

GUIDELINES ON THE DECLARATION OF BENEFICIAL OWNERSHIP

1. Why should the Declaration of Beneficial Ownership template be filled in?

The purpose of the Declaration of Beneficial Ownership is to assist the Bank in fulfilling a mandatory provision of the Bank of Mauritius Guidance Notes on Anti Money-Laundering/Combating the Financing of Terrorism (AML/CFT).

In terms of the aforesaid provision, every bank should require their customers to complete a written declaration of the identity and details of **natural person(s)** who is/are the ultimate beneficial owner(s) of the business relationship or transaction.

2. What is meant by beneficial ownership?

The concept of beneficial ownership effectively takes into consideration the fact that a person in whose name an account is opened with a bank is not necessarily the person who owns or can ultimately control the funds lodged into that account.

3. What does beneficial owner mean?

(i) Where the applicant for business is a corporate body?

Every person who directly or indirectly, for his own account and not as a nominee for any third party, owns or has an effective interest of 20% or more of the shareholding or voting rights of the corporate body is considered as a beneficial owner thereof.

Where the person owns the shares for the benefit of another party, that party is deemed to be the beneficial owner of those shares.

Accordingly, details of the beneficial owner who is a **'natural person'** will have to be provided in the attached template.

Please refer to question 5 for more guidance on how to determine the "effective interest" in a body corporate.

(ii) Where the applicant for business is a trust or foundation?

For a trust/foundation, details of the settlor(s)/founder (i.e. the provider of the funds/assets in the trust/foundation) will have to be furnished in the attached template (Form F 1760).

Where the beneficiaries of the trust/foundation are known at the outset, details concerning them should also be provided on Form F 1760.

(iii) Where the applicant for business is a partnership?

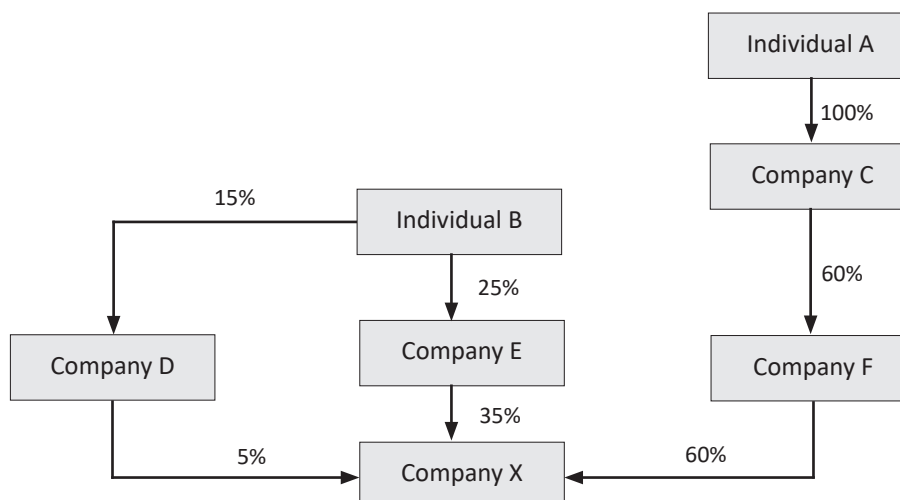
In accordance with the Bank of Mauritius Guidance Notes on AML/CFT, details of individual(s) owning 20% or more of a partnership will have to be provided with the attached template.

4. Do we have to make a declaration on the ultimate shareholder when the latter is not the beneficial owner?

Where the ultimate shareholder is not the beneficial owner for his own account and/or holds shares as a nominee for the benefit of another person(s), the details of the ultimate shareholder will also have to be provided in the part entitled "Details of Ultimate Shareholder(s)" in the Declaration template.

5. What do we mean by effective interest?

The effective interest in an entity is arrived at by pooling the direct holdings in that entity with any indirect holdings, i.e. holdings through an intermediary entity or person. The following example illustrates how the 'effective interest' in company X is determined.



Effective interest of A in X = $100\% \times 60\% \times 60\% = 36\%$. A being a natural person, he has to be reported in the Declaration template.

Effective interest of B in X = $(25\% \times 35\%) + (15\% \times 5\%) = 9.5\%$. B does not need to be reported in the Declaration template.

6. Is there need to notify the Bank of any change in beneficial ownership in the course of the business relationship?

Yes. Changes in the ownership structure of the customer as filled in on the original Declaration submitted to the Bank, shall be brought to the attention of the Bank and a new Declaration template must be filled in and signed by the authorised signatory(ies) or Company Secretary of the customer.

Please don't hesitate to call us on +230 202 6060, should you need further clarification on the matter.