



महालक्ष्मी विकास बैंक लि. Mahalaxmi Bikas Bank Ltd.

(नेपाल राष्ट्र बैंकबाट "ख" वर्गको राष्ट्रिय स्तरको इजाजत प्राप्त संस्था)

KYC REQUIREMENTS

In compliance to Money Laundering Prevention Act, 2008 and directives issued by Nepal Rastra Bank. Mahalaxmi Bikas Bank is updating Know Your Customer (KYC) details of its account holders. It is also the duty of the account holders to make available of their updated and complete information to the Bank. This supports the Bank to communicate about new products and services to the customers with efficient and effective service. Therefore, all account holders are requested to contact the nearest branch of the Bank to update their KYC related information.

It is obligatory to customers to fill up form designed by the Bank for the purpose along with other necessary documents. Please go through the following links for more details:

- KYC related form for individuals
- KYC related form for institutions
- Important information for individual customers
- Important information for institutional customers
- FAQs related to KYC



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FAQs related to KYC

✚ What is KYC?

It is the process by which banks obtain information about their customers and their financial proceedings. The objective of the KYC (Know Your Customer process) is to prevent banks from being used, intentionally or unintentionally, by criminal elements for money laundering activities.

✚ Why must I prove my identity when obtaining a financial services?

With a view to protect the customer interests by preventing from deceiver who may use the name, address and forge signature to undertake illegal business activities, encashment of stolen drafts, cheques, dividend warrants, etc. This also helps to safeguard banks from being unsuspectingly used for the transfer of deposit of funds derived from illegal activity or for financing terrorism. Identification of customers will also help to control financial frauds, identify money laundering and suspicious activities, and for scrutiny / monitoring of large value cash transactions.

✚ Is KYC Mandatory?

YES. It is a regulatory and also a legal requirement.

Regulatory: In terms of the guidelines issued by the Nepal Rastra Bank (NRB) through its **Directive No. 19 ‘Prevention of Assets Money Laundering and Financing on Terrorism Act’**, the bank is required to put in place a comprehensive policy framework covering KYC Standards and AML/CFT Measures and should execute accordingly.

Legal: Asset (Money) Laundering Prevention Act, 2008 and the Asset (Money) Laundering Prevention Rules, 2009 also requires Banks, Financial Institutions and Intermediaries to ensure

that they follow certain minimum standards of KYC and AML as laid down in the Act and the “rules” framed there under.

When does KYC apply?

At the following stages KYC will be carried out

- Opening a new account
- When the bank feels it necessary to obtain additional information from existing customers based on conduct of the account as part of the KYC update process.
- When there are changes to signatories, mandate holders, beneficial owners etc. KYC will also be carried out in respect of non-account holders approaching the bank for high value unrepeatable transactions.

Do a customer have to update their KYC to the bank again?

Banks are required to periodically update the customer’s KYC records. This is the part of the ongoing due diligence on bank accounts.

How can an existing customer can update the KYC documents?

It is the responsibility of the account holders to provide their updated and complete information to bank. Therefore, all account holders including authorized account operators can contact the nearest branch of the bank to update their KYC related information.

Who is accountable for KYC purposes?

The contacting person will be Branch Manager and/or Customer Service Desk Official/ the official who opens your account and who is in touch with you for your transactions.