

Active Trade Declaration

Why are we asking you to complete this form?

To improve transparency in the fight against tax evasion and to protect the integrity of tax systems, Governments around the world have been looking to introduce a system of automatic exchange of financial account information (AEOI). The changes include the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS).

Under the CRS and FATCA we are required to determine where you are tax resident and, if you are tax resident outside the country where your account is held, give the national tax authority this information, along with information relating to your accounts. That may then be shared between different countries' tax authorities. Completing this form will ensure that we hold accurate and up to date information about your tax residency.

If your circumstances change and any of the information provided in this form becomes incorrect, please let us know immediately and provide an updated form

Customer Name

Customer Account Number

Customer Current Address

Customer Permanent Residence Address, if different from the above address

Your Permanent Residence Address is the address of where you are treated as resident for tax purposes, or, if not applicable, the address of your principal office

Country of Incorporation

In relation to The International Tax Compliance Regulations 2015, I/We (please delete as appropriate) make the following certifications in order to confirm our FATCA and CRS Classification:

1. I hereby certify that I am/We are NOT

- A corporation or partnership created or organized in the United States of America or under the law of the United States or of any State of the United States of America; or
- A trust in respect of which a court within the United States of America is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust; or
- An estate (other than an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A of the United States Internal Revenue Code of 1986).
- The entity is not acting as agent, intermediary or nominee of another person or organisation.

I/We hereby certify that I satisfy the following criteria:

- Less than 50% of my/our gross income for the preceding calendar year or other appropriate reporting period is passive income
- and**
- Less than 50% of my/our assets held by us during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income
- and**
- I/We are engaged in the following active trade or business other than that of a financial institution (please provide details below):

Country of Residence for Tax Purposes and related Taxpayer Identification Number ("TIN") or functional equivalent

Please complete the following table indicating:

- (i) where the Account Holder is tax resident and
- (ii) the Account Holder's TIN for each country indicated - Please only complete TIN if you are resident for tax purposes outside of the United Kingdom (UK), (including if you are dual resident in the UK and another jurisdiction) /or you are a United States citizen)

If the Account Holder is not tax resident in any jurisdiction (e.g., because it is fiscally transparent), please indicate that on line 1 and provide its place of effective management or country in which its principal office is located.

If the Account Holder is tax resident in more than three countries please use a separate sheet

If a TIN is unavailable please provide the appropriate reason A, B or C where appropriate:

- Reason A** - The country where I am liable to pay tax does not issue TINs to its residents
- Reason B** - The Account Holder is otherwise unable to obtain a TIN or equivalent number(Please explain why you are unable to obtain a TIN in the below table if you have selected this reason)
- Reason C** - No TIN is required. (Note. Only select this reason if the authorities of the country of tax residence entered below do not require the TIN to be disclosed)

Country of tax residence		Tax Identification Number (TIN)	If no TIN available enter reason A,B or C
1			
2			
3			

Please explain in the following boxes why you are unable to obtain a TIN if you selected Reason B above.

1	
2	
3	

Declarations and Signature

- 1. I understand that the information supplied by me is covered by the full provisions of the terms and conditions governing the Account Holder's relationship with FidBank UK Limited setting out how FidBank UK Limited may use and share the information supplied by me.
- 2. I acknowledge that the information contained in this form and information regarding the Account Holder and any Reportable Account(s) may be reported to the tax authorities of the country in which this account(s) is/are maintained and exchanged with tax authorities of another country or countries in which the Account Holder may be tax resident pursuant to intergovernmental agreements to exchange financial account information with the country/ies in which this account(s) is/are maintained.
- 3. I certify that I am authorised to sign for the Account Holder in respect of all the account(s) to which this form relates.
- 4. I certify that where I have provided information regarding any other person (such as a Controlling Person or other Reportable Person to which this form relates) that I will, within 30 days of signing this form, notify those persons that I have provided such information to FidBank UK Limited and that such information may be provided to the tax authorities of the country in which the account(s) is/are maintained and exchanged with tax authorities of another country or countries in which the person may be tax resident pursuant to intergovernmental agreements to exchange financial account information.

