



# **Foreign Account Tax Compliance Act (FATCA)**

## Entity Classification Guide

May 2019

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# Introduction

## What is FATCA?

The US Treasury has enacted a piece of legislation known as the Foreign Account Tax Compliance Act (“FATCA”) which aims to detect and deter US Persons from using non-US financial organisations to evade US tax. It requires Financial Institutions (FIs) such as SCM DMA (Pty) Ltd (DMA) to identify customers that are US Persons and accounts owned either directly or indirectly by US Persons. Further, many countries have signed ‘Intergovernmental Agreements’ (“IGAs” or “Agreements”) with the US to agree to implement this legislation domestically.

For DMA (“us/we”) to comply with this legislation, we require you to complete the appropriate IRS (Internal Revenue Service) W-series form confirming the entity’s FATCA classification (also known as Chapter 4 status). It is the information on this form (and supporting documentation where appropriate) that we will rely upon to fulfil our legislative reporting requirements where necessary in respect of FATCA and US Persons.

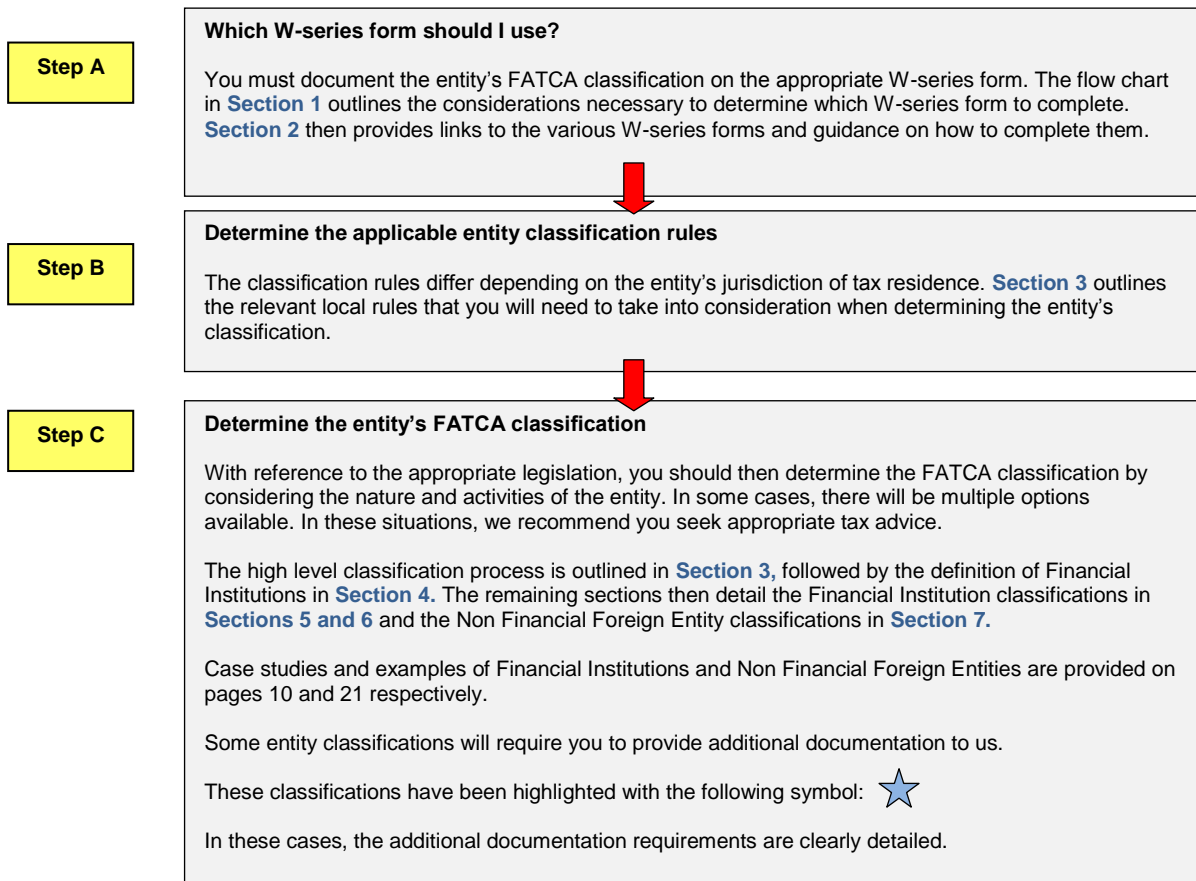
## Why have I received this document?

The entity classification rules under FATCA are complex and determining the entity’s FATCA classification is not a straight forward process. Further, some entities will find that they have multiple classifications available to them and will need to consider which classification is the most appropriate for them. We are not able to provide tax advice or advise customers on their FATCA classification.

This document is not intended to answer all questions or cover all scenarios but should give you an introduction to the FATCA entity classifications and a summary of the key determining factors, using visual decision trees to summarise these. Detailed classification definitions are outlined in the glossary to this document.

If you do not wish to use this document we would strongly recommend you seek appropriate tax advice to assist you with the classification process.

The steps required are as follows:



**What if I still don't know what the entity's FATCA classification is?**

If you get to the end of this document and are still unclear how to establish the entity's FATCA classification or are uncertain of its classification, you will need to seek appropriate tax advice. Your Relationship Manager at DMA will not be in a position to provide assistance beyond the information contained within this guide given the complexity of the entity classification rules and given that, by law, DMA is not permitted to give tax advice.

*This document is not intended and cannot be used as a substitute for a detailed analysis of the Foreign Account Tax Compliance Act (FATCA), Intergovernmental Agreements or related documents. This document does not constitute or should not be construed as tax advice. In case of uncertainty, please obtain professional tax advice.*

*This document is intended to assist you in identifying and completing the documentation necessary for FATCA classification purposes, based on FATCA information currently available.*

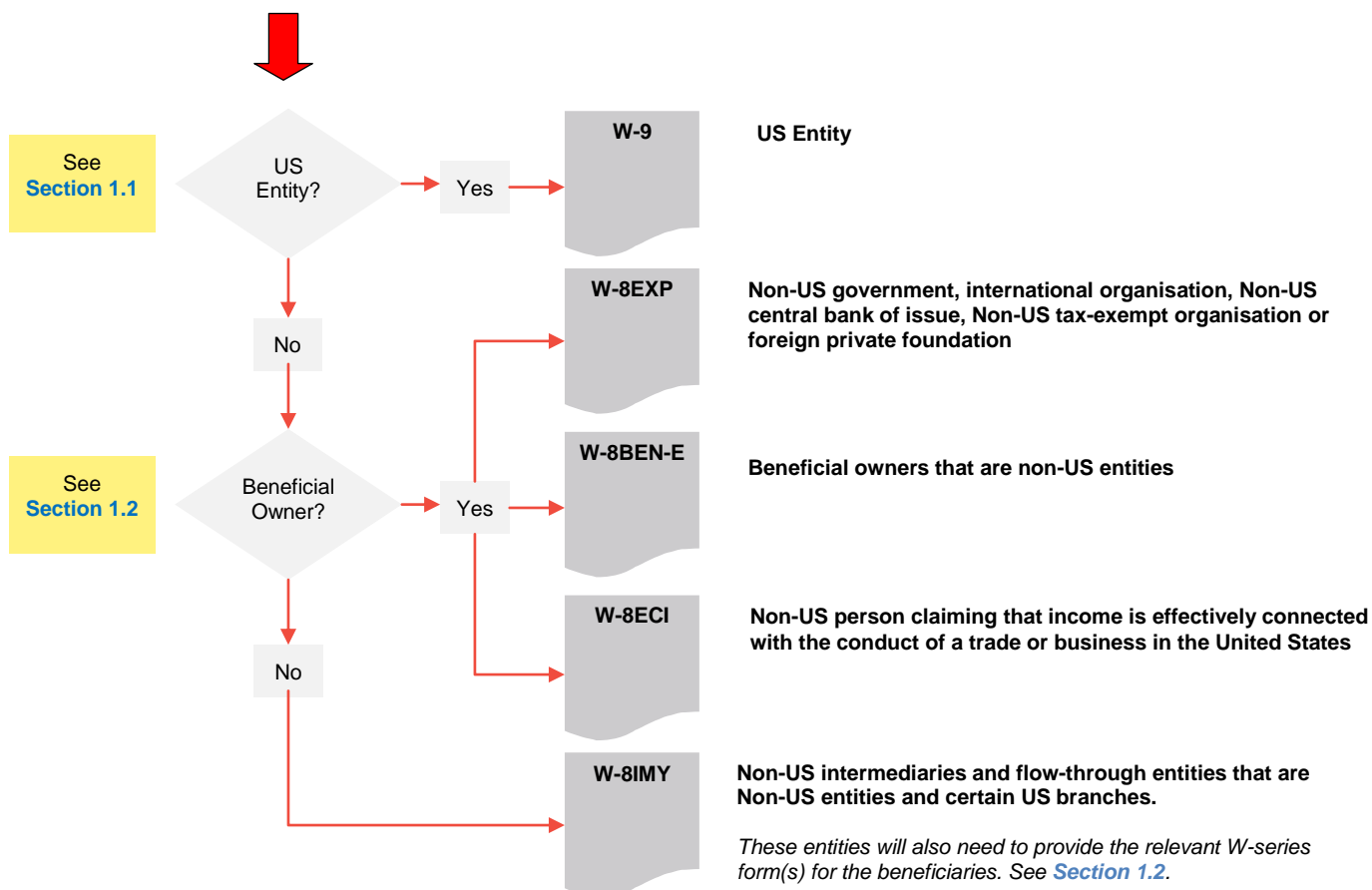
*This document contains visualizations of the "decision tree" in a simplified form. To accurately determine the FATCA please refer to the textual description.*

**We recommend that entities seek professional tax advice in the case of uncertainty or if there are several classifications that may be applicable to the entity.**

## 1. Which W-series form should I complete for the entity?

We require you to complete an IRS W-series form confirming the entity's FATCA classification. There are a suite of W-series forms and you will need to establish which is the correct form to provide us with. To do so, you must consider the entity's US/non-US status and whether it is the beneficial owner or an intermediary in respect of the account in question.

Please consult the below flow diagram and the indicated sections within this guidance document to help determine which W-series form you should complete. Further guidance on which form to complete can be found on the W-series forms themselves and in the IRS instructions to these as set out below.



Please see the below links to the W-series forms and accompanying IRS instructions.

<b>W-9 Form:</b>	<a href="http://www.irs.gov/pub/irs-pdf/fw9.pdf">http://www.irs.gov/pub/irs-pdf/fw9.pdf</a>
<b>W-9 Form Guidance:</b>	<a href="http://www.irs.gov/pub/irs-pdf/iw9.pdf">http://www.irs.gov/pub/irs-pdf/iw9.pdf</a>
<b>W-8BEN-E Form:</b>	<a href="http://www.irs.gov/pub/irs-pdf/fw8bene.pdf">http://www.irs.gov/pub/irs-pdf/fw8bene.pdf</a>
<b>W-8BEN-E Form Guidance:</b>	<a href="http://www.irs.gov/pub/irs-pdf/iw8bene.pdf">http://www.irs.gov/pub/irs-pdf/iw8bene.pdf</a>
<b>W-8BEN Form:</b>	<a href="http://www.irs.gov/pub/irs-pdf/fw8ben.pdf">http://www.irs.gov/pub/irs-pdf/fw8ben.pdf</a>
<b>W-8BEN Form Guidance:</b>	<a href="http://www.irs.gov/pub/irs-pdf/iw8ben.pdf">http://www.irs.gov/pub/irs-pdf/iw8ben.pdf</a>
<b>W-8IMY Form:</b>	<a href="http://www.irs.gov/pub/irs-pdf/fw8imy.pdf">http://www.irs.gov/pub/irs-pdf/fw8imy.pdf</a>
<b>W-8IMY Form Guidance:</b>	<a href="http://www.irs.gov/pub/irs-pdf/iw8imy.pdf">http://www.irs.gov/pub/irs-pdf/iw8imy.pdf</a>
<b>W-8EXP Form:</b>	<a href="http://www.irs.gov/pub/irs-pdf/fw8exp.pdf">http://www.irs.gov/pub/irs-pdf/fw8exp.pdf</a>
<b>W-8EXP Form Guidance:</b>	<a href="http://www.irs.gov/pub/irs-pdf/iw8exp.pdf">http://www.irs.gov/pub/irs-pdf/iw8exp.pdf</a>
<b>W-8ECI Form:</b>	<a href="http://www.irs.gov/pub/irs-pdf/fw8eci.pdf">http://www.irs.gov/pub/irs-pdf/fw8eci.pdf</a>
<b>W-8ECI Form Guidance:</b>	<a href="http://www.irs.gov/pub/irs-pdf/iw8eci.pdf">http://www.irs.gov/pub/irs-pdf/iw8eci.pdf</a>

## 1.1. Does the entity need to provide a Form W-9?

US entities should complete a Form **W-9**. Should the entity be a US entity, there is no further need to consult this guide as the remainder of the guide deals with the classification of non-US entities.

Broadly a US entity is any of the following:

- A Corporation or Partnership created or organised in the US or under the law of the US or of any state in the US.
- An estate of a US person or a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust.
- The US government or any agency/instrumentality thereof.

You should obtain tax advice if you are unsure whether the entity is considered a US entity.

***Please also note that a Form W-9 and, outside the US, a secrecy waiver from the substantial US owner (in addition to a Form W-8BEN-E from the entity) may be required if you conclude that the entity is a Passive NFFE AND it has 'substantial US owners' (defined below).***

### Substantial US owners

In general, substantial US owners in the case of corporations are any persons that own directly or indirectly more than 10% of the stock of such corporation and in the case of a trust, any person treated as an owner of any portion of a trust treated as a grantor trust under US tax law and any person that holds directly or indirectly more than 10% of the beneficial interests of the trust AND that are specified US persons. Generally a "specified US person" is any US person **other than** those specifically excluded, such as a publicly-traded corporation and affiliates thereof, a tax-exempt organisation, a US or state governmental entity, a bank, a broker, a dealer, a regulated investment company, a real estate investment trust, a common trust fund, a charitable trust and certain tax-exempt trusts.

A US person in respect of an individual is commonly a citizen or resident of the United States and they can be treated as a US person even if they reside permanently outside the US or even if they hold a non-US passport.

DMA may already have the appropriate documentation on file in respect of the entity's US owners. Therefore if you conclude that the entity is a Passive NFFE or Owner Documented FFI ("ODFFI") and there are US persons amongst the entity's owners we recommend you contact your Relationship Manager to confirm what documentation is already held on file in respect of those US persons. Generally a Passive NFFE must provide a list of its substantial US owners on the Form W-8BEN-E or on a withholding statement provided with a Form W-8IMY. An ODFFI must provide W-series tax forms for all its underlying beneficial owners. Curative documentation is required for all non-US owners with US indicia (including W-series forms in the case of a Passive NFFE with non-US owners that have US indicia).

