



## **Appendix 2**

In regards to the Rules of Internal Control for Combating the Laundering of Proceeds (Money Laundering) and Terrorism Financing

### **CUSTOMERS, CUSTOMER REPRESENTATIVES, BENEFICIAL OWNERS and BENEFICIARIES IDENTIFICATION PROGRAM**

#### **1. Identification Procedure among Customers, Customer Representatives, Beneficial owners, determination and identification of Beneficiaries**

1.1. Customers, Customer Representatives, Beneficial owners, Beneficiaries Identification Program (hereinafter referred to as Identification Program) is targeted towards:

- Identification of legal entities, individuals, individual entrepreneurs accepted by DST, their representatives, Beneficial owners;
- Evaluation of the Risk legalization;
- Determination and identification of Beneficiaries – people, for whose benefit the Customer acts, including these with justification of agent acts, appointment agreements, commission contracts, and trust agreements.

1.2. Customer, Customer Representative and (or) Beneficiary Identification, research in regards to their data, per the present Rules of Internal Control, should be conducted before the Customer's acceptance for the service delivery.

1.3. DST takes valid and available measures in regards to the identification of Customers' Beneficial owners, including their data research and as prescribed by Section 2 of the present Appendix.

1.4. To implement the requirements of Clauses 1.2 – 1.5. of the present section, DST:

- While accepting the Customer for the service delivery, in all cases asks the Customer to fill out the Form per internal DST documents;
- Transfers via digital communication channels (e-mail, fax), via mail, or via personal request to fill out the specified Form consigned for all Customers who are subscribed for the service delivery;
- Requests information regarding changes in regards to the identification data when implementing measures on regular updating of Customer information, their Representatives, Beneficial owners, and Beneficiaries.

All data received from Customers as the response to these requests, all filled out Forms shall be stored in the scanned form in Customer cards, in the digital system, or in paper copies in the profiles, compiled by DST.

In case of revealing of negative information against the Customer, an Authorized staff member shall conduct the complex examination of the Customer, including visual screening. In case of significant negative information revealing, DST takes possible actions in order to restrict Customer service, right down to full interruption.



1.5. During Customer, Customer Representative, Beneficial owners, Beneficiaries Identification, or updating of their data, DST may require the Customer, Customer Representative to represent, and obtain from the Customer, Customer Representative, identification documents, foundation documents, legal entity (self-employed person) registration documents, and other documents.

1.6. Customers' renunciation from Beneficiary identification, or incomplete representation of necessary data, is the basis for rejection of settlement of agreement relations with the Customer.

1.7. Division managers organize work of division members on identification, and also are personally responsible for the quality of work on the Identification Program in their divisions.

1.8. Documents compiled fully or partially in the foreign language (except identification documents of individuals, issued by authorized institutions of foreign countries, compiled in several languages including Russian), are represented to DST with translation to Russian notarized in proper manner. Information contained in the identification document of and individual, issued by an authorized institution of foreign country, in case when DST possesses its Russian translation, or information contained in the identification document of and individual, issued by an authorized institution of foreign country, compiled in several languages including Russian, is registered in Russian. In other cases, registration of information is made with use of Cyrillic or Latin letters.

1.9. All documents providing identification of the Customer, Customer Representative, and also determination and identification of the Beneficial owner, Beneficiary, should be valid on date of their representation. All documents are represented by Customers in original versions or properly notarized copies. If only a part of document regards identification of the Customer, Customer Representative, determination and identification of the Beneficial owner, Beneficiary, a notarized account may be represented.

Information regarding Beneficial owners, Beneficiaries, may be given in the document compiled by the Customer at their own efforts (in particular, in the DST Customer explanatory letter in the Form filled out by the Customer), this document shall be notarized by the signature of Customer's authorized person.

In case of copies submission, DST may require representation of original documents for examination.

1.10. In case of absence of information required for proper identification of the Customer in documents represented by the latter, a DST staff member asks the Customer or their Representative to fill out the Customer Form according to DST prescription.

Information that cannot be proven by corresponding documents (for example, information regarding accommodation (registration) address, or residence address, phone numbers, Customer's e-mail, etc.), shall be registered by DST based on information provided by the DST Customer in written form, including based on the filled out Customer Form.

1.10.1. Requests are transferred to DST Customers by one of the following methods:

- via e-mail;
- verbally via phone;
- via fax;



- privately – through the member of the division who oversees the service delivery to the Customer;
  - via mail;
- 1.11. Procedure of Customer Forms storage is determined by the Order of Data Storage (documents) obtained by DST in result of Rules of Internal Control implementation.
- 1.12. Customer Forms are stored in the digital database that may be permanently operatively accessed by DST staff to verify Customer information. Forms may be stored in paper copies.
- 1.13. When concluding the contract, the Customer, Customer Representatives, Beneficial owners, and Beneficiaries are identified and examined by staff of the division providing services to the Customers when concluding the contract.

Further examination of the Customer, determination and identification of Beneficiaries (with making changes to the Customer Form, if necessary), is conducted by staff when providing services to the Customer.

