



## Risk Disclosure

The prices of securities fluctuate, sometimes drastically. The price of a security may move up or down, and may even become valueless. It is likely that losses may be incurred rather than profits made as a result of buying and selling securities.

We hereby confirm that the above declarations and risk disclosure have been duly read over and understood by us prior to signing this declaration. We hereby also confirm that the above risk disclosure statement was explained to me and I was invited to read and ask questions and take independent advice if I so wish.

\* Delete whichever is inapplicable.

Signature:.....

**(Please place two Directors signatures on company emboss seal and rubber stamp.)**

This.....day of..... 20.....

## Declaration by Investment Advisor

I hereby confirm that I have clearly explained the risk disclosure statement to the client, and I invited the client to read the risk disclosure statement, ask questions and take independent advice if the client so wishes.

.....  
Name of Investment Advisor

.....  
Signature

This.....day of..... 20.....



**Form 2 B**

Authorized  
Signature and  
Stamp of  
Participant

NOTE: This application should be submitted through your Participant

To: The Central Depository Systems (Pvt.) Ltd.,  
# 04-01, West Block, World Trade Centre, Echelon Square, Colombo 01.

**DECLARATION**

We \_\_\_\_\_  
(Name of Corporate Body)

incorporated / established under \_\_\_\_\_

having its registered office at \_\_\_\_\_

in consideration of the Central Depository Systems (Pvt.) Ltd. (CDS) agreeing to open a Securities Account, hereby declare as follows:

1. (i) The Securities Account to be opened by us in the CDS shall be maintained for our benefit only.

**Or;**

(In the event the number of beneficiaries does not exceed three persons, please complete clause 1(ii) below.)

(ii) The Securities Account to be opened by us in the CDS shall be maintained for the benefit of the following persons in our capacity as Custodian / Trustee / Fund Manager / Unit Trust Manager.

Name	Address	Nationality
1.		
2.		
3.		

**Or;**

(In the event there are more than three beneficiaries, please complete clause 1(iii) below.)

(iii) We, in our capacity as Custodian / Trustee / Fund Manager / Unit Trust Manager shall maintain all information such as names, addresses and nationalities pertaining to the ultimate beneficiaries of the account and undertake to promptly release to the CDS & the #Participant such information pertaining to the beneficiaries, at any time, if required by the CDS/ # Participant.

2. The application and the documents attached thereto bear true and correct information and no alteration, modification or falsification was carried out to them to hide or deflect true facts.

3. In the event of a variation of any information given in the CDS Form, this Declaration and other information submitted by us along with the application to open the CDS Account, we undertake to inform the CDS & the #Participant in writing within fourteen (14) days of such variation.

4. The funds to be invested for the purchase of securities through the Securities Account to be opened with the CDS will not be funds derived from any money laundering activity or funds generated through the financing of terrorist or any other illegal activity.

5. We have not been banned and/or rejected and /or suspended by any criminal/civil tribunal or administrative authority in Sri Lanka or in any other country in connection with the following offences:

- Engaging directly or indirectly in any transaction in relation to any property which is derived or realized directly or indirectly, from any unlawful activity or from the proceeds of any unlawful activity as defined by the Financial Transactions Reporting Act No. 6 of 2006;
- Receiving, possessing, concealing, disposing, of or bringing into Sri Lanka or into any other country, or for investing in Sri Lanka or in any other country, any property which is derived or realized, directly or indirectly, from any unlawful activity or from the proceeds of any unlawful activity referred to above; or
- Any other offence which has been defined as an offence under the Prevention of Money Laundering Act No.5 of 2006 and any amendment thereto or any similar legislation in any other part of the world.

6. We hereby further declare that we are persons of good standing with no record of criminal convictions in relation to the offences stated above, in Sri Lanka or in any other country.

7. We or any persons(s) associated with us and/or any entity connected to us (as a partner, shareholder, director) do not have against us or persons connected and/or associated as aforesaid any convictions/pending criminal proceeding in Sri Lanka or in any other part of the world except the following (give detailed description of any pending litigation);

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

8. We declare that our application and other relevant documentation to open a CDS account has not been refused or any business relationship has not been declined previously by any other Participant of the CDS.

9. We further declare and agree that, should the CSE/CDS determine any statements made by us herein to the contrary, (or any such matter through publicly available information or otherwise) which would in the opinion of the CSE/CDS be detrimental to the CDS as an institution having to comply with the laws/regulations of Sri Lanka pertaining to transactions of its account holders or parties connected to such account holders, the CDS is hereby authorized to unilaterally terminate all depository and such other services connected to us and recover related costs or other expenses pertaining to this account.

10. We declare that the information set out below is true and accurate and our investments will be in accordance with such information:

**We hereby confirm that;**

- contents of Form 2, along with the KYC Profile {Form 2 A} and the Declaration {Form 2 B} have been duly read over and understood by us prior to signing.
- the information provided by us in the said Form 2, along with the KYC Profile {Form 2 A} and the Declaration {Form 2 B} is accurate.