## 1.2. Is the entity acting as a beneficial owner or an intermediary?

Determining who the beneficial owner of an account is can be complex. Generally, an account holder is the beneficial owner of that account if they own the assets or income within the account **or** they are entitled to them.

An account holder is acting as an **intermediary** if they receive amounts from the account on behalf of another person or as a "flow-through entity". Common examples include qualified intermediaries (QIs), nonqualified intermediaries (NQIs), non-US simple trusts, non-US grantor trusts, and non-US partnerships. Where the entity is acting as an intermediary, we will require you to provide the **Form W-8IMY** (unless you consider another form more appropriate) and with this, a withholding statement containing pooled information for QIs or, in the case of nonqualified intermediaries and non-withholding non-US partnerships and trusts the details of the beneficial owners and income allocation percentages and, the appropriate W-series form(s) for those beneficial owners.

The determination of US trust type is a complex process. The box below provides common examples where the settlor is a non-US person and the trust is not marketing itself to third parties (i.e., it is a trust established for the benefit of family members, relatives or charities). **Tax advice should be sought if you are unsure of the trust type under US tax law.**

**Non-US Grantor trust:** Trusts where the settlor of the trust can revoke the trust or the settlor and/or their spouse are the only ones entitled to income whilst alive. In that case, the grantors are considered to be the beneficial owners.

**Non-US Simple trust:** Trusts where all income in the year must be distributed. No income can be accumulated for charitable purposes and no distributions in excess of income can be made for the year. The beneficiaries of the trust are considered to be the beneficial owners.

**Non-US Complex trust:** Trusts that are not deemed to be simple or grantor trusts (generally irrevocable and discretionary trusts). The trust itself is considered to be the beneficial owner and would provide a Form W-8BEN-E.

### 1.3. Does the entity need to provide a Chapter 3 Status on the W-form?

This document focuses on the types of FATCA entity classification and how to determine these for the entity. However when completing the applicable W-series form, entities must also document their Chapter 3 status. The Chapter 3 determination requires you to classify the entity as one of the following depending on whether the entity is completing a Form W-8BEN-E or a Form W-8IMY:

W-8BEN-E	W-8IMY
Corporation	Qualified Intermediary
Partnership	Non-Qualified Intermediary
Complex Trust	Territory Financial Institution
Grantor Trust	US branch
Simple Trust	Withholding foreign partnership
Private Foundation	Withholding foreign trust
Central bank of Issue	Nonwithholding foreign partnership
Tax-exempt organisation	Nonwithholding foreign simple trust
Estate	Nonwithholding foreign grantor trust
Government	
Disregarded entity	

Similarly, the “Type of Entity” line should be completed on Form W-8EXP and Form W-8ECI.

In particular, if the entity is a trust, the determination of trust type under US tax law (e.g., foundations assimilated to trusts) can be complex. Whilst we have provided common examples for trusts in [Section 1.2](#), you should consider seeking appropriate tax advice if you are unsure as to the entity’s Chapter 3 status.

Entities set up as a corporation, e.g., a PIC, would generally tick the “Corporation” check box, LLCs should tick “Corporation”, “Partnership” or “Disregarded entity” as applicable.

**Once you have determined which W-series form must be completed, please proceed to [Section 2](#) on the next page in order to determine the entity’s FATCA classification.**

## 2. Classification Overview

### 2.1. Which Inter Governmental Agreement (IGA) does the entity fall under and why does it matter?

Although FATCA is a piece of US legislation, a number of governments have entered into IGAs with the US and have effectively implemented FATCA into domestic law.

As such, there are variances across the IGAs and domestic law in the types of FATCA classification. Given this, you will need to consider if the entity's country of tax residence has signed an IGA as this information will be necessary to understand the entity's FATCA classification. A full list of the IGAs that have been signed is available on the IRS website (<http://www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA-Archive.aspx>).

Tax authorities in each jurisdiction are also in the process of issuing country specific guidance notes in respect of FATCA. . Therefore, you should consult the IGA of the entity's tax residence, together with any locally issued guidance from the tax authorities, to determine the entity's final FATCA classification.

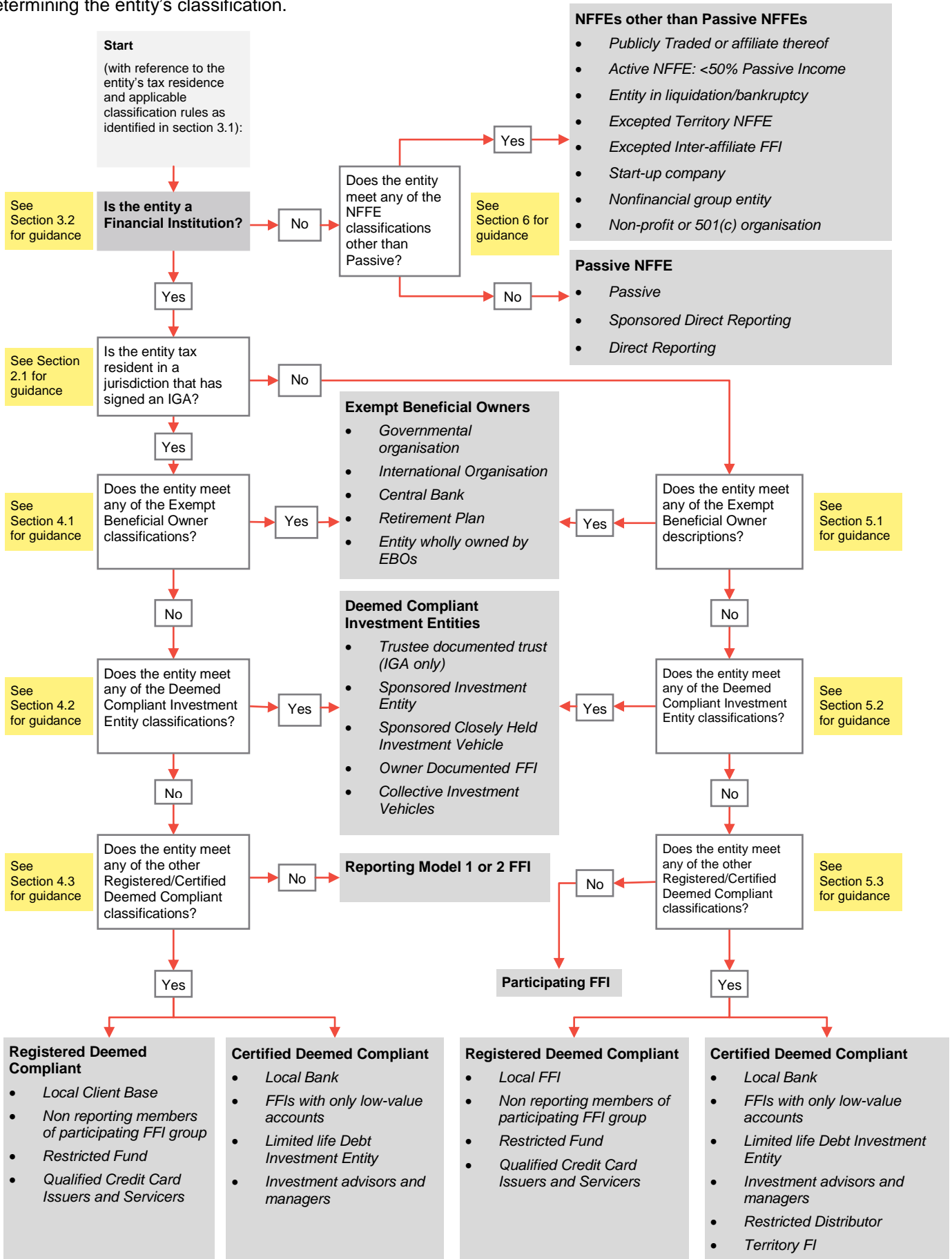
Entities that are tax resident in jurisdictions with no IGA in place should refer to the US Treasury Regulations which can be found on the IRS FATCA website:

<http://www.irs.gov/Businesses/Corporations/Foreign-Account-Tax-Compliance-Act-FATCA>

**This document does not provide guidance on tax residence. If you are unsure of the entity's tax residence you should seek tax advice.**

## 2.2. FATCA Entity Classification Process Overview

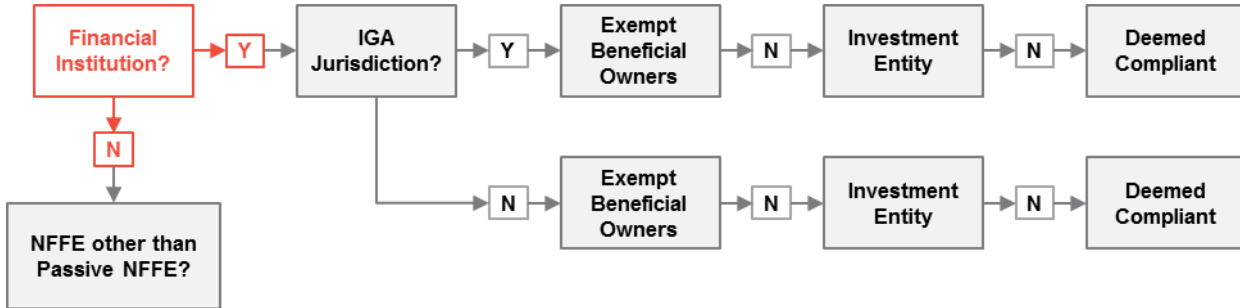
The flow chart below summarises the key considerations that you should take to help reach the classification options available to the entity. You should consult this document where referenced below for assistance in determining the entity's classification.



A non-US entity that is not classified as one of the above classifications will be considered a Nonparticipating FFI.

**Document Reference**

The above classification overview, in the below simplified format, is positioned at the start of each subsequent section. The red outline identifies the part of the classification process under consideration.

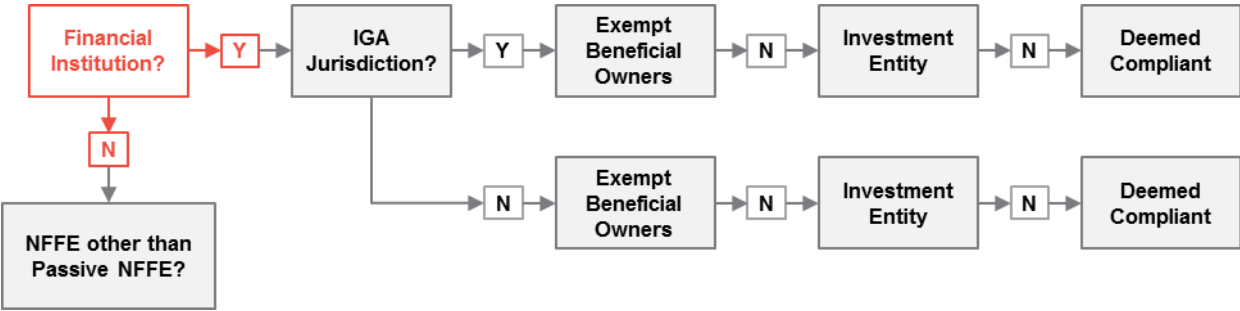


### 3. Is the entity a Financial Institution?

#### 3.1. Completion of W-8 series form as a Financial Institution (FI)

If the entity has already undertaken an exercise to determine its status as a FI, you should complete the applicable W-8 series form as a **Reporting Model 1 FFI**, **Reporting Model 2 FFI** or **Participating FFI** (unless a Non-Reporting IGA FFI), as determined by the entity’s jurisdiction of tax residence. Please complete the relevant W-series form as identified in **Section 1** and include the entity’s Global Intermediary Identification Number (GIIN) (generally in box 9 of the W-series Form).

If you are unsure of the entity’s FATCA classification, please proceed through this section for further guidance.



#### 3.2. How to determine if the entity is a Financial Institution (FI)?

Broadly, there are five types of FI definition as set out below. You will need to consider all the FI definitions to establish whether the entity is a FI. It may be possible for the entity to meet more than one definition of FI.

Please consider ALL of the descriptions and examples below and consider if the entity falls into any of the categories. If the entity falls within one or more of these categories, it will be a FI. If the entity does not fall within any of these categories and you are comfortable that there are no local variances that would mean otherwise, the entity will be a Non Financial Foreign Entity (NFFE).

We note that you may see references in this document to a 'FFI', this stands for Foreign Financial Institution and is the terminology used in the US regulations. Broadly the definition of a FI is aligned across US legislation and local country’s legislation but we would recommend that you refer to the entity’s local legislation or seek independent tax advice to verify if the entity is a FI as the exact definitions may vary depending on which jurisdiction the entity is tax resident in.

**Further, FIs may be required to register with the IRS and may have the responsibility to carry out a number of additional obligations under domestic or US law. Therefore if you consider that the entity is a FI we recommend you seek tax advice to understand the entity’s obligations further.**

### 3.2.1. Investment Entity

#### Consideration

Does the entity conduct any of the following activities for or on behalf of a customer:

- Trading in money market instruments;
- Individual and collective portfolio management; or
- Otherwise investing, administering, or managing funds or money on behalf of other persons

Does this consist of a significant portion of the entity's business (more than 50%)?

Or

Is the entity's income primary attributable (more than 50%) to investing, reinvesting or trading in financial assets **and** the entity is **managed by a Financial Institution**?

Or

Is the entity or its activities **professionally managed**?

#### Examples

- Trusts with a professional trustee;
- Fund managers;
- Professionally managed personal investment companies;
- Funds with a fund manager

#### Professionally Managed

**Trusts, Personal Investment Companies, LLCs and Partnerships and Investment Funds may fall into the investment entity definition for being professionally managed.**

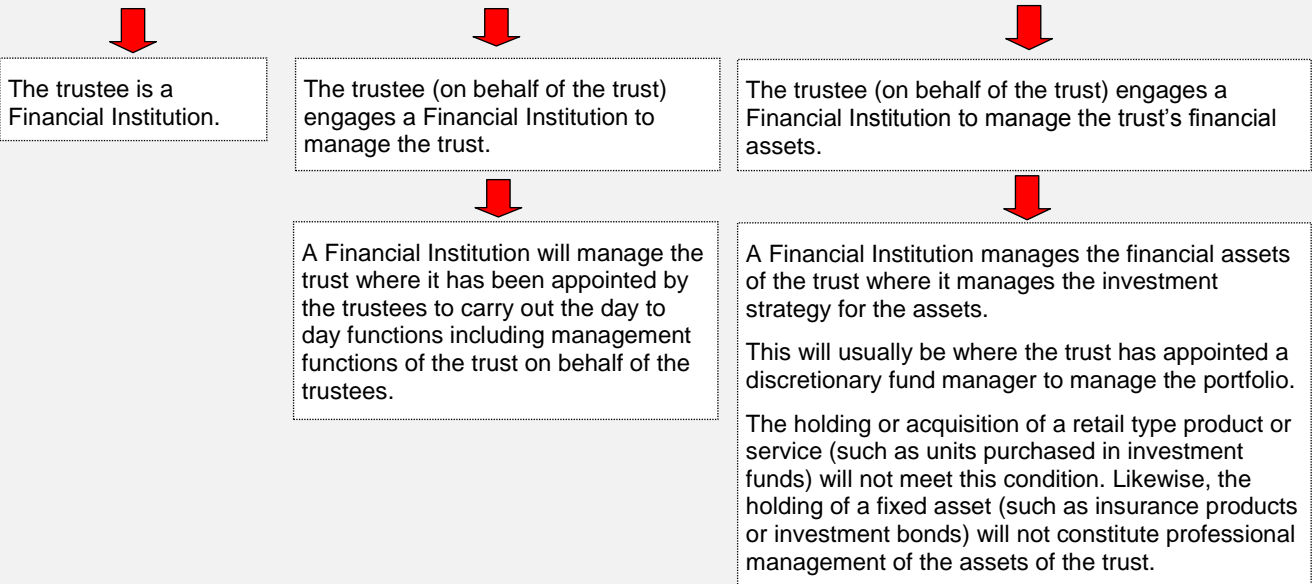
An entity will be professionally managed if it is managed by a FI. A FI will manage an entity where it has been appointed to carry out the day to day functions of that entity.

