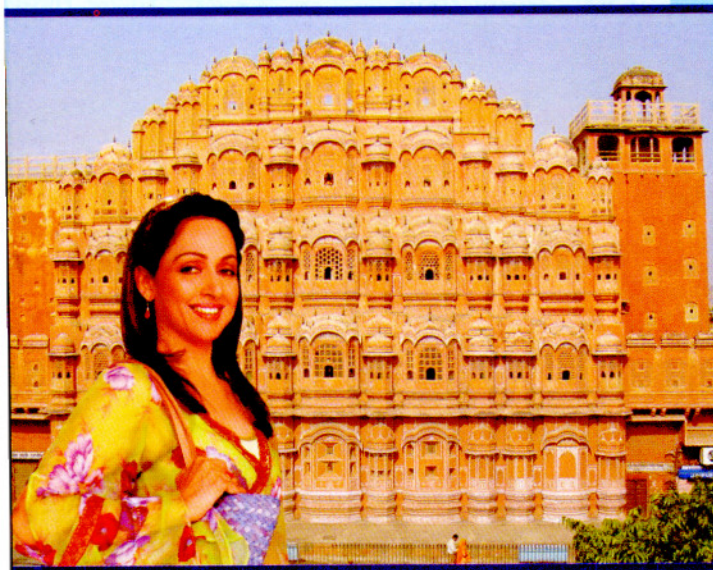


KNOW YOUR CUSTOMERS (KYC) NORMS



THE BANK OF RAJASTHAN LTD.

Regd. Office :
Clock Tower, Udaipur

Central Office :
Jaipur

Corporate Office :
Mumbai

Aapke Bhiarose Ka Bank

Why KYC norms required ?

In terms of guidelines issued by RBI and Prevention of Money Laundering Act-2002 (PMLA), Banks are required to follow the Know Your Customer (KYC) norms. Its main objective is to prevent criminal elements from using the banking channels for money laundering activities and/or financing of terrorism related activities. Apart from checking money laundering, KYC is also an important tool for checking frauds that some times unscrupulous and criminal elements try to perpetrate both on banks and unsuspecting members of public. In order to prevent such activities, it has become necessary to know about the true identity of customer, nature of customer's business, source of funds etc. It assists the Banks to know / understand the customers and their financial dealings better to monitor their transactions for identification and prevention of suspicious transactions.

Objectives of KYC guidelines

- To prevent banks from being used, by unscrupulous or criminal elements for their criminal activities including money laundering.
- To minimize frauds and risks and protect bank's reputation.
- To avoid opening of accounts with fictitious name and address.
- To weed out bad customers and protect good ones.

Why do the banks ask for documentary proof for identity and address for opening account ?

The PMLA and the RBI guidelines require banks to establish the identity of the customer on the basis of documentary proof at the time entering into any business relationship. By submitting the required information, you actually not only help the Bank in discharging its statutory / regulatory obligation but also safe guard your own interest.

What is expected from customers ?

- Provide valid proof of Identification along with proof of address.
- Provide reference of an introducer.
- Provide other relevant information as warranted under the KYC/AML.
- Provide account specific information as & when required.
- Provide periodical mandatory information about himself /account.

Why other information?

Information related to customers' occupation, professions, net worth, annual income, turn over, source of income, expected amount of single transaction etc is required while opening an account. Such mandatory information is necessary for maintaining risk profile of a customer and needs to be obtained periodically. As per Prevention of Money Laundering Act, 2002, Banks are under obligation to monitor transactions in customer accounts. By providing information to the Bank, at the time of account opening and subsequently, as and when required, customer is assisting the Bank's efforts in prevention of money laundering / terrorist financing. However, no commercial usage of this information is intended.

Is this information kept confidential ?

Yes, the customer profile / information collected by the Bank at the time, of account opening or otherwise, are kept confidential and are not disclosed to any person, except when required under the provisions of applicable laws and regulations.

What are the valid documents for ID proof and address proof?

Prospective customer can give self-attested copy of one of the documents from following indicative list. The originals of these documents are, however, required to be shown to the Bank officials for verification.

Proof of Identity

1. Passport
2. Voter ID Card
3. Driving License
4. PAN Card
5. Photo Credit Card
6. Defense ID card
7. Any other valid proof as may be accepted by the Bank

Proof of Address

1. Passport
2. Voter ID Card
3. Driving- License
4. Latest Utility Bill
5. Rent / Lease Deed
6. Credit Card Statement
7. Employer's/Public authority's letter with address

Note :

1. Address proof of close relatives (parents, spouse, son, daughter etc,) may be provided with sufficient evidence in case prospective customer resides with the relative and no valid address proof in his name is available.
2. In case of Joint Holder, independent proof of identity & address for all individuals are required.

For opening accounts in legal capacity like partnership firm, companies, trust etc. does one still need to submit information mentioned above?

For legal persons, Bank is required to obtain the proof of the existence of entity. Documents such as copy of the Certificate of Incorporation, Memorandum / Articles of Association, Trust Deed, Partnership Deed, etc, as may be applicable along with a copy of the resolution from their Board of Directors or the Board of Trustees as may be applicable are required to open the account.

Further, the person operating the account on behalf of the entity also needs to obtain a mandate to that effect from the entity and establish his/her identity. KYC norms of the persons authorized to operate the account are also to be completed as mentioned hereinabove.

How can a person having no valid documents open account ?

Bank will not deny banking services to the customers especially belonging to low income group, who can not produce valid documents to establish their identity / address thereof. As per RBI norms, saving bank accounts of such customers can be opened with certain stipulations about maintaining and operational aspects in the account,

Such accounts can be opened by offering introduction from another account holder who has been subjected to full KYC procedure. The introducer's account with the bank /branch should be at least six months old and should show satisfactory transactions. Photograph of the customer who proposes to open the account and also his address needs to be certified by the introducer.

In such accounts, at any point of time, the balance in all his/her accounts with the bank (taken together) should not exceed Rs. 50,000/- (Rupees Fifty Thousand only) or total credit in the account should not exceed Rs.1,00,000/- (Rupees One Lac only) in a year, otherwise no further transactions will be permitted until the full KYC procedure is completed.

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Published for the information of Customers in their benefit. KYC norms as mentioned herein above are subject to modification/changes from time to time by the regulators. Bank reserve the right to implement them without any prior information to its customers.