



Financial Services Technology

## Simplicity by Compliance Systems™

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### Simplicity Runtime Job Aid Working with Beneficial Ownership Roles

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## About This Training Guide

This document is intended to serve as a job aid that guides Simplicity Runtime users through the set up and assignment of roles. This job aid documents the steps required to assign the roles of **Beneficial Owner Certifier** and **Beneficial Owner Manager** to the appropriate entities in a specific use case: a commercial loan with two borrowers, one individual and one business entity. This job aid is not intended to provide legal advice.

### Simplicity Document Library

2018.346.0 and newer

### Runtime Version

2.15 and newer

## Before Starting

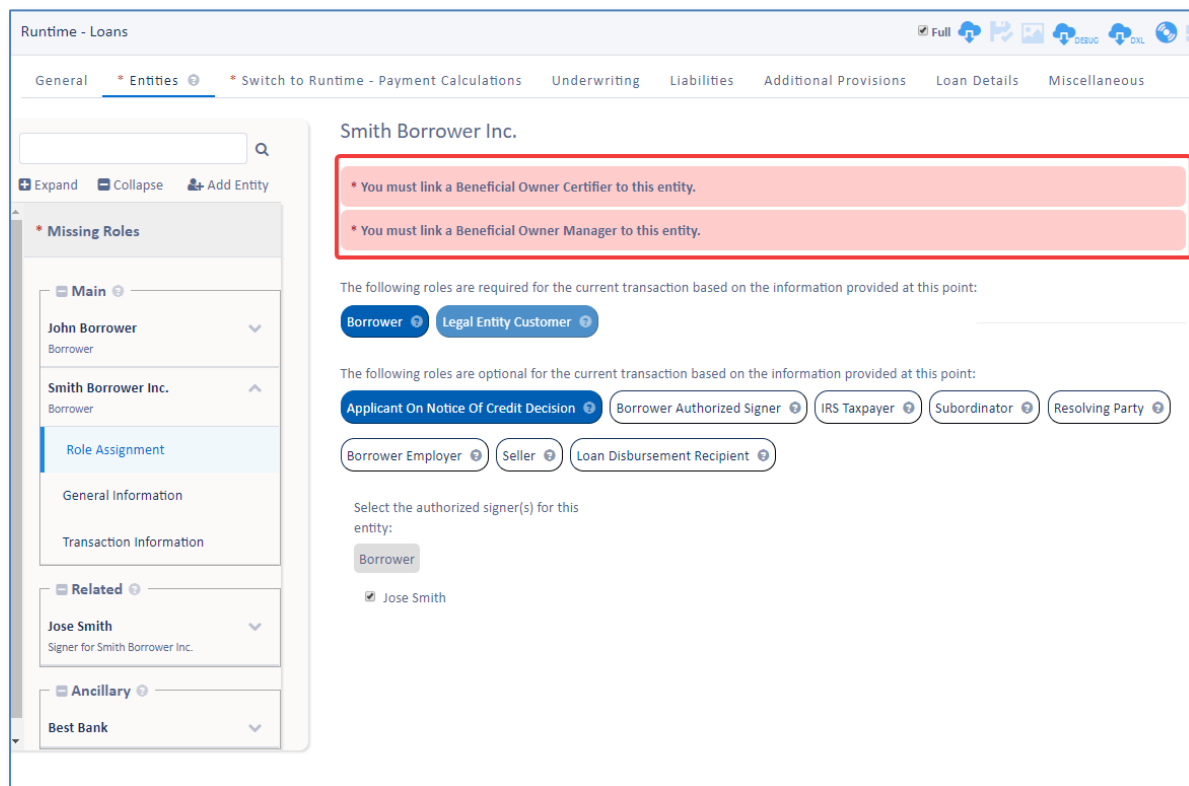
When completing these job aids, there may be additional required questions outside those mentioned in the scenarios or use cases that need to be completed for the documents to render for preview.

## Scenario

Smith Borrower Inc. is a small corporate borrower with two business owners who each have more than 25% ownership that needs a loan. The two business owners are John Borrower, who is acting in the capacity of individual borrower, and Jose Smith. The roles of **Beneficial Owner Certifier** and **Beneficial Owner Manager** need to be assigned to the appropriate entities.

