

KNOW YOUR CUSTOMER & ANTI MONEY LAUNDERING CUSTOMER AWARENESS BROCHURE

What is KYC?

KYC is an acronym for “Know Your Customer”, a term commonly used for the client Identification Process. KYC enables banks to know / understand their customers and their financial dealings to be able to both manage its risks and also serve the customers better.

Is KYC mandatory?

Yes. It is both a regulatory and legal requirement. As per the guidelines issued by the Reserve Bank of India (RBI) on 29th November 2004 on Know Your Customer (KYC) Standards & Anti Money Laundering (AML) Measures, Banks / Financial Institutions are required to put in place a comprehensive policy framework covering KYC Standards and AML Measures. The Prevention of Money Laundering Act that came into force from 1st July 2005 requires Banks, Financial Institutions and Intermediaries to ensure that they follow certain minimum standards of KYC and AML as laid down in the Act and the rules framed there under.

What are Money Laundering and Terrorist Financing?

Money laundering involves disguising financial assets so that they can be used without detection of the illegal activity that produced them. Through money laundering, the launderer transforms the monetary proceeds derived from criminal activity into funds with an apparently legal source.

Financing of terrorism is the financial support in any form for terrorism or for those who encourage, plan or engage in terrorism. Sources of terrorism may or may not be legitimate. The two activities are linked because the techniques used to launder money are essentially the same as those employed to conceal the sources and uses of terrorist financing.

What is a Money Laundering offence?

Under the Prevention of Money Laundering Act 2002 (PMLA), whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime and projecting it as untainted property shall be guilty of offence of money laundering.

When would a bank / financial institution undertake verification of identity of clients?

As per PMLA, banks are required to verify the record of identity and current address or addresses including permanent address or addresses of the client, the nature of business of the client and his financial status at the time of opening an account or executing any transactions with it.

What proof of identity would I need to provide to the bank / financial institution?

The best identification documents are those which are issued by a Government authority which would have a photograph, address and signature. For an individual, documents like Passport, Voter's ID, Driving Licence, Government ID Card, Defence ID Card, Photo PAN Card, Photo Ration Card would be sufficient to establish identity of the customer.

Who is my contact person at NATRUST for KYC purposes?

Your contact person in NATRUST will be your Branch Manager or the Executive who deals with your loan and who is in touch with you for your transactions.

What does NATRUST do with the KYC information?

The customer profile collected by NATRUST at the time of opting the loan on ongoing basis, is kept confidential and is not disclosed to any person except when required under the provisions of applicable laws and regulations.

What will happen if I do not provide the required KYC information / documents to the institution?

We will be entitled to refuse the loan (if you are a prospective customer) or discontinue the relationship with you citing non-providing of KYC information / documents (if you are an existing customer). (However, for certain categories of customers who are not able to provide the necessary documents, the Management will take a decision). (List of required KYC documents – Annexure 1)

Note:

1. This FAQ is only meant to clarify basic questions about Prevention of Money Laundering Act, 2002. The information given is included only for general purpose and the customers should be aware that the relevant rules, regulations or their interpretation might change. We strongly advise customer to contact our branches for additional information / clarifications. Please read the notes, guidelines and checklist given on the application forms before filling up / submission of the same to Natrust or its representatives. Please visit the website of the Financial Intelligence Unit of the Government of India at www.fiuindia.gov.in or the website of National Housing Bank (NHB) at www.nhb.org.in regularly, for further information.
2. Due to deficiency in AML/CFT regime of the countries as advised by The Financial Action Task Force (FATF) / NHB, we do not entertain applications from customers employed or connected to the countries mentioned in Annexure 2.