## **2. Information Required for DST Customers, Customer Representatives, Beneficial Owners, and Beneficiaries Identification**

### ***2.1. Information obtained in order to identify Customers, Customer Representatives, Beneficial owners as individuals:***

Identification of individuals is conducted according to the following information:

- 2.1.1. Last name, first name, and (unless the law or national customs otherwise requires) patronymic name.
- 2.1.2. Date of birth
- 2.1.3. Place of birth
- 2.1.4. Citizenship
- 2.1.5. Requisites of the identification document: type of document, serial number, date of issuance, name of authority issued the document, and the subdivision code (if provided).
- 2.1.6. Migration card data: number, start date of period of stay and end date of period of stay (if necessary)
- 2.1.7. Data of the document proving the right to a foreign citizen or stateless person to stay (residence) in a foreign country: serial number (if any), start date of period of stay (residence) and end date of period of stay (residence).
- Documents proving the right to a foreign citizen or stateless person to stay (accommodation) in a foreign country are:
- Residence permit;
  - Temporary residence permit;
  - Visa;
  - Another document proving the right to a foreign citizen or stateless person to stay (residence) in a foreign country.
- 2.1.8. Address of registration place or residence place.
- 2.1.9. Taxpayer identification number (if any).



2.1.10. Contact telephone numbers and faxes (if any).

***2.2. Information obtained in order to identify Customers, Customer Representatives as legal entities:***

Identification of legal entities is conducted based on the following information:

- 2.2.1. Full and (if any) short name, and name in the foreign language.
- 2.2.2. Legal form of organization.
- 2.2.3. Taxpayer identification number – for a resident, taxpayer identification number or foreign organization code – for a non-resident (if any).
- 2.2.4. Information regarding state registration: date, number, name of registering authority, place of registration.
- 2.2.5. Location.
- 2.2.6. Mail address.
- 2.2.7. Information regarding the license for the right of activity is subject to licensing: type, number, date of license issuance; issuer name; validity period; list of types of activity subject to licensing.
- 2.2.8. Bank identification code – for resident credit organizations.
- 2.2.9. Information regarding governing bodies of the legal entity (structure and personnel of governing bodies of the legal entity).
- 2.2.10. Information regarding the amount of registered and paid charter capital, or amount of the registered fund, property.
- 2.2.11. Information regarding presence or absence in the location of the legal entity, its governing body, other body or person authorize to act on behalf of the legal entity without a letter of authority.
- 2.2.12. Contact telephone numbers and faxes.

***2.3. Information obtained in order to identify Customers, Customer Representatives as individual entrepreneurs:***

Identification of individual entrepreneurs is conducted based on the following information:

- 2.3.1. Information prescribed by the Clause 3.1 of the present Appendix.
- 2.3.2. Information regarding registration of an individual entrepreneur: date of registration, state registration number, name of registering authority, place of registration.
- 2.3.3. Information regarding the license for the right of activity subject to licensing: type, number, date of license issuance; issuer name; validity period; list of types of activity subject to licensing.
- 2.3.4. Mail address.
- 2.3.5. Contact telephone numbers and faxes.



***2.4. Determination and identification of Beneficiaries is conducted based on the following information:***

- 2.4.1. Information regarding reasons proving that the Customer acts on behalf of another person when processing any transactions.

***2.5. Information included in the Customer Form (Profile)***

- 2.5.1. Information and documents obtained within Customer identification, determination and identification of the Beneficiary
- 2.5.2. Information regarding the level of Risk legalization, including rationalization of legalization Risk evaluation.
- 2.5.3. Start date of Customer relations
- 2.5.4. Date of filling and updating of the Customer Form.
- 2.5.5. Last name, first name, and patronymic name of a staff member responsible for Customer relations
- 2.5.6. Other information at discretion of DST.

**3. Procedure of Customer, Customer Representative, Beneficial Owner, and Beneficiary data verification**

**3.1. Procedures of Customer, Customer Representative, Beneficial owner, and Beneficiary data verification include:**

- Checking the data regarding Customer, Customer Representative, Beneficial owner, Beneficiary, in the List of Extremists and Suspects in terrorism;
- Checking the documents and information provided by the Customer (Customer Representative) for the purpose of identification;
- If necessary, if DST has doubts against validity of data obtained before within implementation of the Identification Program, conduction of second identification;
- Checking of validity of information provided by the legal entity regarding its presence or absence in the location.

**4. Procedure of data updating contained in the Customer Form**

**4.1. DST updates information regarding Customers, Customer Representatives, Beneficiaries, and Beneficial owners at least once a year, and in case of doubts against validity and accuracy of information provided – within 7 work days after the day when such doubts appear.**

DST reconsiders legalization Risk level with the course of change of specified information, at least once a year.

For the purpose of the present clause implementation, start date of information update period shall be the date next to the date of filling out of the Customer Form, or last update (change) of information obtained within identification of the Customer, Customer Representative, Beneficial owners, Beneficiaries.



4.2. A staff member of the subdivision responsible for updating information is obliged to contact the Customer in any available way, and ask to provide DST with documents and information required for identification.

Requests are transferred to DST Customers in one of the following ways:

- Via e-mail
- Verbally via phone
- Via fax
- Privately – through a DST employee providing services to the Customer
- Via mail
- Via systems of remote banking service.

4.3. In case of non-representation of updated information and documents from the Customer within 7 work days since the date of sending of the corresponding request, DST registers the fact of no changes and actuality of possessed information and documents provided by the Customer before.

## **5. Procedure of Risk Evaluation of Customer Transactions' Orientation to Laundering of Proceeds of Crime (Money Laundering) and Terrorist Financing**

5.1. Legalization Risk evaluation is conducted by an Authorized staff member based on information specified in the Customer Form, and based on analysis of transactions made by the Customer.

5.2. Legalization Risk is reevaluated with the course of change of information regarding the Customer and nature of their transactions, at least once a year. An Authorized staff member is entitled to make a decision on reevaluation of legalization Risk considering general analysis of Customer's activity, availability of rationalizing documents explaining the nature of Customer's activity.