## Entities and Roles

Entity	Type	Role	Role	Role
John Borrower	Individual	Borrower	Beneficial Owner	Beneficial Owner Certifier for Smith Borrower Inc.
Smith Borrower Inc.	Non-Individual	Borrower	Legal Entity Customer	
Jose Smith	Individual	Authorized Signer	Beneficial Owner	Beneficial Owner Manager for Smith Borrower Inc



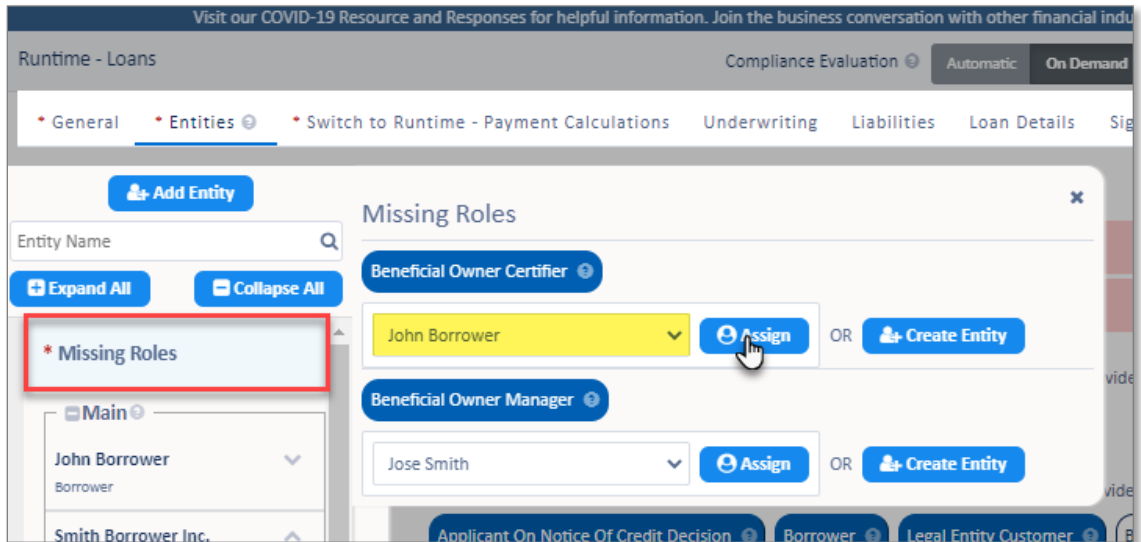
The screenshot shows the 'Runtime - Loans' interface with the 'Entities' tab selected. The main entity is 'Smith Borrower Inc.'. A red box highlights two error messages: 'You must link a Beneficial Owner Certifier to this entity.' and 'You must link a Beneficial Owner Manager to this entity.'. Below these, a list of required roles is shown: 'Borrower' and 'Legal Entity Customer'. A list of optional roles includes 'Applicant On Notice Of Credit Decision', 'Borrower Authorized Signer', 'IRS Taxpayer', 'Subordinator', 'Resolving Party', 'Borrower Employer', 'Seller', and 'Loan Disbursement Recipient'. At the bottom, there is a section for selecting authorized signers, with 'Jose Smith' checked.

 **Note:** In the Role Assignment subtab for Smith Borrower Inc., Simplicity Runtime is requiring that a **Beneficial Owner Certifier** and **Beneficial Owner Manager** needs to be linked to the business entity.