**Entities that have appointed a discretionary fund manager will generally be considered to be professionally managed.**

The principles in the below trust **case study** are relevant to the above entity types. See also related discussion in **Section 6.2**.

#### Case Study: Trusts

Trusts may fall under the definition of Investment Entity where the trust is **professionally managed**. A trust will be professionally managed where **ANY** of the below are true:



**Note: The above is guidance only.** There are different definitions for an "investment entity" under the Treasury Regulations and IGAs. Under the Treasury Regulations, a two-part test must be satisfied: (i) an income test; and (ii) the entity must be managed by a "professional manager". Under the IGA definition, only professional management is required to meet the investment entity definition unless the local IGA allows the US Treasury Regulations to be applied in lieu of corresponding definitions in the Agreement. Further guidance is expected from the IRS in this regard and it is therefore recommended that you seek tax advice if you believe the entity may meet any of these conditions.

### 3.2.2. Custodial Institution

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#### Considerations

Does the entity hold financial assets for the account of others?

Financial assets include securities (such as corporation stocks, notes, bonds, debentures, partnership interests, commodities, notional principal contracts, and insurance or annuity contracts).

Is this a substantial part of its business (more than 20% of income)?

If yes to the above, the entity is likely to be a custodial institution.

#### Examples

- *Custodial banks;*
- *Brokers;*
- *Trust companies;*
- *Clearing organisations and nominees;*
- *Entities carrying out regulated activities, e.g. in South Africa by FAIS or UK by the FSMA;*
- *Employment Benefit Trust holding shares for an employee after they have been granted*

### 3.2.3. Depository Institution

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#### Considerations

Does the entity accept deposits in the ordinary course of a banking or similar business?

#### Examples

Entities carrying out regulated activities, e.g., in the UK (FSMA) or SA (FSCA) generally are:

- *Saving or Commercial Banks;*
- *Credit Unions;*
- *Industrial and Provident Societies;*
- *Building Societies;*
- *Entities that issue payment cards that can be pre-loaded with funds in excess of \$50,000 to be spent at a later date*

### 3.2.4. Specified Insurance Company

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#### Considerations

Does the entity carry out insurance activities?

Does it issue Cash Value Insurance or Annuity Contracts?

#### Examples

An Insurance company that only provides the following services would generally not be treated as a FI:

- *General Insurance;*
- *Term life insurance; or*
- *Reinsurance companies that only provide indemnity reinsurance contracts.*

### 3.2.5. Holding Companies and Treasury Centres of Financial Groups

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#### Considerations

Is the entity a holding company of one or more entities that are FIs? Or;

Is the entity a treasury centre whose primary activity includes entering into hedging and financing transactions with or for FIs?

The treatment of holding companies and treasury centres varies across jurisdictions.

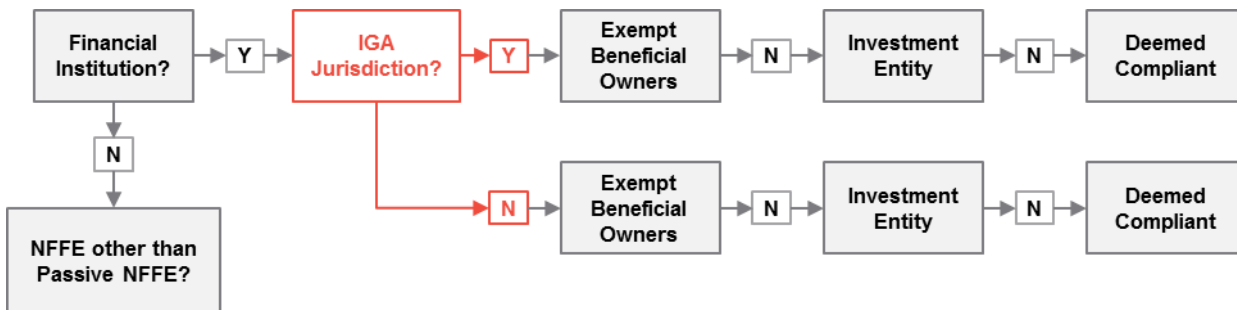
Please consult your professional tax advisor to determine the relevant requirements.

Proceed to [Section 3.3](#) if you DO consider that the entity meets one of the above categories of FI. If you do NOT consider that the entity meets any of these definitions, it is likely to be a Non Financial Foreign Entity (NFFE) and you should proceed to [Section 3.4](#).

### 3.3. If the entity is a Financial Institution (FI), what next?

If you consider that the entity should be classified as a FI, you should consider seeking tax advice as the entity may need to register with the IRS as a Reporting Model 1, Reporting Model 2 or Participating Financial Institution and may have certain FATCA obligations.

FIs that meet certain conditions may not have to register and may not have any due diligence and reporting obligations under FATCA. To determine if this is the case, you will need to consider if the entity is a Non-Reporting FI and consider the relevant legislation for the entity's jurisdiction of tax residence. For a reminder of the significance of this consideration, please see [Section 2.1](#).



FIs that are tax resident in a jurisdiction with an IGA in place should proceed to [Section 4](#) and refer to the relevant IGA to determine if they are a Reporting FI or a Non Reporting FI and to confirm their classification. If the entity is a FI and does not meet any of the Nonreporting FI classifications in [Section 4](#), you should complete the W-series form as a Reporting FI.

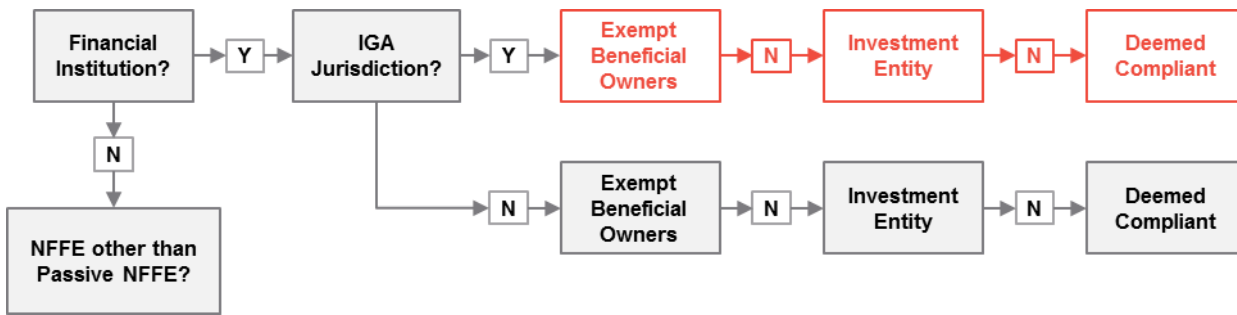
FIs that are tax resident in jurisdictions with no IGA in place should proceed to [Section 5](#) and refer to the US Treasury Regulations to determine if they are a Reporting FFI or a Non Reporting IGA FFI and to confirm their classification. If the entity is a FFI and does not meet any of the classifications in [Section 5](#), you should complete the W-series form as a Reporting Model 1 FFI, Reporting Model 2 FFI, Participating FFI or Nonparticipating FFI.

### 3.4. If the entity is not a Financial Institution (FI) what next?

If you do not think the entity meets any of the above definitions, proceed to [Section 6](#) to understand the classifications for non Financial Institutions, known as Non-Financial Foreign Entities (NFFEs). There are a number of types of NFFE; an NFFE may be classified as a 'Passive' NFFE. **Passive NFFEs** are required to provide information on the US owners of the entity (known as 'substantial US owners'). See [Section 1.1](#) for further details.

NFFEs generally will not be required to register with the IRS (unless they are Direct Reporting NFFEs or Sponsored Direct Reporting NFFEs), but still need to provide us with the appropriate W-form documenting their chapter 4 status for FATCA purposes.

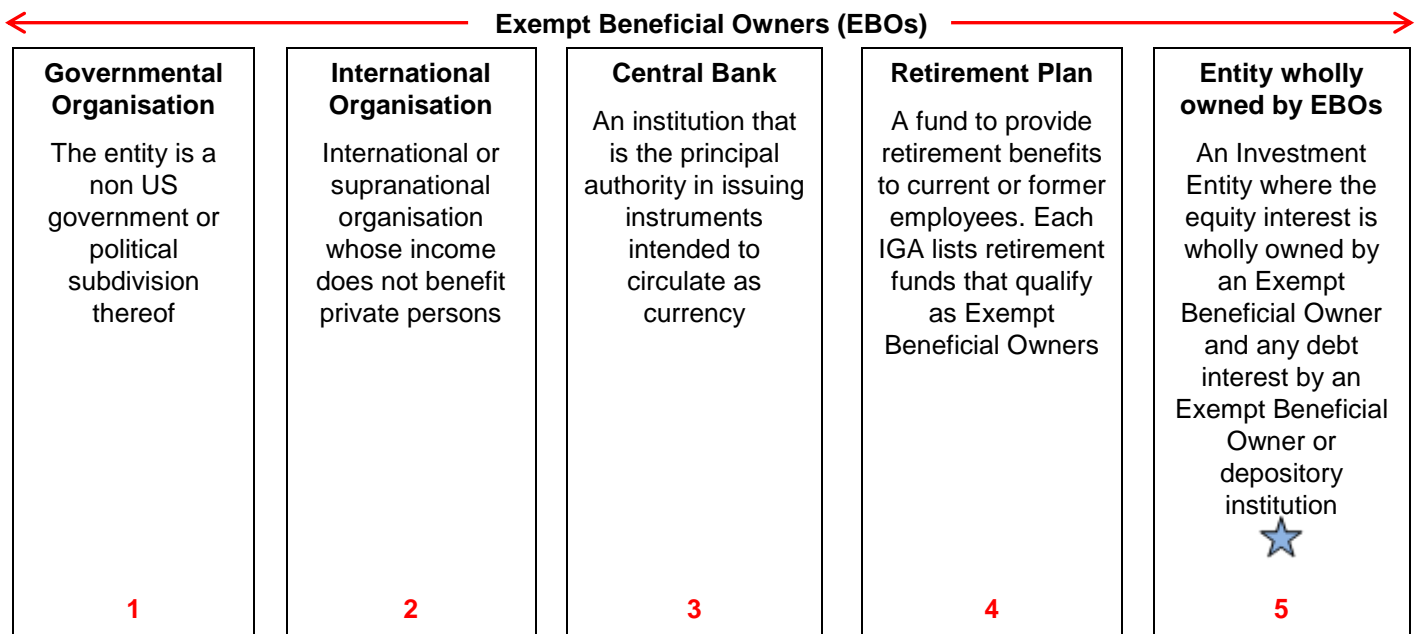
## 4. FIs in IGA jurisdictions: Is the entity a type of Non Reporting IGA Financial Institution (FI)?



This section summarises the Non-Reporting FI classifications options available for entities that are tax resident in a country that has signed an IGA (see [Section 2](#)). For all Non-Reporting IGA FI classifications, account holders should complete **section XII** on the Form **W-8BEN-E** or **section XVIII** on the Form **W-8IMY** (where the entity is an intermediary or flow through entity). When completing the applicable W-series form ([Section 1](#)), entities must state (in section XII/XVIII) which IGA jurisdiction they are tax resident in and state their FATCA entity classification.

The below guidance should be used with reference to Annex II of the entity's applicable IGA as there are local variances and we would recommend obtaining independent tax advice if you think the entity meets one of these classifications.

### 4.1. Is the entity an Exempt Beneficial Owner?



In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

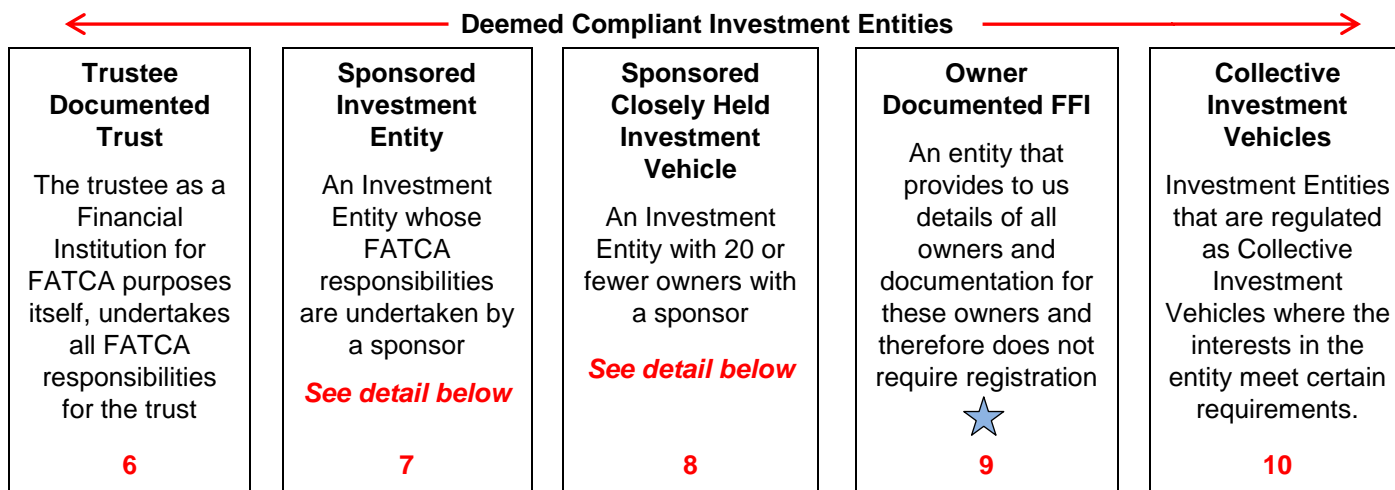
#### ★ Additional Documentation Requirements

An Entity wholly owned by EBOs must complete a FFI Owner Reporting Statement available on request. In addition, the legislation requires us to obtain documentation from those owners.

If you believe the entity does **NOT** meet any of the above descriptions, please proceed to [Section 4.2](#).

