

## The order of completion of “The Identification Card of the True Beneficiary”

### The order of completion of “The Identification Card of the True Beneficiary” (for legal entities non-residents of the Republic of Latvia)

*True beneficiary* is a private individual or individuals, who are factual recipients of benefits of all kinds received in the result of execution of a transaction.

No.	Name of the Column	Necessity of completion	Notes
1.	<i>The Customer's base number</i>	<u>Compulsory</u>	To indicate the Customer's account number. If the Customer has several accounts opened with the Bank and those true beneficiaries differ, the Customer has to complete the <u>Identification Card of the True Beneficiary</u> for every account.
2.	<i>The Customer</i>	<u>Compulsory</u>	If the Customer is a private individual: name, surname, identity code (for LR residents only)/date of birth are to be indicated. If the Customer is a legal entity: name and registration number of the Customer's company are to be indicated.
3.	<i>The representative of the Customer</i>	<u>Compulsory</u>	To indicate name, surname, identity code (for LR residents only)/date of birth of the representative of the Customer.
4.	<i>The private individual, who is the true beneficiary of the financial means, and in whose favour the deals are effected</i>	<u>Compulsory</u>	<p>“True beneficiary is a private individual owing the nominal capital or a part of it, or voting shares (including participation received directly or indirectly), or who controls (directly or indirectly) the Customer of the Bank, or in whose favour the deal is effected.”</p> <p>The Customer has to provide information about the true beneficiary (name, surname, personal data, the status in relation to the Customer, the kind of control over the Customer) and acknowledge it.</p> <p>For <b>Customers – private individuals</b> the true beneficiary is considered to be a person, who exercises direct or indirect control over the Customer.</p> <p>For <b>Customers – legal entities</b> the true beneficiary is considered to be all legal entities</p> <ul style="list-style-type: none"> <li>- owing 25 or more percents of the legal entity's basic stock or voting shares (including exposure received directly or indirectly);</li> <li>- controlling this legal entity directly or indirectly (through other legal entities);</li> <li>- in whose favour the said legal entity's deals are effected.</li> </ul>

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5.	<b>Identification documents and other documents<sup>1</sup> acknowledging the information indicated by the Customer</b>	<u>Compulsory</u>	<p>The Customer has to provide copies of the documents with the note that they are intended for AS “PARITATE BANKA”.</p> <p>The possible documents are:</p> <ul style="list-style-type: none"> <li>- <b>the documents confirming the relation existing between the beneficiary (-ies) and the Customer:</b> the Articles of Association, other documents on relation with the capital of the company operating in the country of registration of the true beneficiary etc;</li> <li>- <b>the documents confirming the receipt of the income (profit) by the true beneficiary (-ies)</b> from the Customer's activities: the protocol of distribution of the Customer's profit; the documents confirming distribution of dividends; the declaration/the income statement; the documents confirming transfer of the funds (income) from the Customer's account to the true beneficiary's account etc.</li> </ul>
6.	<b>Signatures</b>	<u>Compulsory</u>	<p>The Customer has to indicate his name and surname, put his signature, indicate the date of completion of the questionnaire.</p> <p>From the Bank's side the Questionnaire is to be signed by the employee or the Representative of the Bank, who interviews the Customer. He indicated his position, name and surname, puts his signature, stamp and marks the date of completion of the questionnaire.</p>

<sup>1</sup> Any other documents or information materials proving the true beneficiary's status successively may be indicated:

**Sample 1.**

*The person authorized to manage an account of the non-residential company registered in Switzerland, England, British Virgin Islands, Panama (of a joint-stock company or a partnership company - LLP) is not its founder in legal documents, but he/she has declared himself/herself a true beneficiary.*

Such property form as the form of share warrants to the bearer can exist in the jurisdictions mentioned. The public registrar of the shareholders is not compulsory or is not kept in state institutions. The Customer has to provide the company's inner document – the extract from the registrar of the shareholders certified by the authorized representative of the company (its director, chairman of the board etc.) and the documents confirming the transfer of the joint-stock company to the new owner according to the requirements of the legislation system of the state of the non-residential company's registration (for instance, the agreement to sell the shares, the statement of transfer and acceptance of the shares, the rejection letter in favour of the new owner etc.).

**Sample 2.**

*The person authorized to manage an account of the offshore company is its founder, who possesses a significant share of participation of 25% or more.*

The Customer should provide the articles of association (the office copy or the copy certified by the registration institution) or any other document confirming the share ownership or right of the capital shares, the minutes of quota share and/or distribution of profit of the Customer, or the Bank statement confirming the receipt of income, or the income declaration acknowledged by the tax institution.

**Sample 3.**

*The beneficiaries of the Customer – the offshore company engaged in trade with metal and basically working with the residential company, that is a trader of Russian metallurgical plant and executes operations through offshore with the purpose to optimise the taxation system are the owners of the plant. The person authorized to manage the account of the offshore company is one of the top-managers of the plant.*

The Customer has to provide the documents proving his relation to the plant (for instance, an extract from the employment history or other document on existence of the labour relations) and the Bank statement on the residential trader company's account confirming the receipt of financial means for metal production and further transfer of a bigger part of them to the plant, and the agreement with the plant. Apart from that the Customer has to provide the documents on the structure of managerial bodies of the plant – resident of Russia and its owners specifying their identification data as the data of the true beneficiaries.

**Sample 4.**

*The true beneficiary is the person authorized to manage the Customer's account, concurrently this person is an owner of another residential company, with what the Customer has the biggest turnover.*

The following documents are necessary for verification: notarised warranty of authority to manage the account opened with AS “PARITATE BANKA” and documents of association of the residential company describing the said person's share in the nominal capital of the company and the statement confirming the turnover certified by the Bank.