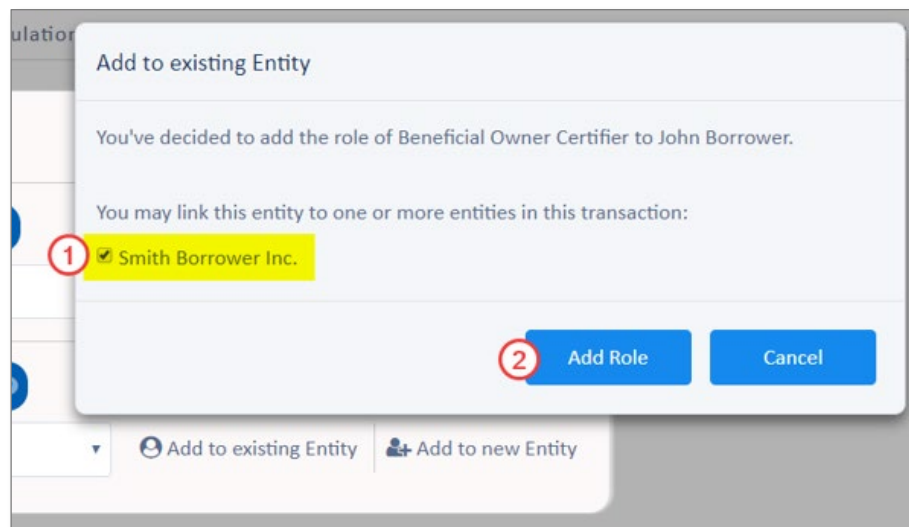
# Procedure

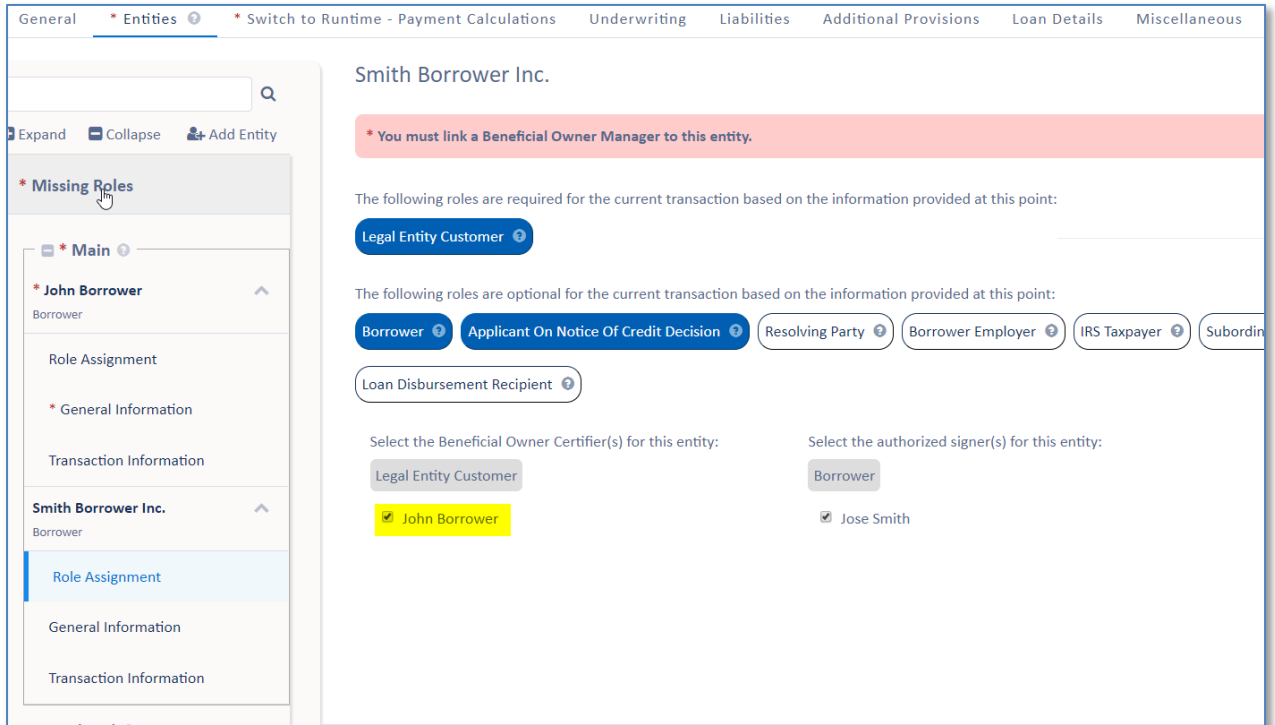
## Assigning Beneficial Owner Certifier

- 1- Assign the role of **Beneficial Owner Certifier** to John Borrower. To do this, navigate to the *Missing Roles* section of the *Entities* pane. Select John Borrower from the drop-down menu and select “Assign.”



- 2- Link John Borrower to the business entity by selecting the checkbox next to Smith Borrower Inc. and select “Add Role” in the “Add to existing Entity” dialogue box.





