

**21B. Additional due diligence measures relating to legal persons, trusts and partnerships.**-(1) If a client contemplated in [section 21](#) is a legal person or a natural person acting on behalf of a partnership, trust or similar arrangement between natural persons, an accountable institution must, in addition to the steps required under [sections 21](#) and [21A](#) and in accordance with its Risk Management and Compliance Programme establish-

- (a) the nature of the client's business; and
- (b) the ownership and control structure of the client.

(2) If a client contemplated in [section 21](#) is a legal person, an accountable institution must, in addition to the steps required under [sections 21](#) and [21A](#) and in accordance with its Risk Management and Compliance Programme-

- (a) establish the identity of the beneficial owner of the client by-
  - (i) determining the identity of each natural person who, independently or together with another person, has a controlling ownership interest in the legal person;
  - (ii) if in doubt whether a natural person contemplated in [subparagraph \(i\)](#) is the beneficial owner of the legal person or no natural person has a controlling ownership interest in the legal person, determining the identity of each natural person who exercises control of that legal person through other means; or
  - (iii) if a natural person is not identified as contemplated in [subparagraph \(ii\)](#), determining the identity of each natural person who exercises control over the management of the legal person, including in his or her capacity as executive officer, non-executive director, independent non-executive director, director or manager; and
- (b) take reasonable steps to verify the identity of the beneficial owner of the client, so that the accountable institution is satisfied that it knows who the beneficial owner is.

(3) If a natural person, in entering into a single transaction or establishing a business relationship as contemplated in [section 21](#), is acting on behalf of a partnership between natural persons, an accountable institution must, in addition to the steps required under [sections 21](#) and [21A](#) and in accordance with its Risk Management and Compliance Programme-

- (a) establish the identifying name of the partnership, if applicable;
- (b) establish the identity of every partner, including every member of a partnership *en commandite*, an anonymous partnership or any similar partnership;
- (c) establish the identity of the person who exercises executive control over the partnership;
- (d) establish the identity of each natural person who purports to be authorised to enter into a single transaction or establish a business relationship with the accountable institution on behalf of the partnership;
- (e) take reasonable steps to verify the particulars obtained in [paragraph \(a\)](#); and
- (f) take reasonable steps to verify the identities of the natural persons referred to in [paragraphs \(b\)](#) to [\(d\)](#) so that the accountable institution is satisfied that it knows the identities of the natural persons concerned.

(4) If a natural person, in entering into a single transaction or establishing a business relationship as contemplated in [section 21](#), is acting in pursuance of the provisions of a trust agreement between natural persons, an accountable institution must, in addition to the steps required under [sections 21](#) and [21A](#) and in accordance with its Risk Management and Compliance Programme-

- (a) establish the identifying name and number of the trust, if applicable;
- (b) establish the address of the Master of the High Court where the trust is registered, if applicable;
- (c) establish the identity of the founder;
- (d) establish the identity of-
  - (i) each trustee; and
  - (ii) each natural person who purports to be authorised to enter into a single transaction or establish a business relationship with the accountable institution on behalf of the trust;
- (e) establish-
  - (i) the identity of each beneficiary referred to by name in the trust deed or other founding instrument in terms of which the trust is created; or
  - (ii) if beneficiaries are not referred to by name in the trust deed or other founding instrument in terms of which the trust is created, the particulars of how the beneficiaries of the trust are determined;
- (f) take reasonable steps to verify the particulars obtained in [paragraphs \(a\)](#), [\(b\)](#) and [\(e\) \(ii\)](#); and

(g) take reasonable steps to verify the identities of the natural persons referred to in paragraphs (c), (d) and (e) (i) so that the accountable institution is satisfied that it knows the identities of the natural persons concerned.

(5) This section applies in respect of a legal person, partnership or trust or a similar arrangement between natural persons, whether it is incorporated or originated in the Republic or elsewhere.

[S. 21B inserted by s. 10 of Act No. 1 of 2017 with effect from 2 October, 2017 (Government Notice No. 563 in *Government Gazette* 40916 of 13 June, 2017.)]