## 4.2. Is the entity a Deemed Compliant Investment Entity?

If the entity is an Investment Entity there may be multiple classifications available to it. If you believe the entity does not meet any of the below descriptions, please proceed to [Section 4.3](#).



In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

### ★ Additional Documentation Requirements

Owner Documented FFIs must complete a FFI Owner Reporting Statement which is available on request.

In addition, the legislation requires us to obtain documentation from those owners.

### Sponsored Entities

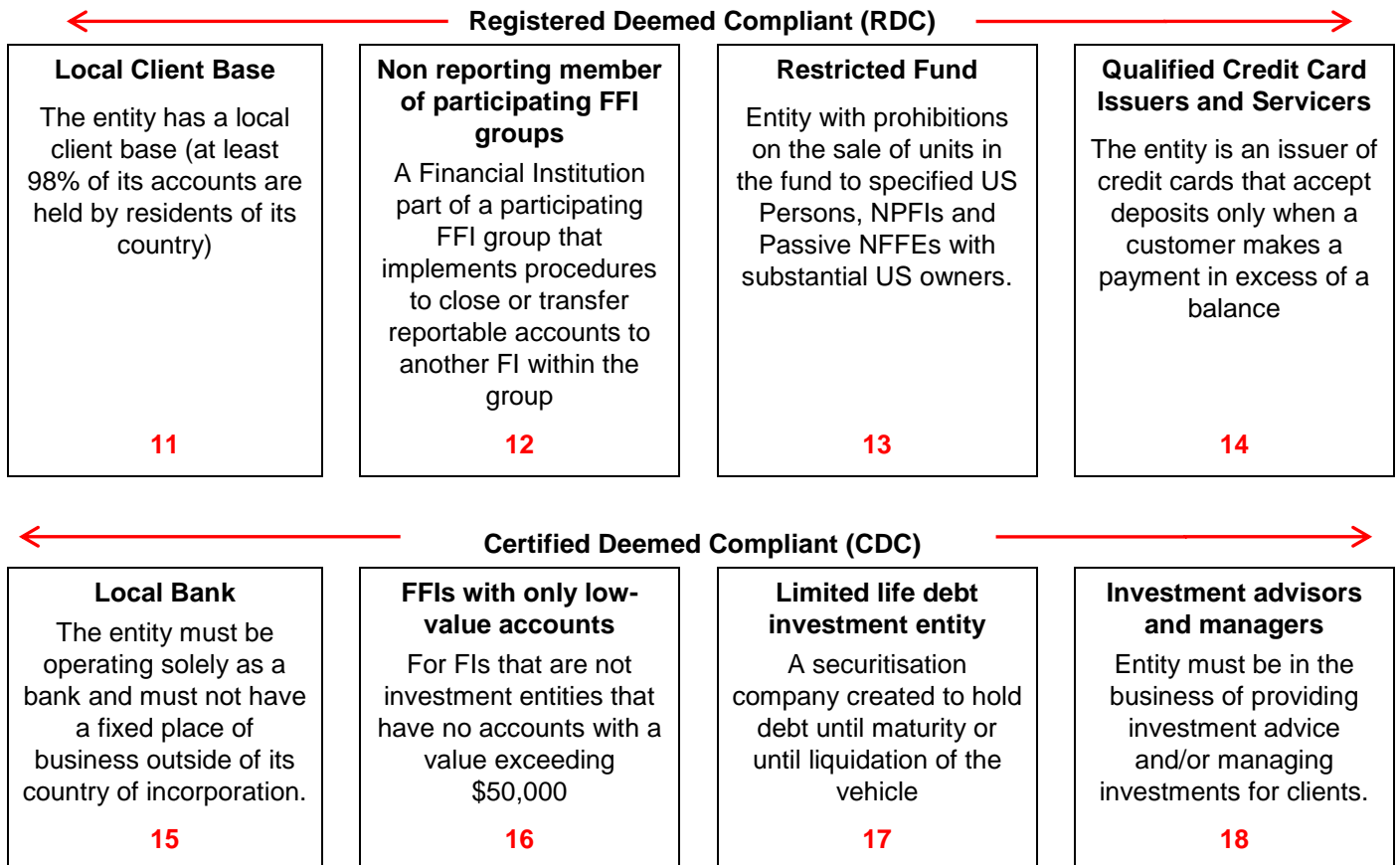
There are some classification options where the entity agrees with another entity that it will be its sponsor. By sponsoring the entity, the sponsor agrees to take on a number of FATCA obligations on its behalf and is likely to need to register with the IRS.

Should you be interested in a sponsoring arrangement we recommend that you discuss this with the potential sponsor and obtain tax advice.

**DMA would not generally act as a sponsoring entity except where DMA is responsible for administering the entity.**

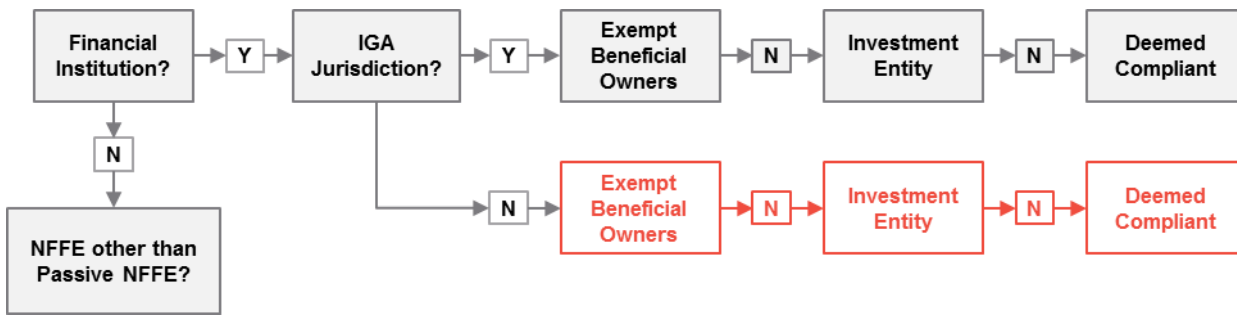
### 4.3. Is the entity a Registered / Certified Deemed Compliant Entity?

There are further registered deemed-compliant and certified deemed-compliant entity classifications available:



In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

## 5. FIs in non IGA jurisdictions: Is the entity a type of US Treasury Regulations Non Reporting Financial Institution (FI)?



This section summarises the Non-Reporting FI classifications options available under the US Treasury Regulations (see [Section 2](#)) which apply to entities in **non IGA** jurisdictions. The relevant W-8BEN-E or W-8IMY sections for entities to complete are listed for each classification.

Detailed definitions for each classification can be found in the Glossary ([Section 7](#)), referenced by the **red numbers** in each box below. We recommend obtaining tax advice if you think the entity meets one of these classifications.

### 5.1. Is the entity an Exempt Beneficial Owner (EBO)?

If you believe the entity does not meet any of the below descriptions, please proceed to [Section 5.2](#).

← Exempt Beneficial Owners →				
<p><b>Governmental Organisation</b></p> <p>The entity is a foreign government or a government of a US possession<sup>1</sup>.</p> <p><b>W-8BEN-E:</b> Complete Part XIII</p> <p><b>W-8IMY:</b> n/a</p> <p style="text-align: center;"><b>19</b></p>	<p><b>International Organisation</b></p> <p>International or supranational organisation whose income does not benefit private persons</p> <p><b>W-8BEN-E:</b> Complete Part XIV</p> <p><b>W-8IMY:</b> n/a</p> <p style="text-align: center;"><b>20</b></p>	<p><b>Central Bank</b></p> <p>An institution that is the principal authority in issuing instruments intended to circulate as currency</p> <p><b>W-8BEN-E:</b> Complete Part XIII</p> <p><b>W-8IMY:</b> Complete Part XVII</p> <p style="text-align: center;"><b>21</b></p>	<p><b>Retirement Plan</b></p> <p>A fund to provide retirement benefits to current or former employees.</p> <p><b>W-8BEN-E:</b> Complete Part XV</p> <p><b>W-8IMY:</b> Complete Part XIX</p> <p style="text-align: center;"><b>22</b></p>	<p><b>Entity wholly owned by EBOs</b></p> <p>Where the equity interest is owned by an EBO and any debt interest by an EBO or depository institution</p> <p><b>W-8BEN-E:</b> Complete Part XVI</p> <p><b>W-8IMY:</b> n/a</p> <p style="text-align: center;">★</p> <p style="text-align: center;"><b>23</b></p>

In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary ([Section 7](#)).



#### Additional Documentation Requirements

An Entity wholly owned by EBOs must complete a FFI Owner Reporting Statement which is available on request. In addition, the legislation requires us to obtain documentation from those owners.

<sup>1</sup> A possession in this context means American Samoa, Guam, the Northern Mariana Islands, Puerto Rico or the US Virgin Islands

## 5.2. Is the entity a Deemed/ Certified Deemed Compliant Investment Entity?

If you do not consider the entity to be an Exempt Beneficial Owner as set out in [Section 5.1](#), you will need to consider if the entity meets any of the below registered deemed compliant or certified deemed compliant FFI classifications. If the entity is an Investment Entity there may be multiple classifications available to it. If you believe the entity does not meet any of the below descriptions, please proceed to [Section 5.3](#).

Deemed/ Certified Deemed Compliant Investment Entities			
<p><b>Sponsored Investment Entity</b></p> <p>A registered investment entity whose FATCA responsibilities are undertaken by a sponsor</p> <p><i>See 6.2.1 below</i></p> <p><b>Registered Deemed Compliant or if no GIIN obtained:</b></p> <p><b>W-8BEN-E: Complete Part IV</b></p> <p><b>W-8IMY: Complete Part X</b></p> <p><b>24</b></p>	<p><b>Sponsored Closely Held Investment Vehicle</b></p> <p>A closely held investment entity whose FATCA responsibilities are undertaken by a sponsor.</p> <p><i>See 6.2.1 below</i></p> <p><b>W-8BEN-E: Complete Part VII</b></p> <p><b>W-8IMY: Complete Part XIV</b></p> <p><b>25</b></p>	<p><b>Owner Documented FFI</b></p> <p>An entity that provides to us details of all owners and documentation for these owners and therefore does not register.</p> <p><b>W-8BEN-E: Complete Part X</b></p> <p><b>W-8IMY: Complete Part XI</b></p> <p>★</p> <p><b>26</b></p>	<p><b>Qualified Collective Investment Vehicles</b></p> <p>Investment Entities that are owned solely through PFFIs or by large institutional investors.</p> <p><b>Registered Deemed Compliant</b></p> <p><b>27</b></p>

In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

### ★ Additional Documentation Requirements

Owner Documented FFIs must complete a FFI Owner Reporting Statement which is available on request. In addition, the legislation requires us to obtain documentation from those owners.

### Sponsored Entities

There are some classification options where the entity agrees with another entity that it will be its sponsor. By sponsoring the entity, the sponsor agrees to take on a number of FATCA obligations on its behalf and is likely to need to register with the IRS.

Should you be interested in a sponsoring arrangement we recommend that you discuss this with the potential sponsor and obtain tax advice.

**DMA would not generally act as a sponsoring entity except where it is responsible for administering the entity.**

### 5.3. Is the entity a Registered or Certified Deemed Compliant Entity?

If you do not consider the entity to meet any the classifications set out in [Section 5.1](#) and [Section 5.2](#) it may fall into one of the Registered or Certified Deemed Compliant classifications below:

Registered Deemed Compliant			
<p><b>Local FFI</b></p> <p>The entity has a local client base (at least 98% of its accounts are held by residents of its country).</p> <p style="color: red; font-weight: bold;">28</p>	<p><b>Non reporting member of participating FFI groups</b></p> <p>A Financial Institution part of a participating FFI group that implements procedures to close/transfer reportable accounts to another FI in the group.</p> <p style="color: red; font-weight: bold;">29</p>	<p><b>Restricted Fund</b></p> <p>Entities with prohibitions on the sale of units in the fund to specified US Persons, NPFIs and Passive NFFEs with substantial US owners.</p> <p style="color: red; font-weight: bold;">30</p>	<p><b>Qualified Credit Card Issuers and Servicers</b></p> <p>The entity is an issuer of credit cards that accept deposits only when a customer makes a payment in excess of a balance.</p> <p style="color: red; font-weight: bold;">31</p>

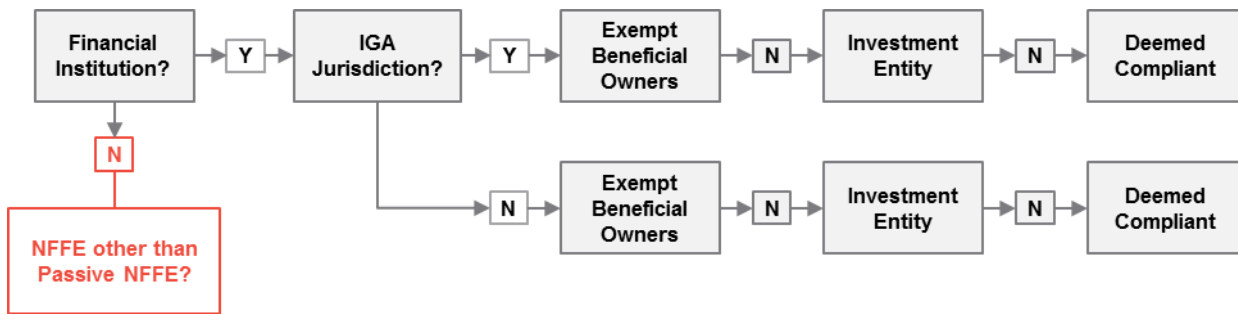
For the above classifications, complete the **Registered Deemed Compliant** box on form **W-8BEN-E** (or **W-8IMY** if appropriate).