LIST OF REQUIRED DOCUMENTS

<p>PERSONAL DOCUMENTS</p> <p>For applicant and co applicant/s</p> <p><input type="checkbox"/> Passport size photographs – each one - to be pasted on application with signature across the photograph</p>
<p>Photo copies of the following documents</p> <p><input type="checkbox"/> Age proof – Passport / School Certificate / Employer certificate / VAO certificate / Certificate from Bank Manager / Certificate from Gazetted Officer</p> <p><input type="checkbox"/> Address proof – Passport / Ration card / receipt from Post Office / Sale Deed / Rental Agreement with utility bill, gas bill, Telephone Bill</p> <p><input type="checkbox"/> ID Proof – Passport ./ Photo Ration Card / Photo PAN Card / Voter ID / Employer ID / Driving Licence / Certificate from Bank manger or Gazetted Officer or VAO</p> <p><input type="checkbox"/> Signature proof – PAN card / Driving Licence / Passport / Certificate from Bank manger or Gazetted Officer or VAO</p> <p><input type="checkbox"/> Latest six months Bank A/c statement for Applicant and Co-Applicant. One year in the case of non salaried / self employed</p>
<p>INCOME DOCUMENTS</p> <p>For applicant and co applicants (whichever is applicable)</p> <p>If Salaried</p> <p><input type="checkbox"/> Latest three months salary slips</p> <p><input type="checkbox"/> Salary certificate – (Latest 6 months)</p> <p><input type="checkbox"/> Form 16 or IT returns with income computation for latest three years</p> <p><input type="checkbox"/> Cash salary – F8</p> <p><input type="checkbox"/> Company profile</p> <p>If non – salaried</p> <p><input type="checkbox"/> IT returns with Computation of income for latest three years of the Concern / Firm / Company and the individual</p> <p><input type="checkbox"/> Audited financial statements of the concern / firm / company for latest three years</p> <p><input type="checkbox"/> Company profile with number of employees , turnover etc</p> <p><input type="checkbox"/> Details of credit facilities availed by the individual as well as concern / firm / company from any bank or financial institution</p> <p><input type="checkbox"/> If non-Salaried, all the income paper copies should be duly attested by your Auditor where the turnover is Rs.40 lakhs and above, otherwise self attested with signature across the photo</p>
<p>Guarantor Details: Duly filled and signed Guarantor form, one photograph, address proof, identify Card Photo Copy , Pay Slip / Salary Certificate, Form 16 / IT acknowledgement Photo Copy</p>

PROPERTY DOCUMENTS

Along with the application you are required to submit attested copies of the following documents. However you have to submit the Originals at the time of execution of the loan documents.

For purchase of Existing house / Apartment

- Sale agreement
- Draft Sale Deed (To be approved by our Panel Lawyer).
- EC from _____ to _____ in ORIGINAL
- Approved plan and permit
- Latest Property Tax Receipts
- Prior Title Documents (Parent Deeds) for atleast latest 13 years.
- IT clearance or Appropriate Authority clearance, whichever is applicable
- Patta

For purchase of a New Apartment

- Sale Agreement for undivided share of land
- Construction agreement between the Customer and the builder
- Registered Sale Deed for the Undivided share of land.
- EC from _____ to _____ in ORIGINAL
- Approved plan and Permit
- Other Parent documents regarding the property for latest 13 years
- IT Clearance or Appropriate Authority clearance, whichever is applicable.
- Patta

Self Construction / Extension / Home Equity / Refinance / Take over

- Sale deed in favour of the customer.
- EC from _____ to _____ in ORIGINAL which should reflect the sale in favour of customer
- Approved plan and permit
- Prior Title documents for latest 13 years
- Estimation of construction duly attested by Chartered Engineer of Approved Architect
- Patta
- Latest Property Tax paid receipt

Annexure 2

COUNTRIES DEFECIENT IN AML / CFT IDENTIFIED BY FATF & NHB			
SL. NO.	COUNTRIES	SL. NO.	COUNTRIES
1	ANGOLA	19	PAKISTAN
2	ANTIGUA& BARBUDA	20	PARAGUAY
3	AZERBAIJAN	21	PHILIPPINES
4	BANGLADESH	22	QATAR
5	BOLIVIA	23	SAO TOME AND PRINCIPE
6	ECUADOR	24	SRILANKA
7	ETHIOPIA	25	SUDAN
8	GHANA	26	SYRIA
9	GREECE	27	TANZANIA
10	HONDURAS	28	THAILAND
11	INDONESIA	29	TRINIDAD & TOBAGO
12	IRAN	30	TURKEY
13	KENYA	31	TURKMENISTAN
14	MOROCCO	32	UZBEKISTAN
15	MYANMAR	33	VENEZUALA
16	NEPAL	34	VIETNAM
17	NIGERIA	35	UKRAINE
18	NORTHERN PARTS OF CYPRUS	36	YEMEN