

Important Notice to Clients

Client Due Diligence (“CDD”) – Anti-Money Laundering and Countering of Financing of Terrorism Act 2009 (“AML/CFT Act”)

We advise all clients that from 1 July 2018 all lawyers become subject to the AML/CFT Act.

While not all transactions a client may undertake will be subject to the AML/CFT Act, a large amount of common transactions that you may instruct us on (such as property transactions or business purchases) will require us to first complete client due diligence (“CDD”) which requires us (after 1 July 2018) to obtain the information from our clients that is required by the AML/CFT Act **before** we can undertake new transactions for them. Many of you will be familiar with having to provide this information to a number of financial institutions (including banks) and from 1 July, the AML/CFT Act requires lawyers to collect this as well and complete due diligence as our clients in accordance with the AML/CFT Act.

As such, you will need to provide to us (or more likely our agents) required information so we can complete CDD and can verify our clients in accordance with the AML/CFT Act. We have appointed specialist agents to complete this process for us in line with our internal AML/CFT policies. Our agents will keep the process as simple (as is possible under the legislation) for you – noting that CDD for overseas clients is likely to be more complex than for New Zealand based clients. In situations where our clients are trusts or companies or other similar bodies corporate, the AML/CFT legislation will require us to obtain CDD information about key parties associated with those entities (such as key shareholders, trustees, settlors and certain beneficiaries) so please be aware that this could require you to provide CDD information for multiple individuals or entities.

We ask that all our clients complete the CDD process as quickly as possible on request to ensure that we can complete any new work you may need us to perform after 1 July 2018, otherwise, we may be prohibited from acting for you. While there are ongoing client monitoring requirements under the AML/CFT Act, in almost all circumstances (unless details about our clients change considerably), the initial CDD we ask you to complete should be the only full CDD you are required to complete. Some of our clients may obtain requests for this information prior to 1 July 2018 – we are endeavouring to start the CDD process early to try to avoid delay with instructions following that date.

Our terms of engagement have been updated as a consequence of the AML/CFT Act and our new terms of engagement will apply in respect of all new matters we conduct for our clients ([Terms of Engagement](#)).

We appreciate that these requirements may be somewhat frustrating for our clients but they are a mandatory requirement placed on lawyers from 1 July under the AML/CFT Act and we must complete the CDD process to comply with that legislation – and we thank you for your patience in advance.