

I. GENERAL INSTRUCTIONS

What is this form?

To help the government fight financial crime, Federal regulation requires financial institutions to obtain, verify, and record information about the beneficial owners of legal entity members. Legal entities can be used to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who own or control a legal entity (i.e., the beneficial owners) helps law enforcement investigate and prosecute these crimes.

Who has to complete this form?

This form must be completed by the person opening a new account on behalf of a legal entity with any of the following U.S. financial institutions: (i) a bank or credit union; (ii) a broker or dealer in securities; (iii) a mutual fund; (iv) a futures commission merchant; or (v) an introducing broker in commodities.

For the purposes of this form, a legal entity includes a corporation, limited liability company, general partnership or other entity that is created by a filing with the State of Michigan or county office. **Legal entity does not include sole proprietorships, unincorporated associations, or natural persons opening accounts on their own behalf.**

What information do I have to provide?

This form requires you to provide the name, address, date of birth and Social Security number (or passport number or other similar information, in the case of foreign persons) for the following individuals (i.e., the beneficial owners):

- (i) Each individual, if any, who owns, directly or indirectly, 25 percent or more of the equity interests of the legal entity member (e.g., each natural person that owns 25 percent or more of the shares of a corporation); and
- (ii) An individual with significant responsibility for managing the legal entity member (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, or Treasurer).

The number of individuals that satisfy this definition of “beneficial owner” may vary. Under section (i), depending on the factual circumstances, up to four individuals (but as few as zero) may need to be identified. Regardless of the number of individuals identified under section (i), you must provide the identifying information of one individual under section (ii). It is possible that in some circumstances the same individual might be identified under both sections (e.g., the President of Acme, Inc. who also holds a 30 percent equity interest). Thus, a completed form will contain the identifying information of at least one individual (under section (ii)), and up to five individuals (i.e., one individual under section (ii) and four 25 percent equity holders under section (i)). Lake Trust Credit Union will ask to see a copy of a driver’s license or other identifying document for each beneficial owner listed on this form.

II. CERTIFICATION OF BENEFICIAL OWNER(S)

Persons opening an account on behalf of a legal entity must provide the following information:

- a. Name person opening account or maintaining the business relationship:

- b. Name of legal entity for which the account is being opened:

Certification Regarding Beneficial Owners Of Legal Entity Members (CONTINUED)

c. The following information for each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25 percent or more of the equity interests of the legal entity listed above:

- For a US person provide a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN), and a Primary ID Type, Description and ST/Ctry/Prov.
- For a foreign person without a (SSN/ITIN), provide a Passport Number and Country of Issuance. In lieu of a passport, foreign persons may also provide a U.S. government-issued Alien ID or other foreign government-issued documents evidencing nationality or residence and bearing a photograph or similar safeguard.

Beneficial Owner Not Applicable (Check this box if no individual meets the above definition.)

Beneficial Owner 1 Information ___% of ownership

NAME		PERSONAL ADDRESS		
DATE OF BIRTH		ADDRESS LINE 2		
TIN TYPE	<input type="checkbox"/> SSN	<input type="checkbox"/> ITIN	ADDRESS LINE 3	
PRIMARY ID TYPE	PRIMARY ID DESCRIPTION	CITY	STATE	COUNTRY
PRIMARY ID ST/CTRY/PROV		ZIP/POSTAL CODE		

Beneficial Owner 2 Information ___% of ownership

NAME		PERSONAL ADDRESS		
DATE OF BIRTH		ADDRESS LINE 2		
TIN TYPE	<input type="checkbox"/> SSN	<input type="checkbox"/> ITIN	ADDRESS LINE 3	
PRIMARY ID TYPE	PRIMARY ID DESCRIPTION	CITY	STATE	COUNTRY
PRIMARY ID ST/CTRY/PROV		ZIP/POSTAL CODE		

Beneficial Owner 3 Information ___% of ownership

NAME		PERSONAL ADDRESS		
DATE OF BIRTH		ADDRESS LINE 2		
TIN TYPE	<input type="checkbox"/> SSN	<input type="checkbox"/> ITIN	ADDRESS LINE 3	
PRIMARY ID TYPE	PRIMARY ID DESCRIPTION	CITY	STATE	COUNTRY
PRIMARY ID ST/CTRY/PROV		ZIP/POSTAL CODE		

Certification Regarding Beneficial Owners Of Legal Entity Members (CONTINUED)

Beneficial Owner 4 Information ___% of ownership

NAME		PERSONAL ADDRESS		
DATE OF BIRTH		ADDRESS LINE 2		
TIN TYPE	<input type="checkbox"/> SSN	<input type="checkbox"/> ITIN	ADDRESS LINE 3	
PRIMARY ID TYPE	PRIMARY ID DESCRIPTION	CITY	STATE	COUNTRY
PRIMARY ID ST/CTRY/PROV		ZIP/POSTAL CODE		

d. The following information for one individual with significant responsibility for managing the legal entity listed above, such as:

- An executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or
- Any other individual who regularly performs similar functions.

