

# PITT & MOORE

LAWYERS AND NOTARIES PUBLIC

## **Important notice about the way we work together:**

### **New Anti-Money Laundering Rules**

From 1 July 2018 all law firms throughout New Zealand, Pitt & Moore included, will be required to comply with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (which we'll refer to as the "AML/CFT law" for short). Banks and financial service providers have already been required to comply with the AML/CFT law for some time, and accountants and real estate agents will be required to comply with it shortly after us.

The introduction and implementation of the AML/CFT law is New Zealand's way of taking part in a global initiative to adopt anti-money laundering systems that make it harder for criminals to profit from and fund illegal activity; and to restrict the flow of money to terrorist organisations.

Some criminals try to use lawyers (and banks, financial services providers, accountants and real estate agents) to help hold and move assets. Having the AML/CFT law apply to all lawyers will deter criminals from using our services and help us detect them if they do.

What this means for you in practice is that, as from 1 July 2018, we will be required to obtain and verify certain information about you before we can undertake any new work. For most of our clients this will simply be a case of providing us with your full name, date of birth and address, and allowing us to verify that information by providing us with a copy of your passport (or certain other approved forms of ID) and a recent utility bill, bank statement or rate demand. For certain clients (in particular any trusts) the AML/CFT law will require us to go beyond that basic information and gather evidence of your source of wealth and/or the source of funds being used for the particular transaction.

Importantly, as from 1 July 2018 we will not be permitted to undertake any new work for you until these checks have been undertaken.

It goes without saying that we value our relationship with you and the last thing that we would want to do is create additional hurdles that make it harder to work with us. However, from 1 July 2018 we will be subject to this new law and we simply won't have any choice in the matter. In particular, we will not be in a position to be able to treat even our most long-standing and trusted clients any differently from our brand new clients in respect of this new requirement.

You don't need to do anything with all of this information now. The purpose of this note is to make sure you are aware of this change so that it doesn't take you by surprise when we ask you for this information.

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