

Knowing Us Knowing You



Banking in Guernsey

If you wish to open a bank account in Guernsey you are generally required to be at least 18 years of age, although banks, at their discretion, may open a bank account for you if you are younger than 18. You will be asked to complete an Account Opening Agreement to govern the operation of the account so that you and the bank may establish the requirements each will have of the other. All banks are required by law to establish the identity of their customers before they open the account or provide any financial product.

Consequently the Account Opening Agreement may encompass a questionnaire which will generally require you to provide the following information: -

- ◇ Your full name and residential address
- ◇ Any former names
- ◇ Your date and place of birth
- ◇ Your nationality
- ◇ Your telephone and fax numbers
- ◇ Your Occupation
- ◇ The name and address of your employer

Proving who you are

Banks are required by law to undertake appropriate measures to establish the identity of their customers. You may be asked to disclose the identity of your existing bank or building society and to authorise them to provide a reference at the request of the Guernsey Bank in order to verify your address, signature and to attest to your trustworthiness. In some cases a customer may also be asked to authorise the bank to obtain a personal reference for you from a professional person e.g. lawyer, doctor or accountant.

Additionally, you may be asked to provide a recent bank statement and / or utilities bill and / or other document to confirm your name and address. You will be required to provide a copy of your passport certified as a true copy by a lawyer, doctor, accountant, notary public or senior bank official. If you hold dual nationality you will be required to provide a certified copy of both passports. If you do not hold a passport, a certified copy of your driving licence or identity card may be acceptable. Additionally, you may be

asked as to the likely amount(s), source(s) and nature of the funds to be credited to your account.

Every bank has its own policies and procedures. They will guide you on the nature of the documentation and checks acceptable to them. However, some checks may be undertaken without reference to you e.g. checks of electoral rolls, telephone directories; all aimed at confirming your identity and address.

So why do Banks need this information?

Banks have always checked the identity of prospective customers but in recent years they have been legally required to do so. In Guernsey all banks are regulated by The Banking Supervision (Bailiwick of Guernsey) Law, 1994 and in addition they are required to fully comply with the terms of the following laws designed to combat criminal use of the banking system, namely:

- ◇ The Prevention of Terrorism (Bailiwick of Guernsey) Law, 1990
- ◇ The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999
- ◇ The Drug Trafficking (Bailiwick of Guernsey) Law, 2000
- ◇ The Terrorism (United Nations Measures) (Channel Islands) Order 2001

The purpose of these laws is to deny criminals the opportunity to establish bank accounts through which to pass the proceeds of their criminal activity or to fund terrorist activities (commonly referred to as money laundering). Once such funds reach the banking system they can be laundered, and so become more difficult to trace, restrain and ultimately confiscate by the courts. Consequently all banks in Guernsey require acceptable documentary evidence of their customers, and will pursue references to establish the identity of potential customers.

If a bank does not obtain satisfactory documentation it will not open an account. The fact that these checks are carried out does not imply that you are suspected of any criminal act. Criminals go to great lengths to appear decent law abiding citizens so it is important to make the necessary checks on all customers.

Banks and their Customers

Banks and other financial services businesses in Guernsey are keen to attract your custom and will endeavour to make their customer verification process as simple and as quick as possible so that a business relationship can be established with a minimum of delay. However, banks are not permitted to compromise the standards required by law.

It is important that you assist us to prevent crime, the laundering of the proceeds of crime and to prevent the funding of terrorist activities. We (the banks) therefore ask you to be patient and co-operative with bank staff when they ask you to provide documentary evidence to confirm your identity.

Once banks know their customers and gain an understanding of their needs they are better able to offer products or to tailor services to match their individual requirements. It then becomes a case of "The better we know you, the better we can serve you".



The Association of Guernsey Banks is a voluntary group whose members comprise most of the licensed banks in Guernsey.

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