Certified Deemed Compliant		
<p><b>Local Bank</b></p> <p>The entity operates solely as a bank and has no fixed place of business outside of its country of incorporation.</p> <p style="color: red; font-weight: bold;">W-8BEN-E: Complete Part V</p> <p style="color: red; font-weight: bold;">W-8IMY: Complete Part XII</p> <p style="color: red; font-weight: bold;">32</p>	<p><b>FFI with only low-value accounts</b></p> <p>For FIs that are not investment entities that have no accounts with a value exceeding \$50,000</p> <p style="color: red; font-weight: bold;">W-8BEN-E: Complete Part VI</p> <p style="color: red; font-weight: bold;">W-8IMY: Complete Part XIII</p> <p style="color: red; font-weight: bold;">33</p>	<p><b>Limited life debt investment entity</b></p> <p>Securitisation companies created to hold debt until maturity or until liquidation of the vehicle</p> <p style="color: red; font-weight: bold;">W-8BEN-E: Complete Part VIII</p> <p style="color: red; font-weight: bold;">W-8IMY: Complete Part XV</p> <p style="color: red; font-weight: bold;">34</p>
<p><b>Investment advisors and managers</b></p> <p>Entity must be in the business of providing investment advice and/or managing investments for clients.</p> <p style="color: red; font-weight: bold;">W-8BEN-E: Complete Part IX</p> <p style="color: red; font-weight: bold;">W-8IMY: n/a</p> <p style="color: red; font-weight: bold;">35</p>	<p><b>Restricted Distributor</b></p> <p>Entity subject to restrictions on who it can distribute to and where it can operate</p> <p style="color: red; font-weight: bold;">W-8BEN-E: Complete Part XI</p> <p style="color: red; font-weight: bold;">W-8IMY: Complete Part XVI</p> <p style="color: red; font-weight: bold;">36</p>	<p><b>Territory FI</b></p> <p>A FI that is not an investment entity that is organized under the laws of a possession<sup>1</sup> of the US</p> <p style="color: red; font-weight: bold;">W-8BEN-E: Complete Part XVII</p> <p style="color: red; font-weight: bold;">W-8IMY: Complete Part V</p> <p style="color: red; font-weight: bold;">37</p>

In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

<sup>1</sup> A possession in this context means American Samoa, Guam, the Northern Mariana Islands, Puerto Rico or the US Virgin Islands

## 6. Is the entity a Non Financial Foreign Entity (NFFE)?



Non-US entities that do not meet any of the Financial Institution (FI) definitions are Non Financial Foreign Entities (NFFEs). If you have already registered the entity with the IRS as a Direct Reporting NFFE or a Sponsored Direct Reporting NFFE, please provide the entity's Global Intermediary Identification Number (GIIN) on the Form W-8BEN-E or Form W-8IMY (where the entity is an intermediary or flow through entity). It is not necessary for you to continue through the remainder of this document.

If you have determined that the entity is not a FI, but are unclear what type of NFFE the entity is, please refer to the below to assist your decision making.

**Unless the entity meets any of the below NFFE definitions, it will be a Passive NFFE for the purpose of the completion of the W-series form and we will require you to provide additional documentation as detailed on the following page.**

## 6.1. NFFEs *other* than Passive NFFEs

<p><b>Publicly Traded NFFE and NFFE affiliates thereof</b></p> <p>The entity's stock is regularly traded on an established securities market</p> <p><b>W-8BEN-E: Complete Part XXIII</b></p> <p><b>W-8IMY: Complete Part XXIII</b></p> <p style="text-align: center;"><b>38</b></p>	<p><b>Active NFFE: &lt;50% Passive Income</b></p> <p>Less than half of the entity's gross income and assets are passive. Passive means derived from or related to financial assets</p> <p><b>W-8BEN-E: Complete Part XXV</b></p> <p><b>W-8IMY: Complete Part XXV</b></p> <p style="text-align: center;"><b>39</b></p>	<p><b>Entity in liquidation/bankruptcy</b></p> <p>The entity was not a FI in the past 5 years and is in liquidation or bankruptcy</p> <p><b>W-8BEN-E: Complete Part XX</b></p> <p><b>W-8IMY: Complete Part XXII</b></p> <p style="text-align: center;"><b>40</b></p>	<p><b>Excepted Territory NFFE</b></p> <p>An entity organised in a possession of the US that does not maintain financial accounts</p> <p><b>W-8BEN-E: Complete Part XXIV</b></p> <p><b>W-8IMY: Complete Part XXIV</b></p> <p style="text-align: center;"><b>41</b></p>
<p><b>Excepted inter-affiliate FFI</b></p> <p>A FI in a group structure that does not maintain accounts for third parties</p> <p><b>W-8BEN-E: Complete Part XXVII</b></p> <p><b>W-8IMY: n/a</b></p> <p style="text-align: center;"><b>42</b></p>	<p><b>Start-up company</b></p> <p>The entity is not yet operating a business and has no operating history, but has intent to operate a non-FI business.</p> <p><b>W-8BEN-E: Complete Part XIX</b></p> <p><b>W-8IMY: Complete Part XXI</b></p> <p style="text-align: center;"><b>43</b></p>	<p><b>Non-financial group entity (holding company, treasury center or captive finance company)</b></p> <p>Holds the stock of, or engages in financing and hedging transactions to an entity that engages in trade other than that of a FI, and does not provide those services to any non-related entity.</p> <p><b>W-8BEN-E: Complete Part XVIII</b></p> <p><b>W-8IMY: Complete Part XX</b></p> <p style="text-align: center;"><b>44</b></p>	<p><b>Non-profit or 501(c) organisation</b></p> <p>The entity has been established for religious, charitable, scientific, artistic, cultural or educational purposes. NFFEs which do not meet the glossary definition may meet the relevant IGA definition. An alternative certification may be provided in this instance.</p> <p><b>W-8BEN-E: Complete Part XXII or XXI</b></p> <p><b>W-8IMY: N/A</b></p> <p style="text-align: center;"><b>45</b></p>

In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

If you do not believe the entity meets any of the above definitions and it is not a Financial Institution, then the entity is likely to be a Passive NFFE. [Section 6.2](#) contains guidance on Passive NFFEs.

## 6.2. Passive NFFEs

<p><b>Passive NFFE</b></p> <p>Entity is not active or a withholding foreign partnership or withholding foreign trust for US Treasury Regulation purposes.</p> <p><b>W-8BEN-E: Complete Part XXVI</b></p> <p><b>W-8IMY: Complete Part XXVI</b></p> <p>★</p> <p><b>46</b></p>	<p><b>Sponsored Direct Reporting NFFE</b></p> <p>A registered NFFE where a sponsor has agreed to report all direct and indirect substantial US owners to the relevant authorities.</p> <p><b>W-8BEN-E: Complete Part XXVIII</b></p> <p><b>W-8IMY: Complete Part XXVII</b></p> <p><b>47</b></p>	<p><b>Direct Reporting NFFE</b></p> <p>Entity that elects to report information about its direct or indirect substantial U.S. owners to the relevant authorities</p> <p><b>W-8BEN-E/W-8IMY: Direct Reporting NFFE Box</b></p> <p><b>48</b></p>
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In line with the **red reference numbers** in each classification box above, detailed definitions have been set out in the Glossary (Section 7).

### ★ **Additional Documentation Requirements**

Passive NFFEs must complete Part XXVI of Form W-8BEN-E or Form W-8IMY and provide details of substantial US owners in Part XXX of the Form W-8BEN-E or on a withholding statement associated with a Form W-8IMY (if appropriate).

However, in order to align with existing policies DMA requires an entity customer to provide additional documentation in respect of any US owner(s) of an entity, i.e., a Form W-9 and, outside the US, a secrecy waiver. This documentation may already be held on file. If any US Persons are amongst the entity's owners we recommend you contact your Relationship Manager to firstly confirm what documentation is already held on file in respect of these persons. [Section 1.1](#) sets out more detail on 'US persons' and required documentation.

#### **Case Study Recap**

An entity that does not meet the definition of Financial Institution ([Section 3](#)), and does not meet any of the Excepted NFFE classifications, will be a Passive NFFE.

Examples: Trusts, Personal Investment Companies (PICs), LLCs, and Partnerships that are **NOT** professionally managed generally will be considered Passive NFFEs ([Section 3.2](#)).

**IMPORTANT NOTE:** A non-US entity (such as a PIC or trust) that is professionally managed generally will be considered to be an Investment Entity and therefore a FFI. Such entity may be an Owner Documented FFI, Participating FFI, Reporting Model1 FFI, Reporting Model 2 FFI, Non Reporting IGA FFI or Nonparticipating FFI.

## 7. Glossary

Below are the model definitions for each FATCA entity classification. These definitions have been taken from the model IGAs. You should refer to the entity's local Inter-Governmental Agreement (IGA) or if no IGA is in place, the US Treasury Regulations, to validate whether there are any local variances.

### Key abbreviations used in this document

Abbreviation	
<b>EBO</b>	<b>Exempt Beneficial Owner</b>
<b>FI</b>	<b>Financial Institution</b>
<b>IGA</b>	<b>Inter-Governmental Agreement</b>
<b>IRS</b>	<b>Internal Revenue Service</b>
<b>NFFE</b>	<b>Non Financial Foreign Entity</b>
<b>PFFI</b>	<b>Participating Foreign Financial Institution as defined in the US FATCA regulations (§1.1471-1(b)(91).)</b>

## Section 4

### Exempt Beneficial Owners

Classification	Requirements
<b>1. Governmental Organisation</b>	<ul style="list-style-type: none"> <li><i>The government of the FATCA Partner or any political subdivision thereof (e.g. state, county, municipality),</i></li> <li><i>Any wholly owned agency or instrumentality of the FATCA Partner,</i></li> <li><i>Any person, organisation, agency, fund or other body, however designated that constitutes a governing authority of the FATCA Partner. The net earnings of the governing authority must be credited to its own or the FATCA Partner accounts with no portion inuring for the benefit of a private person. This definition does not include any individual who is a sovereign or official acting in a private capacity,</i></li> <li><i>Any Entity that is separate in form from the FATCA Partner or that otherwise constitutes a separate juridical entity, provided that:</i> <ol style="list-style-type: none"> <li>The Entity is wholly owned and controlled by one or more FATCA Partner Governmental Entities directly or indirectly;</li> <li>The Entity's net earnings are credited to its own or to other FATCA Partner Governmental Entities with no portion inuring for the benefit of a private person; and</li> <li>Upon dissolution, the Entity's assets vest in one or more FATCA Partner Governmental Entities.</li> </ol> </li> </ul>
<b>2. International Organisation</b>	<p>Any international organisation or intergovernmental organisation or supranational organisation that:</p> <ol style="list-style-type: none"> <li>Is comprised primarily of non-US governments;</li> <li>Has in effect a headquarters agreement with a FATCA Partner; and</li> <li>The income of which does not insure to the benefit of private persons</li> </ol>
<b>3. Central Bank</b>	<p>An institution that is by law or government sanction the principal authority, other than the government of [FATCA Partner] itself, issuing instruments intended to circulate as currency. Such an institution may include an instrumentality that is separate from the government of [FATCA Partner], whether or not owned in whole or in part by [FATCA Partner].</p>
<b>4. Retirement Funds</b>	<p>A fund established in [FATCA Partner], provided that the fund is entitled to benefits under an income tax treaty between [FATCA Partner] and the United States on income that it derives from sources within the United States and is operated principally to administer or provide pension or retirement benefit.</p> <p><i>Treaty Qualified Retirement Fund</i>  A fund established in [FATCA Partner] to provide retirement, disability, or death benefits, or any combination thereof, to beneficiaries that are current or former employees (or persons designated by such employees) of one or more employers in consideration for services rendered, provided that the fund:</p>

Classification	Requirements
<i>Broad Participation Retirement Fund</i>	<ol style="list-style-type: none"> <li>1. Does not have a single beneficiary with a right to more than five percent of the fund's assets;</li> <li>2. Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in [FATCA Partner]; and</li> <li>3. Satisfies at least one of the following requirements: <ol style="list-style-type: none"> <li>a. The fund is generally exempt from tax in [FATCA Partner] on investment income under the laws of [FATCA Partner] due to its status as a retirement or pension plan;</li> <li>b. The fund receives at least 50 percent of its total contributions from the sponsoring employers;</li> <li>c. Distributions or withdrawals from the fund are allowed only if specified events related to retirement, disability, or death occur (except rollover distributions to other retirement funds or retirement and pension accounts), or penalties apply to distributions or withdrawals made before such specified events; or</li> <li>d. Contributions (other than certain permitted make-up contributions) by employees are limited by reference to earned income of the employee or may not exceed \$50,000 annually.</li> </ol> </li> </ol>
<i>Narrow Participation Retirement Fund</i>	<p>A fund established in [FATCA Partner] to provide retirement, disability, or death benefits to beneficiaries that are current or former employees (or persons designated by such employees) of one or more employers in consideration for services rendered, provided that:</p> <ol style="list-style-type: none"> <li>1. The fund has fewer than 50 participants;</li> <li>2. The fund is sponsored by one or more employers that are not Investment Entities or Passive NFFEs;</li> <li>3. The employee and employer contributions to the fund (other than transfers of assets from treaty-qualified retirement funds described in paragraph A of this section or retirement and pension accounts described in subparagraph A(1) of section V of this Annex II) are limited by reference to earned income and compensation of the employee, respectively.</li> <li>4. The employee and employer contributions to the fund (other than transfers of assets from treaty-qualified retirement funds or retirement and pension accounts) are limited by reference to earned income and compensation of the employee, respectively</li> <li>5. Participants that are not residents of the FATCA Partner are not entitled to more than 20% of the fund's assets; and</li> <li>6. The fund is subject to government regulation and provides information reporting to the tax authorities in the FATCA Partner.</li> </ol>
<i>Pension Fund of an Exempt Beneficial Owner</i>	<p>A fund established in the FATCA Partner by an Exempt Beneficial Owner to provide retirement, disability, or death benefits to beneficiaries or participants that are:</p> <ol style="list-style-type: none"> <li>a. Current or former employees of the Exempt Beneficial Owner (or persons designated by such employees); or</li> <li>b. Not current or former employees, if the benefits provided to such beneficiaries or participants are in consideration of personal services performed for the exempt beneficial owner.</li> </ol>
<b>5. Investment Entity Wholly Owned by EBOs</b>	<p>An entity that is a FATCA Partner FI solely because it is an Investment Entity, provided that each direct holder of:</p> <ol style="list-style-type: none"> <li>a. An Equity interest in the entity is an exempt beneficial owner, and</li> <li>b. Of a debt interest in the entity is either a Depository Institution (with respect to a loan made to the entity) or an exempt beneficial owner.</li> </ol>

