

# BUSINESS CUSTOMERS

Recent rule changes under the Bank Secrecy Act requires financial institutions to obtain, verify and record information about the beneficial owners of its legal entity customers, this rule is called the ***Beneficial Ownership Rule***.

**Before a new business (aka legal entity) account can be opened, all banks are now required to obtain information on both its primary owners, if any, as well as the person charged with management of the business.**

**These individuals (i.e. the beneficial owners) will need to provide name, address, date of birth and Social Security number (or passport number or other similar information, in the case of non-U.S. persons).**

## **Who must provide information?**

- **Each** individual, if any, who owns, directly or indirectly, **25% or more** equity interest of the business (example: each natural person that owns 25 percent or more of the shares of a business); **THERE CAN BE UP TO FOUR PERSONS IDENTIFIED UNDER THIS PRONG OF THE RULE**
- **One** individual with **significant responsibility** for managing the business (example: a CEO, CFO, COO, Managing Member, General Partner, President, Vice President or Treasurer, or even a secretary if that is their responsibility). **THERE WILL ONLY BE ONE PERSON IDENTIFIED UNDER THIS PRONG OF THE RULE.**

The financial institution may also ask to see a copy of a driver's license or other identifying document for each beneficial owner listed on this form. If you are opening an account on behalf of a business/Legal Entity, you will be required to provide the appropriate documentation and to certify that this information is true and accurate to the best of your knowledge.

Further details, including who this rule may or may not apply to can be obtained at account opening or by calling 931-433-1708 during business hours.