

June 18, 2020

Hello Member:

In August, the Law Society of Yukon Executive will be voting on amendments to the client identification and verification rules as well as its cash transaction rules and trust accounting rule. The amended trust accounting rule will restrict the use of lawyers' trust accounts to purposes directly connected to the provision of legal services.

The changes are based on the Federation of Law Societies model rules, and part of the Law Society's ongoing commitment to combat money laundering.

Please find attached for your review a copy of the proposed rule amendments to Divisions 16 - Books, Records & Accounts and Division 17 – Cash Transactions and Client Identification and Verification (both a track change copy and clean copy).

There are a few significant changes. We urge all members to read the proposed rule amendments.

The Law Society of Yukon will be hosting a Continuing Professional Development **Webinar on Tuesday, July 21, 2020 by Zoom** with Frederica Wilson, Policy and Public Affairs and Deputy CEO of the Federation of Law Societies, and Chioma Ufodike, Manager, Trust Safety at the Law Society of Alberta, to provide an overview of the purpose and practice implications for members. The CPD webinar is open to **both members and support staff at no cost.**

In addition, the Federation of Law Societies' Anti-Money Laundering and Terrorist Financing Working Group has developed three resources to assist lawyers to identify and combat money laundering:

- Guidance for the Legal Profession (Link: <https://flsc.ca/wp-content/uploads/2020/01/Individual-Guide-EF.pdf>)

This document is a guide to the responsibilities of Canada's legal professionals to ensure they are not facilitating money laundering and terrorist financing. It describes the context for money laundering and terrorist financing in Canada and sets out the components of the legal professional's duties as contained in the proposed amended Rules.

- Risk Advisories for the Legal Profession (Link: <https://flsc.ca/wp-content/uploads/2020/01/RiskAdvisory6EN.pdf>)

In this document, the advisories address client and transaction risks that arise in five areas of practice; real estate, trusts, private lending, shell corporation and litigation.

- Risk Assessment Case Studies for the Legal Profession (Link: <https://flsc.ca/wp-content/uploads/2020/02/CasestudiesENV5.pdf>)

In this document, case studies are used to assist lawyers to learn how to spot red flags and to develop practical responses when faced with situations of possible money laundering. It also includes a Red Flags Quick Reference Guide as an appendix.

A formal notice and full copy of the Rules in English and French with the proposed amendments will be provided to members 30 days prior to the Executive voting on the amendments as required under s.22 of the *Legal Profession Act, 2017*. It is anticipated that the formal notice will be delivered in early July with an August implementation date if the amendments are passed.

In the meantime, please contact our office with any comments or questions you may have.

The invitation to register for the CPD scheduled for July 21, 2020 will be forwarded by separate email and members are strongly encouraged to attend.

Thank you.