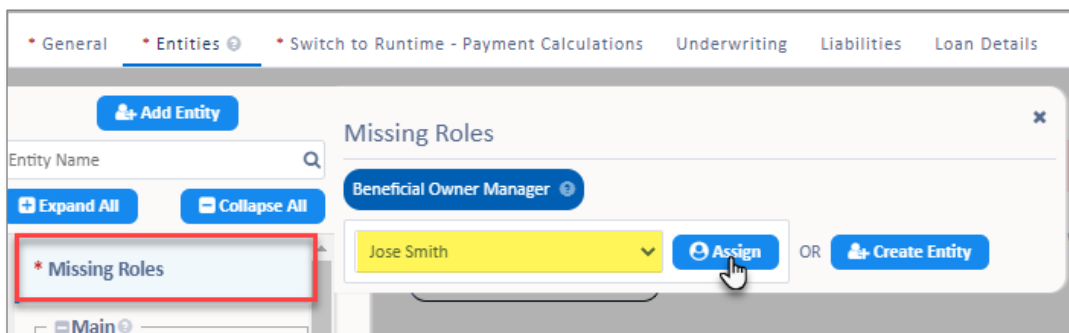
The screenshot displays the 'Entities' tab in the Compliance Systems application. The main entity is 'Smith Borrower Inc.', which is a 'Borrower'. A red error message at the top states: '\* You must link a Beneficial Owner Manager to this entity.' Below this, the system lists required roles: 'Legal Entity Customer'. Optional roles include 'Borrower', 'Applicant On Notice Of Credit Decision', 'Resolving Party', 'Borrower Employer', 'IRS Taxpayer', and 'Subordin'. A 'Loan Disbursement Recipient' role is also listed. Under 'Select the Beneficial Owner Certifier(s) for this entity:', 'Legal Entity Customer' and 'John Borrower' (checked) are shown. Under 'Select the authorized signer(s) for this entity:', 'Borrower' and 'Jose Smith' (checked) are shown. The left sidebar shows a tree view with 'Main' expanded, containing 'John Borrower' (Borrower) with subtabs for 'Role Assignment', 'General Information', and 'Transaction Information'. The 'Role Assignment' subtab is selected for 'John Borrower'.



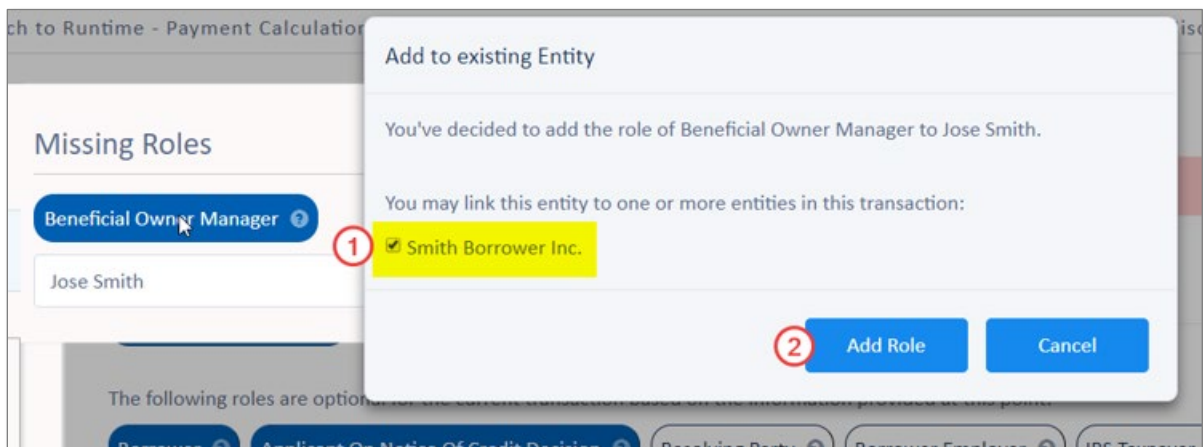
Note: Under the Role Assignment subtab for Smith Borrower Inc. the role of **Beneficial Owner Certifier** is attached to John Borrower and the error message for this role has disappeared.