**We further agree that, we shall be bound by terms and conditions contained in Form 2, along with the KYC Profile {Form 2 A} and the Declaration {Form 2 B}.**

\_\_\_\_\_  
(Place the Company Seal and signature/s of Director/s  
as required by the Articles of Association)

\*Strike out whichever is inapplicable.

This \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

# Participant means, your Stockbroker or Custodian Bank.





## INFORMATION TO BE SUBMITTED BY APPLICANTS TO OPEN A CDS ACCOUNT

### **Corporate Bodies**

- a) Full name of the Corporate Body (Company/Statutory Body/a Body established under an Act of Parliament/Society.)
- b) Registered Address.
- c) Address for correspondence (if different from Registered Address.)
- d) Place of Incorporation / place where established.
- e) SIA Account details (where the applicant is a Non Resident.)
- f) Names, addresses, National Identity Card/Passport number/s and occupations of Directors. (If the company is listed in a Stock Exchange only the names should be given. Proof of such listing should be submitted in that event)

If the Director/s is/are also a company, the following information on such Director company should be given:

- i) Name of the company.
- ii) Date of Incorporation.
- iii) Place of Incorporation.
- iv) Registered Address.

If an authorized person is signing the CDS application form on behalf of the applicant company, a copy of the Board Resolution/Power of Attorney authorizing such person to sign on behalf of the Company and a copy of National Identity Card/Passport of such person should be submitted.

- g) Names and addresses of top 10 shareholders/members. (Not applicable if the Company is listed in a Stock Exchange.)
- h) Name of person/s authorized to give instructions with a copy of the Power of Attorney/Board Resolution.
- i) Copies of following documents:
  - i) A copy of the Certificate of Incorporation (1982 & 2007).
  - ii) An extract of the resolution passed by the Board of Directors to open a CDS Account and authorizing a person to sign on behalf of the applicant company.
  - iii) A letter issued within the 3 month period preceding the date of the application to the CDS issued by the Company Secretary indicating the name, addresses, NIC or Passport numbers of all existing directors.
  - iv) A letter issued within the 3 month period preceding the date of the application to the CDS issued by the Company Secretary confirming the top ten shareholders (name and addresses).
  - v) A copy of the Articles of Association.
- j) Complete the attached Know Your Client form (KYC) submitting details that are true and accurate.
- k) A declaration that the securities to be purchased through the CDS Account to be opened would be for the benefit of the applicant only and for no other beneficial owner/s. In the alternative, if the applicant (Corporate Body) is a fund management company, Unit Trust, foreign Broker/Dealer or a Corporate Body acting in the capacity of a Trustee, a declaration that the account is opened for the benefit of beneficiaries, and declares the names, addresses and the nationalities, where the number of beneficiaries is up to three (3) only. If above such number, a declaration that information such as names, addresses & nationality pertaining to the ultimate beneficiaries of the account are maintained with the applicant and an undertaking to release such information to CDS at any time upon request by the CDS. (The said declaration may be given by the beneficiary Company, the Global Custodian or the local Custodian Bank.) [Form 2(B)]
- l) A declaration that the funds to be invested through the CDS will not be funds generated from any money laundering activity nor funds generated through the financing of terrorist or any other illegal activity. (The said declaration may be given by the beneficiary Company, the Global Custodian or the local Custodian Bank.) [Form 2(B)]
- m) A declaration that all the information given are true and accurate, and that no alteration, modification was made to the said information to hide or reflect true facts. [Form 2(B)]
- n) A declaration that in the event of a variation of the information submitted to CDS, the applicant would inform the CDS, in writing, within 14 days of such change. (The said declaration may be given by the beneficiary Company, the Global Custodian or the local Custodian Bank.) [Form 2(B)]

**INFORMATION TO BE SUBMITTED BY APPLICANTS TO OPEN A CDS ACCOUNT (Continuation)**

**Funds approved by SEC**

- a) A copy of the approval granted by the SEC.
- b) Duly completed Declaration Form [CDS 2(A)] and Addendum to CDS Form 2 [CDS 2(B)]

**Certification**

All supporting documents to be submitted to the CDS should be certified or attested or authenticated for

a) **Certification for Non Resident Applicants**

- 1) By the Company Registry where the documents were originally issued (applicable for Corporate
- 2) By a Sri Lankan diplomatic officer or Sri Lankan consular officer in the country where the documents were originally issued, or
- 3) By a Solicitor, Attorney-at-Law, Notary Public, practicing in the country where the applicant resides, or
- 4) Custodian Bank, or
- 5) Global Custodian – The Custodian Bank should certify the authenticity of the signature of the Global Custodian or
- 6) Broker. (Applicable only in respect of Individuals.)

b) **Certification for Resident Applicants**

- 1) Registrar of Companies or the Company Secretary (applicable in respect of Corporate Bodies), or
- 2) Attorney-at-Law / Notary Public, or
- 3) Broker, or
- 4) Custodian Bank.

**NOTE:**

The person certifying should place the signature, full name, address, contact telephone numbers and the official seal. (Not applicable for Brokers, Custodian Banks and Global Custodians).



**John Keells Stock Brokers (Pvt) Ltd.**

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