


**DECLARING OF BENEFICIAL OWNERSHIP
&
KYC RISK CATEGORIZATION**

1. To meet the rules issued by the Financial Intelligence Unit of the Central Bank of Sri Lanka with regard to Know Your Customer (KYC), Customer Due Diligence (CDD) and Financial Transaction reporting requirements, the Branch Managers are required to attend to the following when Savings and Fixed Deposit accounts are opened, with **immediate effect**.
 - a. Obtain the attached format "Declaration of Beneficial Ownership" duly completed by the customer and file same with the account opening mandate duly completed by our authorized officer as provided therein. Please note that according to the Act referred to in the format we cannot open a deposit account in our books without this declaration.
 - b. Branch Manager or the Assistant Manager should complete the attached format "KYC Risk Categorization" following the requirements stipulated therein in before a savings or a Fixed Deposit account is opened in our books subject to section (c) below
 - c. Head of Information Technology should arrange to provide the option to the branch staff to upload the customer risk category on the data base of the respective customer in the system and notify branches as early as possible the procedures (The risk categories are described as – "High", "Medium" and, "Low")
 - d. Manager Internal Audit should report on the level, of compliance when conducting Branch audits.
2. As the above procedures are to meet statutory and regulatory requirements, Branch Managers and Heads of Departments are responsible to ensure compliance with the above stated procedures, having brought the contents of this circular to the notice of their staff members.



Deputy General Manager
(Business Development &
Fund Mobilization)



CEO/ Executive Director

DECLARATION OF BENEFICIAL OWNERSHIP

This form has been issued under the Financial Institutions (Customer Due Diligence) Rules, No 1 of 2006 issued in terms of the Section 2 (3) of the Financial Transaction Reporting Act No. 6 of 2006. This form is required to be completed by customers of Financial Institutions designated under the Act to the best of their knowledge. The original completed and signed and witnessed version of this form must be retained by the financial institution and made available to the competent authorities upon request

Customer Identification:

Name and Designation of
Natural Person opening
account

Name Registered number and
address of Legal Person to
whom the account is being
opened

Name, Deed Number, Trustee
Address of Legal
arrangement for which the
account is being opened

I declare that I:

☐

am the sole beneficial owner of the customer for this account

☐

am not the beneficial owner of the customer for this account. (Complete identifying information for all beneficial owners that own or control 10% or more of the customer's equity, beneficial owners on whose behalf the account is being opened, and at least one person who exercise effective control; of the legal entity regardless of whether such person is already listed)

Definition - Beneficial Owner is "A natural person who ultimately owns or control the customer or the person on whose behalf a transaction is being conducted and includes the person who exercise ultimate effective control over a person or a legal arrangement

Name	NIC No / passport No Country of Issue, Country of Citizenship	Date of birth	Current Address	Source of Beneficial Ownership 1 Equity Indicate % 2 Effective Control 3 Person on whose behalf the account is opened	Check if Politically Exposed Person (PEP)

Details of the Natural person authorized to act on behalf of the Customer / entity

Name

NIC / Passport

Date of Birth

Signature (with seal)

By signing you attest to the veracity of all information contained herein and you acknowledge and understand this warning

Verification of Beneficial ownership by an authorized officer of our company

Authorized Officer of the Financial institution

Name

Designation

Date

Signature with Seal

By signing you attest that you identified the customer whose signature is on this form and witness the said signature

Definition

“Politically Exposed Person” means an individual who is entrusted with prominent public functions either domestically or be a foreign country, or in an international organization and includes a Head of State or a Government politician a senior Government officer, Judicial officer or military officer, or a senior executive of a state-owned Corporation, Government, or autonomous body, but does not include middle rank or junior rank individuals.

To be placed in the deposit account’s mandate file of customer

Lanka Credit and Business Finance PLC
KYC Risk Categorization Format (For Office use only)

	Low -1	1 Point	Medium 2	2 Points	High -3	3 Points
Category 1 Client Type	Student / House wife Pensioner		Employee appointed by Government		Non- Resident	
	Employee – Executive Private		Private Limited Liability Company		Politically Exposed Person (PEP)	
	Employee Non-Executive Government		Business/ proprietor /Partnership		NGO	
	Government Institution		Lawyer / Accountant / Self Employed			
	Public Limited Liability Company					
	Lawyer/ Accountant Employed					
	Club/ Society/ Association					
	Educational Institution					
	Self Employed Professional					
	Self Employed Business					
Category 2 Business Usage	Other Specify		Other Specify		Other Specify	
	Professional / family use		Travel Agent		Dealer / Trader in Gem & Jewellery	
	Financial / Insurance Companies		Importer and distributor of Commercial goods			
	Dealer in Petroleum Products		Interport Trade Exporter of Local Goods		Money Changer / Remitter Buying and Selling real Estate	
	Professional Services		Commission Agent		Investing / Administering /Managing public funds	
	Dealer in Brand new Vehicles					
	Retail trader / Business		Wholesale Dealer		Restaurant / Bar / Casino Gambling / Night club	
	Service Provider		Shipping / Airline / Freight forwarding		Importer dealer in 2 nd Hand Motor Vehicles	
	Printers & Publishers		Construction - building roads		Telephone commination providers	
	Marketing & Advertising		Shares and Stock Brokers			
	Small/Medium work shop / Repair					
	Nursing Homes / Health Care Centers					
	Manufacturing Industry					
	Transport Operations					
	Social / Religious activities					
	Other Specify		Other Specify		Other Specify	
Category 3 Turnover per month	Less than Rs 5,000,000/-		From Rs 5,000,000/ up to Rs 10,000,000/-		Above Rs 10,000,000/-	

Customer was interviewed by an Authorized Officer at the branch premises and verified the KYC information

State if customer is a politically exposed person **YES / No**
(If yes approval of Branch Manager required)

Customer/s details have been screened under AML (CFT) designation list. **YES / NO**

Overall Rating

1 – 3 Low	
4 - 6 Medium	
7 - 9 High	

System updated

Signature of Authorized Officer	Name	EMP No	Date
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