## Assigning Beneficial Owner Manager

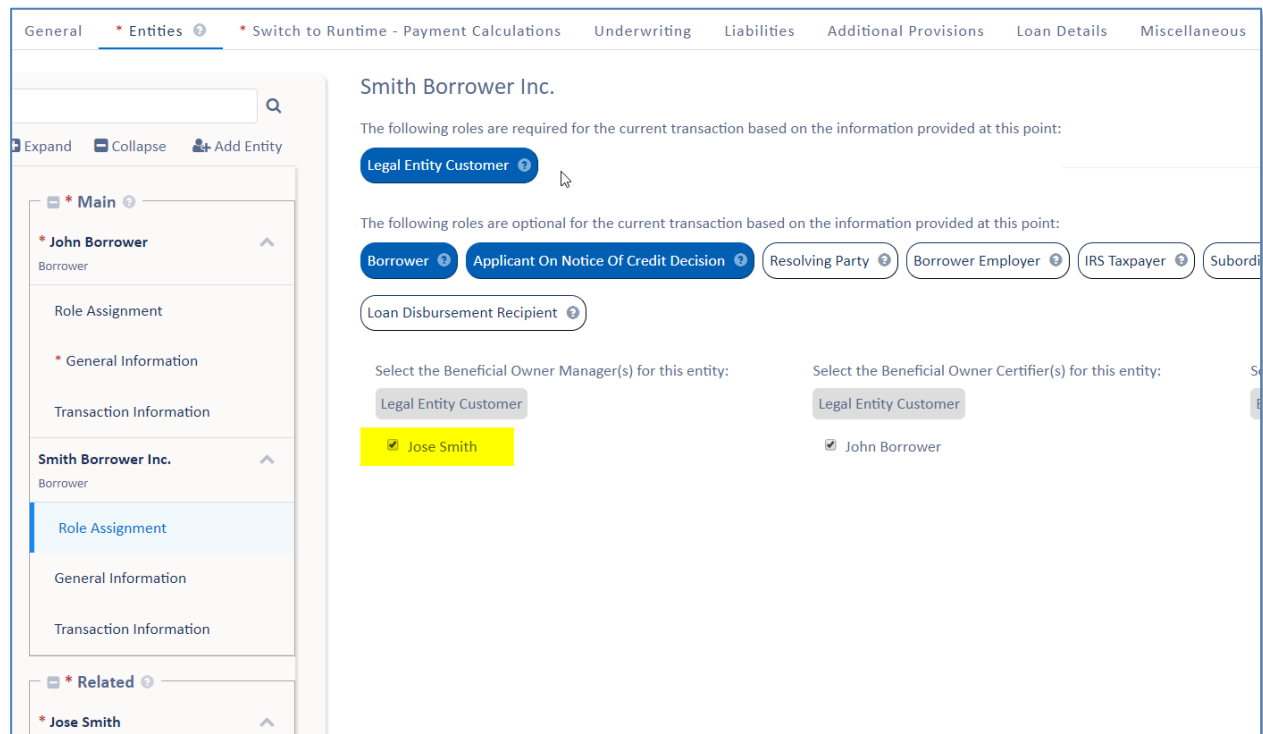
- 3- Return to the *Missing Roles* section of the *Entities* side pane and make Jose Smith the **Beneficial Owner Manager** by selecting his name from the drop-down menu and selecting “Assign.”



- 4- Link Jose Smith to the business entity by selecting the checkbox next to Smith Borrower Inc. and selecting “Add Role” in the “Add to existing Entity” dialogue box.







General **Entities** Switch to Runtime - Payment Calculations Underwriting Liabilities Additional Provisions Loan Details Miscellaneous

Expand Collapse Add Entity

**Main**

- John Borrower**  
Borrower
  - Role Assignment
  - General Information
  - Transaction Information
- Smith Borrower Inc.**  
Borrower
  - Role Assignment**
  - General Information
  - Transaction Information

**Related**

- Jose Smith**

**Smith Borrower Inc.**

The following roles are required for the current transaction based on the information provided at this point:

Legal Entity Customer

The following roles are optional for the current transaction based on the information provided at this point:

Borrower Applicant On Notice Of Credit Decision Resolving Party Borrower Employer IRS Taxpayer Subord

Loan Disbursement Recipient

Select the Beneficial Owner Manager(s) for this entity:


Legal Entity Customer

☒ Jose Smith

Select the Beneficial Owner Certifier(s) for this entity:

