



# Know Your Customer (KYC)

## Customer Due Diligence

### What is KYC?

The Money Laundering and Proceeds of Crime Act, 4 of 2008 (MLPCA)(as amended), came into effect on 10 April 2008. Customer Due Diligence (also largely known as Know Your Customer (KYC)) requirements were introduced to fight financial crime, such as money laundering, tax evasion, and terrorist financing activities.

KYC brings Lesotho in line with similar legislation in other countries designed to reveal the movement of moneys derived from unlawful activities, thereby curbing money laundering and other criminal activities

### What documents do you need from me for KYC purposes?

We will need, among others, the following:

Individual	Clients
<ul style="list-style-type: none"><li>● Identity: Valid National ID or Passport</li><li>● Address: Valid letter from your local chief, or a utility bill or a lease, sublease or rental agreement</li><li>● Source of Funds: eg employment contract, payslip, letter from employer, letter from local chief indicating your source of funds or any other valid supporting document.</li></ul>	<ul style="list-style-type: none"><li>● Documents from relevant licensing/ registration Authority proving valid registration and or licensing of your entity e.g. Company registration documents, traders license, professional body license (eg Law Society, Lesotho Institute of Accountants) etc</li><li>● Tax Compliance: Valid tax clearance certificate</li><li>● Source of funds:</li><li>● Business and Corporate Clients: audited financial statements, or company registration documents accompanied by valid tax clearance certificate</li><li>● SME: traders license accompanied by valid tax clearance certificate or company registration documents accompanied by valid tax clearance certificate</li><li>● Informal bodies, clubs, other legal entities: valid proof of registration, or letter from local chief proving existence of informal body or club</li><li>● Association, Ownership and Control:  Valid identification and proof of residence for all relevant signatories, controllers and or beneficial owners (natural persons who ultimately own more than 25% of the business)</li></ul>



Your relationship manager will also inform you of any additional KYC information applicable to you on an ongoing basis.

# Frequently asked questions?

- I have submitted KYC documents before - why do you need me to do this again?**

Some of the KYC information and/or documentation that we have is illegible or incomplete. Because the MLPCAA, its regulations and its guidelines are continuously under review, requirements change from time to time. As a financial institution Nedbank is obligated to comply with this legislation, regulations an any changes thereof.
- What will happen if I do not provide you with the required KYC documentation/ information, will Nedbank freeze my accounts?**

Nedbank will contact you should we need any further KYC documentation, provided we have your latest contact details. However, if after reasonable efforts and contacts we are unable to obtain and verify your information and documents on an ongoing basis, your accounts will be frozen.
- What is required from me as a Nedbank client?**

Please ensure that we have your latest contact details, ie telephone number and email address, so that we can contact you should we require further KYC information and/or documentation.

Visit any branch, call our customer contact center tollfree on 80055072 (Econet) or 80055777 (VCL) or contact your relationship manager.
- You say you'll contact me. So what happens if you don't? Are you still going to freeze my accounts?**

Nedbank will make every endeavour to contact you, using the details that are on our files. Should you fail to respond, your accounts will be frozen. Please contact your branch or relationship manager to ensure we have your latest contact details.
- I have several accounts at Nedbank. Do I need to go through this process for every account?**

No. You only need to go through this process once for all your personal accounts. Business accounts for each entity are treated separately, though.
- What if I have a business and a personal account?**

You would need to submit documentation for the business account separately from that for your personal account, because the KYC documentation requirements are different.

For business accounts, it will depend on how your entity has been registered. Please contact your relationship manager or your nearest branch to obtain a list of the iformation and documentation requirements for your specific business.
- What happens if I do not bring in the necessary documents?**

If you fail to provide the necessary KYC information and documentation to Nedbank once these have been requested, Nedbank will freeze your account following an account restriction process, which involves communicating the possible restriction of your account to you, provided we have your latest contact details.