(If appropriate, an individual listed under section (c) above may also be listed in this section (d)).

- For a US person provide a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN), and a Primary ID Type, Description and ST/Ctry/Prov.
- For a foreign person without a (SSN/ITIN), provide a Passport Number and Country of Issuance. In lieu of a passport, foreign persons may also provide a U.S. government-issued Alien ID or other foreign government-issued documents evidencing nationality or residence and bearing a photograph or similar safeguard.

Individual with control Information

NAME		PERSONAL ADDRESS		
DATE OF BIRTH		ADDRESS LINE 2		
TIN TYPE	<input type="checkbox"/> SSN	<input type="checkbox"/> ITIN	ADDRESS LINE 3	
PRIMARY ID TYPE	PRIMARY ID DESCRIPTION	CITY	STATE	COUNTRY
PRIMARY ID ST/CTRY/PROV		ZIP/POSTAL CODE		

Certified/Agreed to

I, _____, certify the information provided above is true and correct to the best of my knowledge and I agree to notify Lake Trust Credit Union of any updates or changes in ownership or control of the business.

SIGNATURE	DATE
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Beneficial Ownership FAQs

What is Beneficial Ownership?

Beneficial Ownership is the new fifth pillar of Bank Secrecy Act regulations that requires Financial Institutions to collect information about who actually benefits financially from the business – the beneficial owner. However, the information is only collected for owners who have a 25% or greater interest in the company. In addition to identifying the beneficial owner, businesses also have to identify at least one individual who has control over the company, such as a President or CEO.

Why do I have to provide this information?

In order to further fight financial crimes and assist in preventing the abuse of shell companies to hide ownership of legal entities, the Financial Crimes Enforcement Network (FinCEN) strengthened existing due diligence regulations by requiring financial institutions to identify and verify beneficial owners of legal entities. In simple terms – because it is now required by law.

What is a legal entity?

Within Michigan, a legal entity is any business that registers with the State of Michigan or a county office. Most commonly, this includes corporations, limited liability companies, and partnerships.

Are there any exempt businesses?

There are some business models that are exempt from this ruling. This includes Sole Proprietorships (DBAs), non-business trust accounts, non-profits, and unincorporated entities (such as your bowling league or band boosters). It is worth noting however that while these exempt business do not have to provide information on beneficial owners, they all, except sole proprietorships, are required to provide information about the Individual with Control.

What if there are no owners that meet the 25% ownership threshold?

If your company has no one owner with a 25% or greater interest, then Lake Trust is not required to collect who the beneficial owners are. We will still ask you about it and may have you sign the form certifying this information.

What does signing the certification mean?

Signing the certification form means, to the best of your knowledge, the information provided in the form is accurate, complete, and current.

What does Lake Trust do with this information? Is it securely stored?

Lake Trust stores this information securely in our main core system along with the rest of your account and membership information. It is not shared with outside entities except with governmental agencies when necessary, such as if requested in a subpoena or on a Currency Transaction Report. For more information on our privacy policy, please visit <https://www.laketrust.org/Privacy.aspx>.

What If I choose not to provide the Beneficial Owners?

If you choose not to provide beneficial ownership information, Lake Trust will be unable to open your membership.

Are all banks and credit unions required to collect this information?

Yes. Banks, savings associations, and credit unions are all covered by the regulations requiring certification of beneficial owners.

I'm already a business member. Does the rule apply to me?

Lake Trust is not required to retroactively collect this information; however, if you are a current commercial member and you come in to open an additional product or service with Lake Trust, we will request you complete a Beneficial Ownership Certification Form.

Who is defined as a beneficial owner?

A beneficial owner must be an individual, either a US or foreign person. For a US person, a SSN/ITIN and copy of an unexpired driver's license is needed. For a Foreign person, a copy of an unexpired passport is needed. If the address on the copy of the identification is not current, Lake Trust will require a valid proof of address in accordance with our membership eligibility requirements.

The beneficial owner does not need to be present for account opening and a copy of their identification is acceptable.