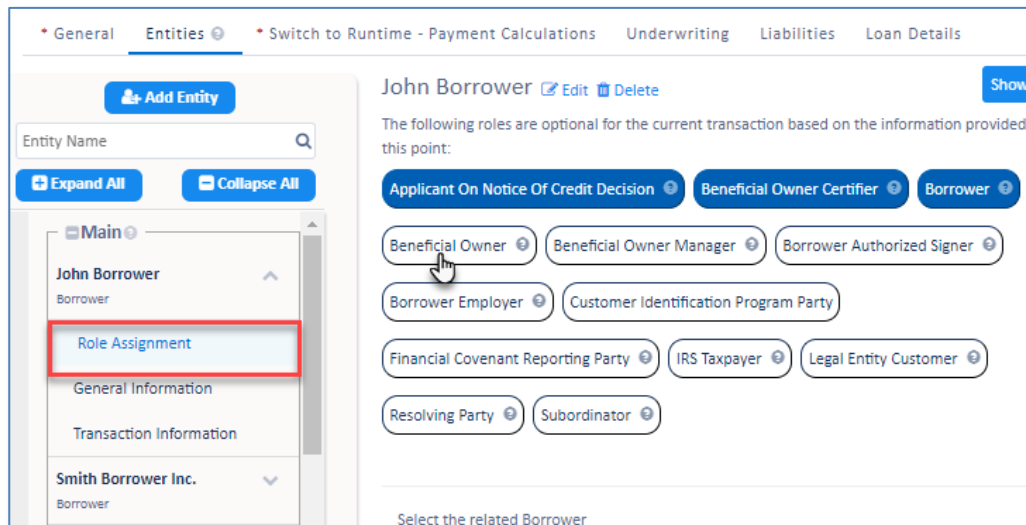
Legal Entity Customer

☒ John Borrower

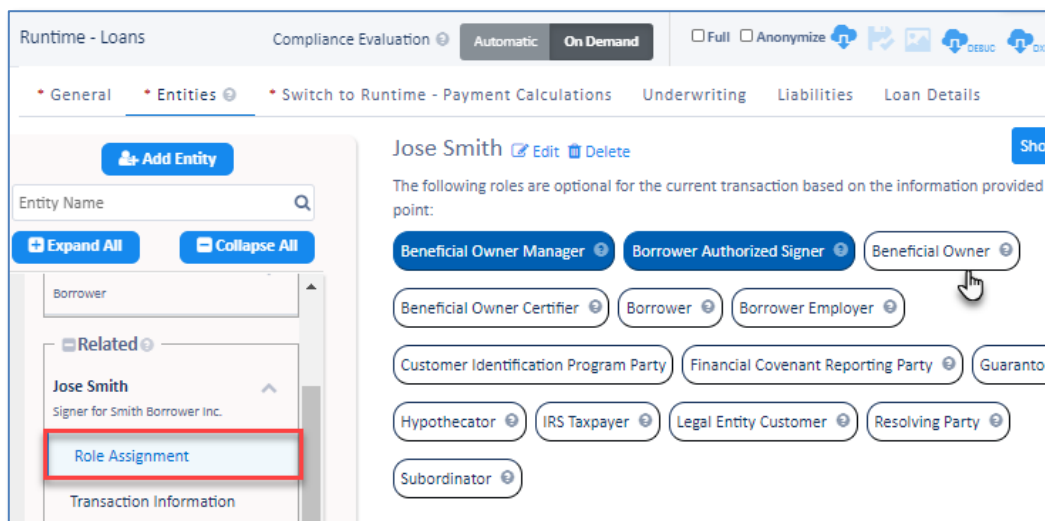
 **Note:** Under the Role Assignment subtab for Smith Borrower Inc. the role of **Beneficial Owner Certifier** is attached to John Borrower and the error message for this role has disappeared.