## Investment Vehicles

Classification	Requirements
<b>6. Trustee Documented Trust (Certified-deemed compliant)</b>	<p>A trust established under the FATCA Partner's laws to the extent that the trustee is a Reporting US FI, Reporting Model 1 FFI, or Participating FFI and the trustee reports all the information required to be reported pursuant to the IGA as would be required if the trust were a Reporting Financial Institution.</p>
<b>7. Sponsored Investment Entity (Registered-deemed compliant)</b>	<p>An Investment Entity established in the FATCA Partner that is not a QI, withholding foreign partnership, or withholding foreign trust pursuant to US Treasury Regulations, which has a Sponsoring Entity.</p>
<b>8. Sponsored Closely Held Investment Vehicle (Certified-deemed compliant)</b>	<p>The requirements to qualify as a sponsored closely held investment vehicle are the following:</p> <ul style="list-style-type: none"> <li>• <i>The FI must be a FI solely because it is an Investment Entity and is not a US Qualified Intermediary, withholding foreign partnership or withholding foreign trust;</i></li> <li>• <i>The FI does not hold itself out as an investment vehicle for unrelated parties, and has 20 or fewer individuals that own its Debt and Equity Interests;</i></li> <li>• <i>The Sponsoring Entity is a US RFI, Reporting Model 1 FFI or Participating FFI and is authorised to act on behalf of the FI and agrees to perform on its behalf all due diligence, withholding and reporting responsibilities which would have arisen if the FI were a RFI;</i></li> <li>• <i>In addition, the Sponsoring Entity must:</i> <ol style="list-style-type: none"> <li>1. Register with the IRS as a sponsoring entity;</li> <li>2. Agree to undertake all FATCA compliance, withholding and reporting on behalf of the Sponsored entities;</li> <li>3. Identify each sponsored FI in all reporting completed on behalf of such sponsored FI;</li> <li>4. Not have its status as a sponsor revoked.</li> </ol> </li> </ul>
<b>9. Owner Documented FFI (Certified-deemed compliant)</b>	<p>An Owner-Documented FFI must meet the following requirements:</p> <ul style="list-style-type: none"> <li>• <i>Is a FFI solely because it is an investment entity;</i></li> <li>• <i>Must not be owned by, nor be a member of a group of an expanded affiliated group with any FI that is a Depository Institution, Custodial Institution or Specified Insurance Company;</i></li> <li>• <i>Does not maintain financial accounts for any NPFFIs;</i></li> <li>• <i>Must provide the required documentation and agree to notify designated withholding agent which is undertaking the reporting on behalf of the Owner Documented Financial Institution if there is a change in circumstances.</i></li> <li>• <i>The FI undertaking obligations on behalf of the Investment Entity must agree to report the information required on any Specified US Persons but will not need to report on any indirect owner of the owner documented entity that holds its interest through:</i> <ul style="list-style-type: none"> <li>A PFFI;</li> <li>Model 1 FFI;</li> <li>Deemed Compliant FI (other than an Owner Documented FI),</li> <li>Entity that is a US Person,</li> <li>Exempt Beneficial Owner,</li> <li>Excepted NFFE.</li> </ul> </li> </ul>

## Registered Deemed Compliant

Classification	Definition
<b>10. Collective Investment Vehicle (Registered-deemed compliant)</b>	<p>To qualify for this classification, an entity must be a CIV. CIVs are Investment Entities established in the FATCA Partner and regulated as a collective investment vehicle, provided that all the interests in the vehicle, including debt interests in excess of \$50,000, are held by or through one or more:</p> <p>Exempt Beneficial Owners; Active NFFEs; US Persons that are not Specified US Persons; or FIs that are not NPFI.</p>
<b>11. Local Client Base</b>	<p>A FI that meets the following requirements:</p> <ol style="list-style-type: none"><li>1. The FI must be licensed and regulated as a FI under the FATCA Partner's laws;</li><li>2. The FI must have no fixed place of business outside of the FATCA Partner other than a location that is not publicly advertised and from which the FI performs solely administrative support functions;</li><li>3. The FI must not solicit customers or Account Holders outside the FATCA Partner;</li><li>4. The FI must be required under the FATCA Partner's laws to identify resident Account Holders for purposes of either information reporting or withholding of tax or for satisfying the FATCA Partner's AML due diligence requirements;</li><li>5. At least 98% of the Financial Accounts by value maintained by the FI must be held by the FATCA Partner or EU Member State residents (including Entities);</li><li>6. On or before 1 July 2014, the FI must implement policies and procedures:<ol style="list-style-type: none"><li>a. To prevent the FI from providing a Financial Account to any NPFI; and</li><li>b. To monitor whether the FI opens or maintains a Financial Account for any Specified US Person who is not a FATCA Partner resident at the time of opening but subsequently ceases to be a resident of the FATCA Partner or any Passive NFFE with Controlling Persons who are US residents or citizens not resident of the FATCA Partner;</li></ol></li><li>7. Such policies and procedures must provide that if any Financial Account held by the above described persons is identified, the FI must report such account as though the FI were a RFI or close the account;</li><li>8. With respect to a Pre-existing Account held by an individual not resident of the FATCA Partner or by an Entity, the FI must review those accounts in accordance with the procedures applicable to Pre-existing Accounts to identify any US Reportable Account or Financial Account held by a NPFI, and must report such account as though the FI were a RFI or close the account;</li><li>9. Each Related Entity of the FI that is a FI must be incorporated or organized in the FATCA Partner and, with the exception of any Related Entity that is an Exempt Beneficial owner retirement fund, meet the same requirements for a Local Client Base FI; and</li><li>10. The FI must not have policies or practices that discriminate against opening or maintaining Financial Accounts for individuals who are Specified US Persons and residents of the FATCA Partner.</li></ol>
<b>12. Non reporting member of participating FFI group</b>	<p>A FFI that is a member of a participating FFI group if it meets the following Requirements:</p> <ol style="list-style-type: none"><li>1. By the later of June 30, 2014, or the date it registers with the IRS, the FFI implements policies and procedures to ensure that within six months of opening a U.S. account or an account held by a recalcitrant account holder or a nonparticipating FFI, the FFI either transfers such account to an affiliate that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution, closes the account, or becomes a participating FFI.</li></ol>

**Classification****Definition**

2. The FFI reviews its accounts that were opened prior to the time it implements the policies and procedures (including time frames) using the procedures described in §1.1471-4(c) applicable to preexisting accounts of participating FFIs, to identify any U.S. account or account held by a nonparticipating FFI. Within six months of the identification of any account described in this paragraph, the FFI transfers the account to an affiliate that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution, closes the account, or becomes a participating FFI.
3. By the later of June 30, 2014, or the date it registers with the IRS, the FFI implements policies and procedures to ensure that it identifies any account that becomes a U.S. account or an account held by a recalcitrant account holder or a nonparticipating FFI due to a change in circumstances. Within six months of the date on which the FFI first has knowledge or reason to know of the change in the account holder's chapter 4 status, the FFI transfers any such account to an affiliate that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution, closes the account, or becomes a participating FFI.

**13.Restricted Fund**

Investment Entities can obtain Restricted Fund Status where they impose prohibitions on the sale of units in the fund to specified US Persons, NPFIs and Passive NFFEs with Controlling US Persons and meet the following requirements:

- *The FI is an Investment Entity;*
- *The FI is regulated as an investment fund in FATCA Partner and in all of the countries it is registered and operates;*
- *Interests issued by the fund are redeemed by or transferred by the fund rather than sold by investors on any secondary market;*
- *Interests not issued by the fund are sold only through distributors that are FIs, Registered Deemed Compliant FIs, non-registered local banks, or restricted distributors.*
- *The FI prohibits sales or other transfers of Debt or Equity Interests to specified US Persons, NPFIs and Passive NFFEs with Controlling US Persons;*
- *The prohibition described above must be stated in the FI's prospectus;*
- *The FI ensures that each distribution agreement requires the distributors to notify any change of its status within 90 days of the change;*
- *The FI certifies to the Competent Authority with respect to any distributor that ceased to qualify as a distributor;*
- *The FI reviews the Pre-existing Direct Accounts that are held by the Beneficial Owner of the interest in the FI in accordance with the procedures applicable to Pre-existing Accounts;*
- *The FI certifies to the competent authority either that it did not identify any US account or account held by a NPFI or, in case of such identification, the FI will either redeem or transfer to an affiliate, a PFI, a Model 1 FI, a US FI, such accounts;*
- *The FI implement the policies in procedures to ensure that it either:*
  - a. *Does not open or maintain an account for, or make a withholdable payments to any specified US Persons, NPFIs and Passive NFFEs with Controlling US Persons and, if such accounts are discovered, closes all such accounts within 6 months; or*
  - b. *Reports on any account held by, or any withholdable payments made to specified US Persons, NPFIs and Passive NFFEs with Controlling US Persons.*

**14.Qualified Credit Card Issuers and Servicers**

To qualify for this classification, a FI must meet the following requirements:

1. The FI is a FI solely because it is an issuer of credit cards that accept deposits only when a customer makes a payment in excess of a balance due with respect to the card and the overpayment is not immediately returned to the customer; and
2. On or before 1 July 2014, the FI implements policies and procedures to either prevent a customer deposit in excess of \$50,000, or to ensure that any customer deposit in excess of \$50,000 is refunded to the customer within 60 days. Customer deposits do not include credit balances in relation to disputed charges but include credit balances resulting from merchandise returns.

## Certified Deemed Compliant

Classification	Requirements
<b>15. Local Bank</b>	<p>FIs that are licensed and regulated by the FATCA Partner's laws and operate as a bank or a credit union or similar cooperative credit organisation that is operated without profit.</p> <p>They must meet the following requirements:</p> <ol style="list-style-type: none"><li>1. The FI's business consists primarily of receiving deposits from and making loans to, with respect to a bank, unrelated retail customers and, with respect to a credit union or similar cooperative credit organisation, members, provided that no member has a greater than 5% interest in such credit union or cooperative credit organisation;</li><li>2. The FI must have no fixed place of business outside of FATCA Partner other than a location that is not publicly advertised and from which the FI performs solely administrative support functions;</li><li>3. The FI must not solicit customers or Account Holders outside FATCA Partner;</li><li>4. The FI must not have more than \$175m in assets on its balance sheet and not more than \$500m in total for a group of Related Entities;</li><li>5. Any Related Entity and any Related Entity that is a FI must be incorporated or organized in the FATCA Partner and, with the exception of any Related Entity that is an Exempt Beneficial owner retirement fund or a FI with only low-value accounts, meet the same requirements described above.</li></ol>
<b>16. FFI with only low-value accounts</b>	<p>A FI that meets the following requirements:</p> <ol style="list-style-type: none"><li>1. The FI is not an Investment Entity;</li><li>2. Each Financial Account maintained by the FI or any Related Entity must not exceed \$50,000 taking into account aggregation and currency translation;</li><li>3. The FI must not have more than \$50m in assets on its solus balance sheet (and its consolidated balance sheet where it is in a group) at the end of its most recent accounting year.</li></ol>
<b>17. Limited life debt investment entity</b>	<p>Special Purpose Vehicles created to hold debt until maturity or until liquidation of the vehicle will be regarded as Certified Deemed Compliant FI.</p> <p>To qualify for this transitional relief the securitisation vehicle must:</p> <ul style="list-style-type: none"><li>• <i>Have been established prior to 17 January 2013; and</i></li><li>• <i>Meet the definition of a securitisation company set out in FATCA Partner's laws.</i></li></ul>
<b>18. Investment Advisors and Managers</b>	<p>An Investment Entity established in the FATCA Partner that is a FI solely because it:</p> <ol style="list-style-type: none"><li>a. Renders investment advice to, or acts on behalf of, or</li><li>b. Manages portfolios for, or acts on behalf of, a customer for the purposes of investing, managing, or administering funds deposited in the name of the customer with a FI other than a NPFI.</li></ol>

## Section 5

### Exempt Beneficial Owners

Classification	Requirements
<b>19. Governmental Organisation</b>	<ul style="list-style-type: none"><li>• Any foreign government, any political subdivision or a foreign government;</li><li>• Any wholly owned agency or instrumentality that is an integral part, controlled entity, or political subdivision or a foreign sovereign;</li><li>• <i>Integral part</i> - Any person, body of persons, organisation, agency, bureau, fund, instrumentality, other body that constitutes a governing authority of a foreign country. The net earnings of the governing authority must be credited to its own or the foreign sovereign accounts with no portion inuring for the benefit of a private person. This definition does not include any individual who is a sovereign or official acting in a private capacity,</li><li>• Any Entity that is separate in form from the foreign government or that otherwise constitutes a separate juridical entity, provided that:<ol style="list-style-type: none"><li>a. The Entity is wholly owned and controlled by one or more foreign Governmental Entities directly or indirectly,</li><li>b. The Entity's net earnings are credited to its own or to other foreign Governmental Entities with no portion inuring for the benefit of a private person, and</li><li>c. Upon dissolution, the Entity's assets vest in one or more foreign Governmental Entities.</li></ol></li></ul>
<b>20. International Organisation</b>	<p>Any entity described in section 7701(a)(18) and also includes any intergovernmental or supranational organisation that:</p> <ol style="list-style-type: none"><li>1. Is comprised primarily of foreign governments;</li><li>2. That is recognized as an intergovernmental or supranational organisation under a foreign law similar to 22 U.S.C. 288-288f or that has in effect a headquarters agreement with a foreign government; and</li><li>3. The income of which does not inure to the benefit of private persons.</li></ol>
<b>21. Central Bank</b>	<p>An institution that is by law or government sanction the principal authority (other than the government itself) issuing currency. Such an institution is generally the custodian of the banking reserves of the country under whose law it is organized. The institution may be separate from the foreign government itself.</p>
<b>22. Retirement Plans</b>	<p>A fund established in a country with which the US has an income tax treaty in force, provided that the fund is entitled to benefits under such treaty on income that it derives from sources within the US as a resident of the other country that satisfies any applicable limitation on benefits requirement; and is operated principally to administer or provide pension or retirement benefits.</p>
<i>Treaty Qualified Retirement Fund</i>	<p>A fund established to provide retirement, disability, or death benefits, or any combination thereof, to beneficiaries that are current or former employees (or persons designated by such employees) of one or more employers in consideration for services rendered, provided that the fund:</p>
<i>Broad Participation Retirement Fund</i>	<ol style="list-style-type: none"><li>1. Does not have a single beneficiary with a right to more than 5% of the fund's assets;</li><li>2. Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operates; and</li><li>3. Satisfies one or more of the following requirements:</li></ol>

Classification	Requirements
<i>Narrow Participation Retirement Fund</i>	<ul style="list-style-type: none"> <li>a. The fund is generally exempt from tax on investment income under the laws of the country in which it is established or operates due to its status as a retirement or pension plan;</li> <li>b. The fund receives at least 50 percent of its total contributions from the sponsoring employers;</li> <li>c. Distributions or withdrawals from the fund are allowed only if specified events related to retirement, disability, or death occur (except rollover distributions to other retirement funds or retirement and pension accounts), or penalties apply to distributions or withdrawals made before such specified events; or</li> <li>d. Contributions (other than certain permitted make-up contributions) by employees are limited by reference to earned income of the employee or may not exceed \$50,000 annually.</li> </ul>
<i>Pension Fund of an Exempt Beneficial Owner</i>	<p>A fund established to provide retirement, disability, or death benefits to beneficiaries that are current or former employees (or persons designated by such employees) of one or more employers in consideration for services rendered, provided that:</p> <ul style="list-style-type: none"> <li>1. The fund has fewer than 50 participants;</li> <li>2. The sponsoring employer(s) are not Investment Entities or Passive NFFEs;</li> <li>3. The employee and employer contributions to the fund (other than transfers of assets from treaty-qualified retirement funds or retirement and pension accounts) are limited by reference to earned income and compensation of the employee, respectively;</li> <li>4. Participants that are not residents of the country in which the fund is established are not entitled to more than 20% of the fund's assets; and</li> <li>5. The fund is subject to government regulation and provides information reporting to the tax authorities in the country in which the fund is established or operates.</li> </ul> <p>A fund established and sponsored by an exempt beneficial owner or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are:</p> <ul style="list-style-type: none"> <li>a. Current or former employees of the exempt beneficial owner (or persons designated by such employees), or</li> <li>b. Not current or former employees, if the benefits provided to such beneficiaries or participants are in consideration of personal services performed for the exempt beneficial owner.</li> </ul>
<b>23. Investment Entity Owned by an EBO</b>	<p>An entity that is a FFI solely because it is an Investment Entity, provided that each direct holder of:</p> <ul style="list-style-type: none"> <li>a. An Equity interest in the entity is an exempt beneficial owner, and</li> <li>b. Of a Debt interest in the entity is either a Depository Institution (with respect to a loan made to the entity) or an exempt beneficial owner either under the regulations or applicable Model 1 or Model 2 IGA.</li> </ul>

