

Business Account Requirements

When you open a new account or apply for a new loan after May 11, 2018, you will be required to provide information about the beneficial owners and controllers of your company.

A **Beneficial Owner** is:

An individual who owns 25% or more of the company.

A **Controller** is:

An individual who has significant managerial responsibility for the company.

WHY THE CHANGE?

New rules under the Bank Secrecy Act require financial institutions to identify and verify business owners before a new account may be established. This regulation applies to accounts such as Checking, Savings, Certificates of Deposit, and Loans.

If you are opening an account on behalf of a business, you will also be required to provide appropriate documentation and certify that the ownership information is accurate to the best of your knowledge.

WHY WE NEED THIS INFORMATION

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

Section 326 of the USA PATRIOT Act requires that financial institutions identify and verify the identity of the beneficial owners of all legal entity customers at the time a new account is opened. The identification and verification procedures for beneficial owners are very similar to those you currently follow as individual customers.

WHAT BUSINESSES ARE AFFECTED?

This rule applies to legal-entity businesses such as a Corporation, Limited Liability Company, General Partnership, or other entity created by the filing of a public document with the Secretary of State or similar office.

WHAT BUSINESSES ARE EXEMPT FROM THE REQUIREMENTS?

These businesses are generally exempt:

- Sole Proprietorships
- Trusts and Estates
- U.S. and State government entities
- Registered insurance companies
- Publicly-traded companies and subsidiaries
- Charities and Non-Profit entities*
- Unincorporated associations such as scout troops or youth sport leagues

*Only controller information is needed. Beneficial owner information not required for Charities and Non-Profits.

FOR A MORE EFFICIENT PROCESS, PLEASE BE READY TO PROVIDE THE FOLLOWING:

Information

- Name
- Address (Personal or Business)
- Date of Birth
- Social Security Number
- Tax Identification Number

Identification

- Driver's License
- State-Issued Identification Card
- Passport
- Alien Identification Card