## Assigning Beneficial Owners

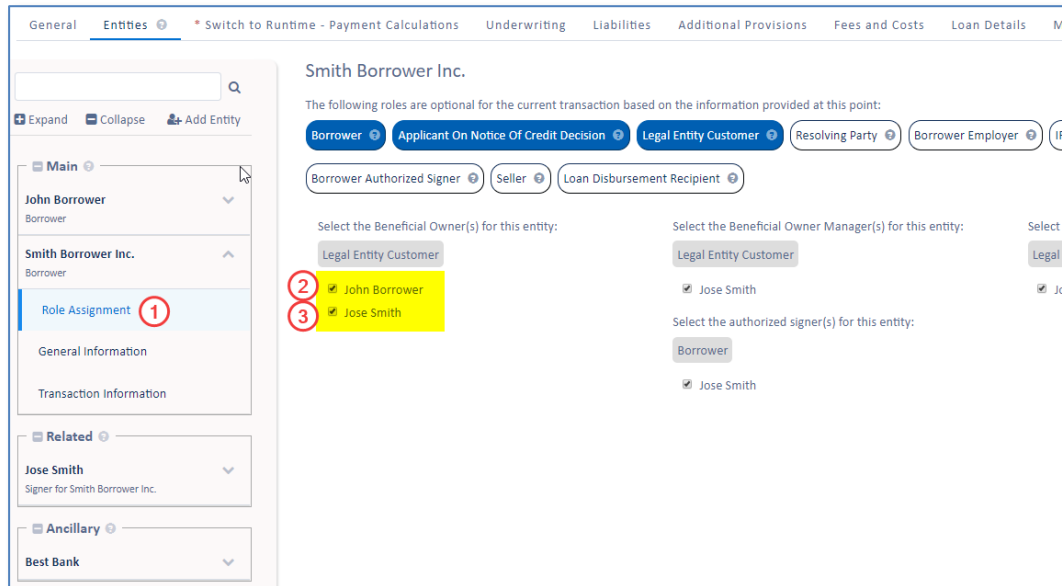
- 5- Navigate to the *Role Assignment* subtab associated with John Borrower on the *Entities* pane and select **Beneficial Owner** from the list of available roles.



- 6- Follow the same steps to assign Jose Smith the role of **Beneficial Owner**.



- 7- Link John Borrower and Jose Smith to the business entity by navigating to the *Role Assignment* subtab associated with Smith Borrower Inc. and selecting the check boxes next to John Borrower and Jose Smith under the Beneficial Owner of Legal Entity list.



The screenshot displays the Compliance Systems interface for managing beneficial ownership roles. The top navigation bar includes tabs for General, Entities, and various calculation and provision options. The left sidebar shows a navigation menu with sections for Main, Related, and Ancillary entities. The main content area is titled "Smith Borrower Inc." and displays a list of optional roles for the current transaction. Below this, there are sections for selecting beneficial owners and authorized signers for the entity.

**Main**

- John Borrower (Borrower)
- Smith Borrower Inc. (Borrower)
- Role Assignment** (1)
- General Information
- Transaction Information

**Related**

- Jose Smith (Signer for Smith Borrower Inc.)

**Ancillary**

- Best Bank

**Smith Borrower Inc.**

The following roles are optional for the current transaction based on the information provided at this point:

- Borrower
- Applicant On Notice Of Credit Decision
- Legal Entity Customer
- Resolving Party
- Borrower Employer
- Borrower Authorized Signer
- Seller
- Loan Disbursement Recipient

Select the Beneficial Owner(s) for this entity:

- Legal Entity Customer
- John Borrower (2)
- Jose Smith (3)

Select the Beneficial Owner Manager(s) for this entity:

- Legal Entity Customer
- Jose Smith

Select the authorized signer(s) for this entity:

- Borrower
- Jose Smith

## Result

- 8- When the Runtime session is complete, the *Certification of Beneficial Owners of Legal Entity Customers* document renders as follows:

### II. CERTIFICATION OF BENEFICIAL OWNER(S)

Persons opening an account on behalf of a legal entity must provide the following information:

- a. Name and Title of Natural Person Opening Account:

John Borrower, CEO



John Borrower is the Beneficial Owner Certifier

- c. The following information for each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25 percent or more of the equity interests of the legal entity listed above:

	Name	Date of Birth	Address (Residential or Business Street Address)	For U.S. Persons: Social Security Number	For Non-U.S. Persons: Social Security Number, Passport Number and Country of Issuance, or other similar identification number <sup>1</sup>
✓	John Borrower	01/15/1979	123 Main St Apt 2 Bakersfield, NC 12345	999-12-3456	John Borrower and Jose Smith are both Beneficial Owners of Smith Borrower Inc.
✓	Jose Smith	12/04/1988	123 Jose Street Grand Rapids, MI 49506	123-45-6789	

- d. The following information for one individual with significant responsibility for managing the legal entity listed above, such as:

- An executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or
- Any other individual who regularly performs similar functions.

	Name/Title	Date of Birth	Address (Residential or Business Street Address)	For U.S. Persons: Social Security Number	For Non-U.S. Persons: Social Security Number, Passport Number and Country of Issuance, or other similar identification number <sup>1</sup>
✓	Jose Smith, President	12/04/1988	123 Jose Street Grand Rapids, MI 49506	123-45-6789	Jose Smith is the Beneficial Owner Manager.