## Investment Vehicles

Classification	Requirements
<p><b>24. Sponsored Investment Entity</b> (Registered-deemed compliant)</p>	<p>A registered deemed-compliant FFI under the Treasury Regulations that is an Investment Entity that is not a QI, withholding foreign partnership, or withholding foreign trust which has a Sponsoring Entity that is not a NPFFI.</p>
<p><b>25. Sponsored Closely Held Investment Vehicle</b> (Certified-deemed compliant)</p>	<p>The requirements to qualify as a sponsored closely held investment vehicle are the following:</p> <ul style="list-style-type: none"> <li>• <i>The FFI must be a FFI solely because it is an Investment Entity and is not a qualified intermediary, withholding foreign partnership or withholding foreign trust;</i></li> <li>• <i>The FI does not hold itself out as an investment vehicle for unrelated parties, and has 20 or fewer individuals that own its Debt and Equity Interests;</i></li> <li>• <i>The Sponsoring Entity is a US FI, Reporting Model 1 FFI or PFFI and is authorised to act on behalf of the FI and agrees to perform on its behalf all due diligence, withholding and reporting responsibilities which would have arisen if the FI were a PFFI;</i></li> <li>• <i>In addition, the Sponsoring Entity must:</i> <ol style="list-style-type: none"> <li>1. Register with the IRS as a sponsoring entity;</li> <li>2. Agree to undertake all FATCA compliance, withholding and reporting on behalf of the Sponsored entities and maintains all documentation for at least 6 years;</li> <li>3. Identify each sponsored FFI in all reporting completed on behalf of such sponsored FFI;</li> <li>4. Perform all verification procedures; and</li> <li>5. Not have its status as a sponsor revoked.</li> </ol> </li> </ul>
<p><b>26. Owner Documented FFI</b> (Certified-deemed compliant)</p>	<p>The FFI may only be treated as an owner-documented FFI with respect to payments received from and accounts held by a designated withholding agent (US financial institution, PFFI, or reporting Model 1 FFI that agrees to perform the 4th and 5th bullet points below). A FFI will only be treated as a deemed-compliant FFI with respect to a payment or account for which it does not act as an intermediary.</p> <p>An Owner-Documented FFI must meet the following requirements:</p> <ul style="list-style-type: none"> <li>• <i>Is a FFI solely because it is an investment entity;</i></li> <li>• <i>Must not be owned by, nor be a member of a group of an expanded affiliated group with any FI that is a Depository Institution, Custodial Institution or Specified Insurance Company;</i></li> <li>• <i>Does not maintain financial accounts for any NPFFIs;</i></li> <li>• <i>Must provide the required documentation and agree to notify designated withholding agent which is undertaking the reporting on behalf of the Owner Documented Financial Institution if there is a change in circumstances; and</i></li> <li>• <i>The designated withholding agent agrees to report to IRS or foreign government in the case of a Model 1 FFI all of the information that a PFFI would be required to report but will not need to report on any indirect owner of the owner documented entity that holds its interest through:</i> <ul style="list-style-type: none"> <li><b>A PFFI;</b></li> <li><b>Deemed Compliant FFI (other than an Owner Documented FFI),</b></li> <li><b>Entity that is a US Person,</b></li> <li><b>Exempt Beneficial Owner,</b></li> <li><b>Excepted NFFE.</b></li> </ul> </li> </ul>

Classification	Requirements
<b>27. Qualified Collective Investment Vehicle (Registered-deemed compliant)</b>	<p>QCIVs are Investment Entities that is a FFI solely because it is an investment entity and is established and regulated as a collective investment vehicle in its country of incorporation or organisation or in all of the countries its registered and all of the countries in which it operates, provided that all the interests in the vehicle, including debt interests in excess of \$50,000, are held by or through one or more:</p> <ul style="list-style-type: none"> <li>• <i>PFFIs or registered deemed compliant FFIs;</i></li> <li>• <i>Retirement plans that are exempt beneficial owners;</i></li> <li>• <i>Non-profit organisations that is not a FFI;</i></li> <li>• <i>US Persons that are not Specified US Persons;</i></li> <li>• <i>Nonreporting IGA FFI; or</i></li> <li>• <i>Exempt Beneficial Owners;</i></li> </ul> <p>In the case that a FFI is part of an expanded affiliated group, all other FFIs in the expanded affiliated group are participating FFIs, registered deemed compliant FFIs, sponsored FFIs, non-reporting FFIs or exempt beneficial owners.</p>

### Registered Deemed Compliant

Classification	Definition
<b>28. Local FFI</b>	<p>A Local FFI, under the Treasury Regulations, is a registered deemed-compliant FFI that meets the following requirements:</p> <ol style="list-style-type: none"> <li>1. The FFI must be licensed and regulated as a FI under the laws of its country of incorporation or organisation (which must be a FATCA-compliant jurisdiction);</li> <li>2. The FFI must have no fixed place of business outside of its country of incorporation other than a location that is not publicly advertised and from which the FI performs solely administrative support functions;</li> <li>3. The FFI must not solicit customers or Account Holders outside its country of incorporation or organisation;</li> <li>4. The FFI must be required under the laws of its country of incorporation or organisation to identify resident Account Holders for purposes of either information reporting or withholding of tax or for satisfying such country's AML due diligence requirements;</li> <li>5. At least 98% of the Financial Accounts by value maintained by the FFI must be held by residents (including Entities) of the country in which the FFI is incorporated or organized;</li> <li>6. By the later of June 30, 2014 or the date it registers as a deemed-compliant FFI, the FFI must implement policies and procedures: <ol style="list-style-type: none"> <li>a. To prevent the FFI from providing a Financial Account to any NPFI; and</li> <li>b. To monitor whether the FFI opens or maintains a Financial Account for any Specified US Person who is not a resident of the country in which the FFI is incorporated or organized, an entity controlled or beneficially owned by one or more specified U.S. persons that are not residents of the country in which the FFI is incorporated or organized, or a nonparticipating FFI;</li> </ol> </li> <li>7. Such policies and procedures must provide that if any Financial Account held by the above described persons is identified, the FI must report such account as though the FI were a Reporting FFI or close the account;</li> </ol>

Classification	Definition
	<ol style="list-style-type: none"> <li>8. With respect to a Pre-existing Account held by a non-resident of the country in which the FFI is organized or held by an entity, the FFI must review those accounts in accordance with the procedures applicable to Pre-existing Accounts to identify any US Reportable Account or Financial Account held by a NPF, and must report such account as though the FI were a Reporting FFI or close the account;</li> <li>9. Each member of an expanded affiliate group, Entity of the FI that is a FI must be incorporated or organized in the FATCA Partner and, with the exception of any Related Entity that is an Exempt Beneficial owner retirement fund, meet the same requirements for a Local Client Base FI; and</li> <li>10. The FFI must not have policies or practices that discriminate against opening or maintaining Financial Accounts for individuals who are Specified US Persons and residents of the country in which the FFI is organized or incorporated.</li> </ol>
<p><b>29. Non reporting member of participating FFI group</b></p>	<p>A FFI that is a member of a participating FFI group if it meets the following Requirements:</p> <ol style="list-style-type: none"> <li>1. By the later of June 30, 2014, or the date it registers with the IRS, the FFI implements policies and procedures to ensure that within six months of opening a U.S. account or an account held by a recalcitrant account holder or a nonparticipating FFI, the FFI either transfers such account to an affiliate that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution, closes the account, or becomes a participating FFI.</li> <li>2. The FFI reviews its accounts that were opened prior to the time it implements the policies and procedures (including time frames) using the procedures applicable to preexisting accounts of participating FFIs, to identify any U.S. account or account held by a nonparticipating FFI. Within six months of the identification of any account described in this paragraph, the FFI transfers the account to an affiliate that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution, closes the account, or becomes a participating FFI.</li> <li>3. By the later of June 30, 2014, or the date it registers with the IRS the FFI implements policies and procedures to ensure that it identifies any account that becomes a U.S. account or an account held by a recalcitrant account holder or a nonparticipating FFI due to a change in circumstances. Within six months of the date on which the FFI first has knowledge or reason to know of the change in the account holder's chapter 4 status, the FFI transfers any such account to an affiliate that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution, closes the account, or becomes a participating FFI.</li> </ol>
<p><b>30. Restricted Fund</b></p>	<p>Under the Treasury Regulations, a registered deemed-compliant FFI includes investment entities obtain Restricted Fund Status by imposing prohibitions on the sale of units in the fund to specified US Persons, NPFs and Passive NFFEs with substantial US owners and meet the following requirements:</p> <ul style="list-style-type: none"> <li>• <i>The FFI is an Investment Entity;</i></li> <li>• <i>The FFI is regulated as an investment fund in FATCA Partner and in all of the countries it is registered and operates;</i></li> <li>• <i>Interests issued by the fund are redeemed by or transferred by the fund rather than sold by investors on any secondary market (a fund is not disqualified from meeting this requirement strictly because it issued bearer interest as long as it ceased issuing prior to 31 December 2012 and establishes a policy to redeem all interests by 1 January 2017. The fund should also perform pre-existing account due diligence and any withholding prior to making a payment);</i></li> <li>• <i>Interests not issued by the fund are sold only through distributors that are PFFs, Registered Deemed Compliant FFIs, non-registered local banks, or restricted distributors.</i></li> <li>• <i>The FFI prohibits sales or other transfers of Debt or Equity Interests by the later of 31 December 2014 or 6 months after the date the fund registers as a deemed-compliant FFI to specified US Persons, NPFs and Passive NFFEs with substantial US owners;</i></li> <li>• <i>The prohibition described above must be stated in the FI's prospectus by the later of 31 December 2014 or 6 months after registering as a deemed-compliant FFI;</i></li> <li>• <i>The FFI ensures by the later of 31 December 2014 or 6 months after registering as a deemed-compliant FFI that each distribution agreement requires the distributors to notify any change of its status within 90 days of the change;</i></li> </ul>

Classification	Definition
	<ul style="list-style-type: none"> <li>The FFI must terminate its distribution agreement within 90 days with any no restricted distributor and either redeem the shares issued by that distributor, convert the interests to direct holdings in the fund, or transfer to a restricted distributor;</li> <li>The FFI reviews the Pre-existing Direct Accounts that are held by the Beneficial Owner of the interest in the FFI in accordance with the procedures applicable to Pre-existing Accounts and identifies any US or NPFFI accounts;</li> <li>By the later of 31 December 2014 or 6 months after registering as a deemed-compliant FFI, the FFI must certify to the IRS either that it did not identify any US account or account held by a NPFFI or, in case of such identification, the FI will either redeem or transfer to an affiliate, a PFI, a Model 1 FI, a US FI, such accounts and withhold and report as if it were a PFFI;</li> <li>By the later of 30 June 2014 or 6 months after registering as a deemed-compliant FFI, the FFI implement the policies in procedures to ensure that it either: <ul style="list-style-type: none"> <li>Does not open or maintain an account for, or make a withholdable payments to any specified US Persons, NPFFIs and Passive NFFEs with Controlling US Persons and, if such accounts are discovered, closes all such accounts within 6 months; or</li> <li>Withholds and reports on any account held by, or any withholdable payments made to specified US Persons, NPFFIs and Passive NFFEs with substantial US owners.</li> <li>If the FFI is part of an expanded affiliated group, all other FFIs are PFFIs, registered deemed-compliant FFIs, sponsored FFIs, nonreporting FFIs, or exempt beneficial owners.</li> </ul> </li> </ul>
<b>31. Qualified Credit Card Issuers and Servicers</b>	<p>A FFI, that under the Treasury Regulations is a registered deemed-compliant FFI, that meets the following requirements:</p> <ol style="list-style-type: none"> <li>The FFI is a FFI solely because it is an issuer of credit cards that accept deposits only when a customer makes a payment in excess of a balance due with respect to the card and the overpayment is not immediately returned to the customer; and</li> <li>By the later of 30 June, 2014, or the date it registers as a deemed-compliant FFI, the FFI implements policies and procedures to either prevent a customer deposit in excess of \$50,000, or to ensure that any customer deposit in excess of \$50,000, is refunded to the customer within 60 days. Customer deposits do not include credit balances in relation to disputed charges but include credit balances resulting from merchandise returns.</li> </ol> <p>Note that a credit card servicer that meets the above requirements is also eligible for this treatment.</p>

### Certified Deemed Compliant

Classification	Requirements
<b>32. Local Bank</b>	<p>A nonregistering Local bank, under the Treasury Regulations, is a certified deemed-compliant FFI that must meet the following requirements:</p> <ol style="list-style-type: none"> <li>The FFI operates solely as (and is licensed and regulated by the laws of the country of incorporation or organisation and operates as) a bank, or a credit union or similar cooperative credit organisation that is operated without profit.</li> <li>The FFI's business consists primarily of receiving deposits from and making loans to, with respect to a bank, unrelated retail customers and, with respect to a credit union or similar cooperative credit organisation, members, provided that no member has a greater than 5% interest in such credit union or cooperative credit organisation;</li> <li>The FFI must have no fixed place of business outside of country of incorporation or organisation other than a location that is not publicly advertised and from which the FI performs solely administrative support functions;</li> <li>The FFI must not solicit customers or Account Holders outside the country of incorporation or organisation. Having a website will not cause a local bank to not meet this requirement as long as accounts cannot be opened on the website, the website does not indicate the FFI will maintain accounts for non-residents, and does not target US customers or account holders;</li> </ol>

