer
- ▶ Insurance policy documents

There many other forms of suitable identification. If you are unable to provide the above, just give us a call and we will be able to assist you.

We are also required by law to fully understand the reasons and background to the work we will be undertaking for you. We will need to ask you questions in relation to this and on some occasions request further documentation.

Please be aware, we must complete the above before being able to act for you. Please call in advance if you have any questions.

✓	<b>Check list for your meeting</b>
	Identification – original documents must be sighted by our staff
	Address confirmation – originals where possible
	ID and Address confirmation for all people involved
	Call the person dealing with your matter on 07 834 3311 if you are unable to provide the above and we will advise alternatives
	Any documentation relevant to the work we will undertake for you
	Make sure you have read and understood our terms of engagement
	<b>Spare 2 – If a company/trust request other information</b>

# How does the AML/CFT Act affect me?

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New Zealand has passed a law called the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“the AML/CFT law” for short). The purpose of the law reflects New Zealand’s commitment to the international initiative to counter the impact that criminal activity has on people and economies within the global community.

Recent changes to the AML/CFT Act mean that from 1 July 2018 lawyers must comply with its requirements. The law says law firms and other professionals must assess the risk they may face from the actions of money launderers and people who finance terrorism and must identify potentially suspicious activity.

To make that assessment, lawyers must obtain and verify information from prospective and existing clients about a range of things. This is part of what the AML/CFT law calls “client due diligence”.

Lawyers must also conduct client due diligence on the beneficial owners of its clients and any related parties who act on our clients’ behalf. The law classifies a beneficial owner as any person that owns greater than 25% of a client, or someone that has effective control of a client.

## CLIENT DUE DILIGENCE REQUIREMENTS

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Client due diligence requires a law firm to undertake certain background checks before providing services to clients or clients. Lawyers must take reasonable steps to make sure the information they receive from clients is correct, and they need to ask for documents that show this.

We will need to obtain and verify certain information from you to meet these legal requirements. This information includes:

- ▶ your full name; and
- ▶ your date of birth; and
- ▶ your address.

To confirm these details, documents such as your driver’s licence or your birth certificate, and documents that show your address - such as a current bank statement - will be required.

If you are seeing us about company or trust business, we will need information about the company or trust, including the people associated with it (such as directors and shareholders, trustees and beneficiaries).

We may also need to ask you for further information. We will need to ask you about the nature and purpose of the proposed work you are asking us to do for you. Information confirming the source of funds for a transaction may also be necessary to meet the legal requirements.

## CLIENT DUE DILIGENCE AGENT – FIRST AML

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First AML is a specialist outsourced service provider that has been engaged to conduct CDD. First AML will contact you directly to collect information and complete the CDD process. It is important to provide information promptly to First AML to avoid any delays.

If you are unable or unwilling to provide any information directly to First AML please get in contact with us as soon as possible to make alternate arrangements.

### **What will you be asked to provide?**

#### ***Identity verification information***

You will be asked to provide information to confirm your name, date of birth and address. In the case of Companies or Trusts, the associated Directors, Shareholders, Trustees and Trust Beneficiaries may also need to provide identity information.

#### ***Entity information***

You may be asked to provide information to confirm the structure of the entity. This may include corporate information, partnership documents, trust deeds etc. This information is required in order to determine who are the controlling parties and beneficial owners of the entity.

#### **How will your information be used**

Your information will be used for the sole purpose of conducting customer due diligence and identity verification. Your information will remain confidential and will not be shared outside of First AML or the Law Firm. Please refer to the First AML Privacy Policy: <https://www.firstaml.co.nz/privacy-policy>

#### **Further Government information about the AML legislation**

<https://www.keepourmoneyclean.govt.nz/>

### **IF YOU CANNOT PROVIDE THE REQUIRED INFORMATION**

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If we are not able to obtain the required information from you, it is likely we will not be able to act for you. Because the law applies to everyone, we need to ask for the information even if you have been a client of ours for a long time.

Before we start working for you, we will let you know what information we need, and what documents you need to show us and let us photocopy.

Please contact the lawyer who will be undertaking your work, if you have any queries or concerns.

### **FURTHER INFORMATION**

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Anti-Money Laundering and Countering Financing of Terrorism Act 2009

<http://www.legislation.govt.nz/act/public/2009/0035/latest/DLM2140720.html?src=qs>

Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011

<http://www.legislation.govt.nz/regulation/public/2011/0222/latest/whole.html>

Identify Verification Code of Practice 2013

<https://fma.govt.nz/assets/Reports/131201-identity-verification-code-of-practice-aml-cft.pdf>

Beneficial Ownership Guidelines

[https://www.dia.govt.nz/Pubforms.nsf/URL/AMLCFT\\_BeneficialOwnershipGuideline\\_Dec2017.pdf/\\$file/AMLCFT\\_BeneficialOwnershipGuideline\\_Dec2017.pdf](https://www.dia.govt.nz/Pubforms.nsf/URL/AMLCFT_BeneficialOwnershipGuideline_Dec2017.pdf/$file/AMLCFT_BeneficialOwnershipGuideline_Dec2017.pdf)



## First AML Information Sheet

From 1st July 2018 legislation requires Law Firms to put preventative measures in place to help tackle money laundering in New Zealand. First AML helps 100+ companies comply with these new rules with the goal of making the process as efficient and easy as possible for their customers (you).

### Law Firms obligations

Law Firms are now required to conduct Customer Due Diligence (CDD). CDD involves understanding ownership structures of clients (e.g. Individuals, Companies or Trusts) and conducting identity verification on associated individuals. In the case of Companies and Trusts, these associated individuals may be Directors, Shareholders, Trustees or Trust Beneficiaries.

### First AML - what are we doing to help?

We are a specialist Service Provider that has been engaged to conduct CDD on your Firms behalf. We will contact you directly to collect identity information and complete the CDD process.

### What will you be asked to provide?

We will send an electronic verification form to your email to complete digitally.

#### Identity verification information

You will be asked to provide information to confirm your name, date of birth and address. In the case of Companies or Trusts, the Directors, Shareholders, Trustees, and Non-discretionary Trust Beneficiaries may also need to provide this information.

#### Trust information

If a Trust is involved with the transaction, the Trust Deed will need to be provided. Furthermore, the legislation requires that the source of funds/wealth of the Trust is provided. This is evidence proving how the Trust acquired it's funds or wealth, e.g. through the sale of assets, business proceeds, gifting etc.

### How will your information be used?

Your information will be used for the sole purpose of conducting CDD and identity verification. Your information will remain confidential and will not be shared outside of First AML or the Law Firm without your consent.

### Tired of doing AML multiple times?

If you are asked for AML information in the future, please inform your Service Provider that you have already been verified with First AML. With your consent, we may be able to save you from repeating this process.

Please refer to the First AML Privacy Policy at [www.firstaml.co.nz/privacy-policy](http://www.firstaml.co.nz/privacy-policy).