

Examples of Evidence to Show Source and Availability of Funds

Evidence required when investment comes from your lawful income:

- five years of personal income tax returns
- personal bank account statements for the past several years
- letter from previous employers/business verifying income and employment
- if income generate from a business:
 - five years of business income tax returns
 - Articles of incorporation, share certificates or other evidence of ownership and
 - bank account statements for business

Evidence required when investment comes from a gift:

- documents showing transfer of funds from donor to investor
- statement explaining circumstances of the gift and why the gift was made
- gift tax return, if any
- documentation proving donor's source of funds

Evidence required when investment comes from an inheritance:

- statement of relationship between the investor and the deceased
- death certificate
- documentation confirming investor's receipt of inherited funds
- certification of payment of inheritance tax, if any
- evidence tracing funds from estate of the deceased's to the investor,
- statement explanating the relationship, the amount inherited, and other circumstances concerning the inheritance is required

Evidence required when investment comes from transactions:

- evidence relating to transaction including
 - agreement of sale
 - closing statements
 - bank account statements
 - documents tracing funds from closing to the investor's account
 - letter from accounting firm, confirming sale, sale price, and identity of buyer
 - evaluation from a certified accountant proving the value of the business
- evidence relating to sale of real estate
 - agreement of sale
 - settlement statement
 - confirmation of funds transfer
 - evidence of payment of real estate tax obligations
 - title report showing ownership/transfer
 - income tax returns establishing source of funds for real estate

- evidence relating to sale of stock
 - incorporation documents or other company registration documents
 - share purchase agreement
 - evidence of transfer of proceeds from sale from the brokerage company to the investor's account
 - evidence of taxes paid on proceeds of stock sale
 - corporate records/stock certificates confirming transfer of stock

Evidence required when investment comes from a loan. **Because of "at-risk" principle, CIS only recognizes loans secured by investor's assets as opposed to loans secured by property associated with the U.S. investment enterprise.

- written loan agreement with commercially reasonable terms
- documents showing transfer of funds from lender
- lender's business/personal records, bank account statements, income tax returns showing lawful source of funds