Classification	Requirements
	<ol style="list-style-type: none"> <li>5. The FFI must not have more than \$175m in assets on its balance sheet and not more than \$500m in total for a group of expanded affiliated group;</li> <li>6. With respect to a FFI that is part of an expanded affiliated group, each member is incorporated or organized in the same country and, with the exception of any member that is an Exempt Beneficial owner retirement fund or a FI with only low-value accounts, meet the same requirements described above.</li> </ol>
<b>33.FFI with only low-value accounts</b>	<p>A FFI, that under the Treasury Regulations is a certified deemed-compliant FFI, that meets the following requirements:</p> <ol style="list-style-type: none"> <li>1. The FI is not an Investment Entity;</li> <li>2. Each Financial Account maintained by the FFI or any member of an expanded affiliated group, must not exceed \$50,000 taking into account aggregation and currency translation;</li> <li>3. The FI must not have more than \$50 million in assets on its solus balance sheet (and its consolidated balance sheet where it is in a group) at the end of its most recent accounting year.</li> </ol>
<b>34.Limited life debt investment entity</b>	<p>Under the Treasury Regulations, a limited life debt investment entity ('LLDIE') is a certified deemed-compliant FFI. A FFI will be treated as a LLDIE if the FFI is the beneficial owner of the payment (or of payments made with respect to the account) and the FFI meets the following requirements.</p> <ol style="list-style-type: none"> <li>a. The FFI is an investment entity that issued one or more classes of debt or equity interests to investors pursuant to a trust indenture or similar agreement and all of such interests were issued on or before January 17, 2013.</li> <li>b. The FFI was in existence as of January 17, 2013, and has entered into a trust indenture or similar agreement that requires the FFI to pay to investors holding substantially all of the interests in the FFI, no later than a set date or period following the maturity of the last asset held by the FFI, all amounts that such investors are entitled to receive from the FFI.</li> <li>c. The FFI was formed and operated for the purpose of purchasing or acquiring specific types of debt instruments or interests therein and holding those assets subject to reinvestment only under prescribed circumstances to maturity.</li> <li>d. Substantially all of the assets of the FFI consist of debt instruments or interests therein.</li> <li>e. All payments made to the investors of the FFI (other than holders of a de minimis interest) are either cleared through a clearing organisation or custodial institution that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution or made through a transfer agent that is a participating FFI, reporting Model 1 FFI, or U.S. financial institution.</li> <li>f. The FFI's trustee or fiduciary is not authorized through a fiduciary duty or otherwise to fulfil the obligations of a participating FFI and no other person has the authority to fulfil the obligations of a participating FFI on behalf of the FFI.</li> </ol>
<b>35.Investment Advisors and Managers</b>	<p>A FFI that under the Treasury Regulations is a certified deemed-compliant FFI, that does not maintain financial accounts and is a FFI solely because it:</p> <ol style="list-style-type: none"> <li>i. Trades in money market instruments(checks, bills, certificates of deposit, derivatives, etc.); foreign currency, foreign exchange, interest rate, and index instruments, transferable securities, or commodities futures;</li> <li>ii. Individual or collective portfolio management; or</li> <li>iii. Otherwise investing, administering, or managing funds, money, or financial assets on behalf of other persons.</li> </ol>

Classification	Requirements
<b>36. Restricted Distributor</b>	<p>Under the Treasury Regulations, a registered deemed-compliant FFI includes investment entities obtain Restricted Fund Status by imposing prohibitions on the sale of units in the fund to specified US Persons, NPFIs and Passive NFFEs with substantial US owners and meet the following requirements:</p> <ul style="list-style-type: none"> <li>• <i>The FFI is an Investment Entity;</i></li> <li>• <i>The FFI is regulated as an investment fund in FATCA Partner and in all of the countries it is registered and operates;</i></li> <li>• <i>Interests issued by the fund are redeemed by or transferred by the fund rather than sold by investors on any secondary market (a fund is not disqualified from meeting this requirement strictly because it issued bearer interest as long as it ceased issuing prior to 31 December 2012 and establishes a policy to redeem all interests by 1 January 2017. The fund should also perform pre-existing account due diligence and any withholding prior to making a payment);</i></li> <li>• <i>Interests not issued by the fund are sold only through distributors that are PFFIs, Registered Deemed Compliant FFIs, non-registered local banks, or restricted distributors.</i></li> <li>• <i>The FFI prohibits sales or other transfers of Debt or Equity Interests by the later of 31 December 2014 or 6 months after the date the fund registers as a deemed-compliant FFI to specified US Persons, NPFIs and Passive NFFEs with substantial US owners;</i></li> <li>• <i>The prohibition described above must be stated in the FI's prospectus by the later of 31 December 2014 or 6 months after registering as a deemed-compliant FFI;</i></li> <li>• <i>The FFI ensures by the later of 31 December 2014 or 6 months after registering as a deemed-compliant FFI that each distribution agreement requires the distributors to notify any change of its status within 90 days of the change;</i></li> <li>• <i>The FFI must terminate its distribution agreement within 90 days with any non restricted distributor and either redeem the shares issued by that distributor, convert the interests to direct holdings in the fund, or transfer to a restricted distributor;</i></li> <li>• <i>The FFI reviews the Pre-existing Direct Accounts that are held by the Beneficial Owner of the interest in the FFI in accordance with the procedures applicable to Pre-existing Accounts and identifies any US or NPFFI accounts;</i></li> <li>• <i>By the later of 31 December 2014 or 6 months after registering as a deemed-compliant FFI, the FFI must certify to the IRS either that it did not identify any US account or account held by a NPFI or, in case of such identification, the FI will either redeem or transfer to an affiliate, a PFI, a Model 1 FI, a US FI, such accounts and withhold and report as if it were a PFFI;</i></li> <li>• <i>By the later of 30 June 2014 or 6 months after registering as a deemed-compliant FFI, the FFI implement the policies in procedures to ensure that it either:</i> <ol style="list-style-type: none"> <li>a. <i>Does not open or maintain an account for, or make a withholdable payments to any specified US Persons, NPFIs and Passive NFFEs with Controlling US Persons and, if such accounts are discovered, closes all such accounts within 6 months; or</i></li> <li>b. <i>Withholds and reports on any account held by, or any withholdable payments made to specified US Persons, NPFIs and Passive NFFEs with substantial US owners.</i></li> <li>c. <i>If the FFI is part of an expanded affiliated group, all other FFIs are PFFIs, registered deemed-compliant FFIs, sponsored FFIs, nonreporting FFIs, or exempt beneficial owners</i></li> </ol> </li> </ul>
<b>37. Territory FI</b>	<p>The term territory financial institution means a financial institution that is incorporated or organized under the laws of any U.S. territory, not including a territory entity that is an investment entity but that is not a depository institution, custodial institution, or specified insurance company.</p>

## Non Foreign Financial Entity Requirements

### NFFE Classifications

Classification	Requirements
<b>38. Publicly Traded NFFE and NFFE affiliates thereof</b>	A publicly traded NFFE is an excepted NFFE that is a corporation whose stock is regularly traded on one or more established securities markets (within the meaning of the Treasury Regulations) for the calendar year. An NFFE that is an affiliate (i.e., in the same expanded affiliated group) of a publicly traded NFFE is also an excepted NFFE
<b>39. Active NFFE: &lt;50% Passive Income</b>	Less than 50% of the NFFE's gross income for the previous calendar year or other appropriate reporting period is passive income; and Less than 50% of the assets held by the NFFE during the previous calendar year or other appropriate reporting period produce or are held for the production of passive income. <i>Please read in conjunction with the definition of Passive NFFE in #46</i>
<b>40. Entity in Liquidation</b>	A foreign entity that was not a financial institution or passive NFFE at any time during the past five years and that is in the process of liquidating its assets or reorganizing with the intent to continue or recommence operations as a nonfinancial entity.
<b>41. Excepted Territory NFFE</b>	The entity identified is organized in a possession of the United States and; <ul style="list-style-type: none"><li>• <i>Does not accept deposits in the ordinary course of a banking or similar business,</i></li><li>• <i>Does not hold, as a substantial portion of its business, financial assets for the account of others, or</i></li><li>• <i>Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account; and</i></li></ul> All of the owners of the entity identified in Part I are bona fide residents of the possession in which the NFFE is organized or incorporated.
<b>42. Excepted inter-affiliate FFI</b>	This category applies to an entity that is a member of a participating FFI group if: <ul style="list-style-type: none"><li>• <i>The entity does not maintain financial accounts (other than accounts maintained for members of its expanded affiliated group);</i></li><li>• <i>The entity does not hold an account (other than a depository account in the account in which the entity is operating to pay for expenses in that country) with or receive payments from any withholding agent other than a member of its expanded affiliated group;</i></li><li>• <i>The entity does not make withholdable payments to any person other than to members of its expanded affiliated group that are not limited FFIs or limited branches; and</i></li><li>• <i>The entity has not agreed to be a sponsoring entity or otherwise act as agent for FATCA purposes on behalf of any FI including members of its expanded affiliated group.</i></li><li>• <i>The term participating FFI group means an expanded affiliated group that includes one or more participating FFIs and any other FFI that is a member is a PFFI, deemed compliant FFI or exempt beneficial owner. The term participating FFI group also means an expanded affiliated group in which one or more members of the group is a reporting Model 1 FFI and each member of the group that is a FFI is a registered deemed-compliant FFI, nonreporting IGA FFI, limited FFI, or retirement fund that is an exempt beneficial owner.</i></li></ul>
<b>43. Start-Up company</b>	a. A foreign entity that is investing capital in assets with the intent to operate a new business or line of business other than that of a financial institution or passive NFFE for a period of— <ol style="list-style-type: none"><li>1. In the case of an entity intending to operate a new business, 24 months from the initial organisation of such entity; and</li><li>2. In the case of an entity with the intent to operate a new line of business, 24 months from the date of the board resolution (or its equivalent) approving the new line of business, provided that such entity qualified as an active NFFE for the 24 months preceding the date of such approval.</li></ol> An entity will not be meet this classification if the entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and hold interests in those companies as capital assets for investment purposes.

**44. Non-financial group entity (holding company, treasury center or captive finance company)**

Treasury centers (defined below) are treated as excepted nonfinancial entities in the FATCA regulations if they are members of a nonfinancial group.

Except as noted below, an entity is a treasury center if the primary activity of such entity is to enter into investment, hedging, and financing transactions with or for members of its expanded affiliated group for purposes of—

- i. Managing the risk of price changes or currency fluctuations with respect to property that is held or to be held by the expanded affiliated group (or any member thereof);
- ii. Managing the risk of interest rate changes, price changes, or currency fluctuations with respect to borrowings made or to be made by the expanded affiliated group (or any member thereof);
- b. Managing the risk of interest rate changes, price changes, or currency fluctuations with respect to assets or liabilities to be reflected in financial statements of the expanded affiliated group (or any member thereof);
- i. Managing the working capital of the expanded affiliated group (or any member thereof) such as by pooling the cash balances of affiliates (including both positive and deficit cash balances) or by investing or trading in financial assets solely for the account and risk of such entity or any member of its expanded affiliated group; or
- ii. Acting as a financing vehicle for the expanded affiliated group (or any member thereof).

An entity is not a treasury center if any equity or debt interest in the entity is held by a person that is not a member of the entity's expanded affiliated group and the redemption or retirement amount or return earned on such interest is determined primarily by reference to:

- i. The investment, hedging, and financing activities of the treasury center with members outside of its expanded affiliated group; or
- iii. Any member of the group that is an investment entity or passive NFFE.

**45. Non-profit or 501(c) organisation**

A non-profit organisation is an excepted nonfinancial entity if it meets all of the following requirements:

1. It is not organized in the US and It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes
2. It is exempt from income tax in its country of residence;
3. It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
4. The applicable laws of the entity's country of residence or the entity's formation documents:

**Do not permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the entity has purchased; and require that, upon the entity's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organisation, or escheat to the government of the entity's country of residence or any political subdivision thereof.**

**A 501(c) entity is an excepted NFFE if it is described in Internal Revenue Code section 501(c), other than an insurance company described in section 501(c)(15).**

## Passive NFFE Classifications

Classification	Requirements
<b>46. Passive NFFE</b>	<p>A Passive NFFE is not a FFI or an excepted NFFE and meets the following criteria:</p> <ul style="list-style-type: none"><li>• 50% or more of the NFFE's gross income for the previous calendar year - or other appropriate reporting period - is passive income; and</li><li>• 50% or more of the weighted average percentage of assets (tested quarterly) held by it are assets that produce or are held for the production of passive income</li></ul> <p><i>Please read in conjunction with the definition of Active NFFE in #39</i></p> <p>Passive income generally includes:</p> <ul style="list-style-type: none"><li>• Dividends including income equivalent to dividends</li><li>• Interest including income equivalent to interest and certain returns from investments in insurance contracts</li><li>• Certain rents and royalties other than those derived from an active trade or business</li><li>• Annuities</li><li>• Net gains from transactions, including forwards and similar transactions relating to certain types of transactions in commodities</li><li>• Certain foreign currency exchange gains</li><li>• Net income from notional principal contracts</li><li>• Amounts received under cash value insurance contracts or amounts earned by an insurance company in connection with its reserves for insurance and annuity contracts</li><li>• Net gains from the sale of assets that give rise to any of the above types of income</li></ul> <p>Passive income excludes:</p> <ul style="list-style-type: none"><li>• Any income from interest, dividends, rents or royalties that is received or accrued from a related person to the extent such amount is properly allocable to income of such related person that is not passive income.</li><li>• Income generated by certain commodities dealers and securities dealers in the ordinary course of business.</li></ul>
<b>47. Sponsored Direct Reporting NFFE</b>	<p>A sponsored direct reporting NFFE is a direct reporting NFFE and if another entity, other than a nonparticipating FFI, has agreed with the NFFE to act as its sponsoring entity.</p>

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#### 48. Direct Reporting NFFE

A direct reporting NFFE means a NFFE that elects to report information about its direct or indirect substantial U.S. owners to the IRS and meets the following requirements:

- *Registers with the IRS to obtain a GIIN;*
- *Report directly to the IRS on Form 8966 information about its substantial US owners (i.e., name, address, and TIN of each substantial US owner), payments made to the substantial US owners (including equity redemptions), value of each substantial US owner's equity interest, information about the NFFE (i.e., name, address, and GIIN), and any other information required by Form 8966);*
- *Obtains a written certification (either on a withholding certificate or written statement) from each person that would be treated as a substantial US owner if such person were a specified US person. The written certification must indicate whether the person is a substantial US owner of the NFFE and if so, it must contain the name, address, and TIN of the person. If the NFFE has reason to know the certification is unreliable or incorrect and the owner does not correct the information within 90 days, the NFFE should report the person on a Form 8966;*
- *Keep records (for 6 years) that the NFFE produces in the ordinary course of its business that summarizes the activity relating to its transactions with respect to the equity of the NFFE held by each of its substantial US owners for any calendar year in which the owner was required to report;*
- *Respond to requests from the IRS about its substantial US owners;*
- *Make periodic certifications to the IRS within 6 months of each certification period (beginning 3 years after the issuance of the GIIN). Certification requires the officer of the NFFE to state the NFFE has not had any events of default, or if there was default, appropriate measures were taken to remediate such failures and prevent such failures from recurring, and for failures to report, the NFFE has corrected the filings; and*
- *Not had its direct reporting NFFE status revoked by the IRS*

A sponsored direct reporting NFFE is a direct reporting NFFE and if another entity, other than a nonparticipating FFI, has agreed with the NFFE to act as its sponsoring entity.

**Note: Please note that the definition of Active NFFE under an Inter-Governmental Agreement is not the same as under the US Regulations. The NFFE terms contained on the W-8BEN-E are from the US Regulations. Therefore if the entity is based in a jurisdiction with an Inter-Governmental Agreement and the entity is classified under the Inter-Governmental Agreement as an Active NFFE, you will need to consider which type of NFFE classification as defined by US Regulations the entity meets and certify accordingly.**

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