I/We certify that the information on this form is accurate. If at any time, a change in circumstances occurs that causes any of the certifications '1' to '4' above to become no longer true, I/we will inform FidBank UK Limited within 30 days.

Signature

Full Name

Official Position

Date

Please ensure this declaration is signed by an authorised official, as named in the signature mandate.

This form is issued by:

FidBank UK Limited, 1 Kings Arms Yard, London EC2R 7AF
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority . Its firm reference number is 400712.

Please ensure that you complete this form alongside referencing the guidance notes.



Guidance Notes

IMPORTANT - This document should be read with the Disclaimer (at the bottom of these Guidance Notes).

BACKGROUND

There are a substantial number of changes to information collection and reporting being made by financial regulators, governments and financial institutions to help fight against tax evasion and protect the integrity of tax systems. The changes include the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS). While the CRS and FATCA are similar there are differences in the rules and definitions which may impact how you complete the attached form it's therefore important that you read the following guidance in full.

FATCA: introduced by the United States (US) government FATCA is enacted in the UK through an Agreement between the US and United Kingdom (UK) Government. FATCA requires financial institutions, including banks to identify and report financial assets owned by US persons banking in the UK to HM Revenue and Customs (HMRC) who will forward that information to the US tax authorities.

CRS: Governments around the world are also introducing measures, including CRS. This is a new information gathering and reporting requirement under which we, and other financial institutions are required to determine where you should be paying tax (often referred to as where you are "tax resident").

So, if you are US person and/or tax resident outside UK we may need to give HMRC this information, along with information relating to your accounts. That may then be shared between different countries' tax authorities. In the UK these requirements have been implemented by HMRC regulations (*The International tax Compliance Regulations 2015*) which FidBank UK must comply with in the UK.

Completing this form will ensure that we hold accurate and up to date information about your tax residency.

You can visit the OECD's "Automatic Exchange of Information" (AEOI) website, www.oecd.org/tax/automatic-exchange/ for further general information on the CRS.

If you require further information and advice relating to your tax status, please contact your professional tax advisor as we are unable to provide you with tax advice.

Completing the attached form will ensure that we hold accurate and up to date information about your tax residency. If your circumstances change and any of the information provided in this form becomes incorrect, please let us know immediately and provide an updated self-certification.

Why are we asking you to provide details for both FATCA and CRS?

FATCA and the CRS are different regulatory regimes and we need to collect information for both. We have combined the data into this one form to minimise the actions you need to take.

FATCA: we need to obtain details from you to establish if you are a US person or not. If you are then we need to understand whether your information is reportable. The tests for FATCA are based on US citizenship.

CRS; we are required to determine where you are "tax resident" (this will usually be where you are liable to pay corporate income taxes). You may be tax resident in more than one country.

In order to collect this information we need to ask you to provide us with additional information on the enclosed form which will help us to confirm your tax residency and to update our records.

If you have any questions which these instructions or the other sources of information do not answer then as we are unable to provide anything other than general tax information please contact your tax adviser.

Frequently Asked Questions

Am I reportable?

FATCA: we are required to identify accounts held by certain United States (US) Persons, termed Specified US Person's (see definition below). If you are a specified US Person we will need to give HMRC authority this information, along with information relating to your accounts. That may then be shared between HMRC and the US Internal Revenue Service (IRS). Under FATCA an Active Non-Financial Foreign Entity (NFFE) is not reportable.

CRS: we are required to determine where you are "tax resident" (this will usually be where you are liable to pay corporate taxes). If you are tax resident outside the United Kingdom we will need to give HMRC authority this information, along with information relating to your accounts. That may then be shared between different countries' tax authorities. Under the CRS an Active NFE tax resident outside the UK may be reportable and we will need to give HMRC this information, along with information relating to your account(s).

What is a Specified US Person?

Not all US Persons are reportable under FATCA, only certain Specified Persons are reportable. For example under FATCA an Active Non-Financial Foreign Entity (NFFE) is not reportable.

What is a United States Person?

The term 'United States Person' includes:

- A citizen or resident of the United States
- A corporation or partnership created or organised in the United States of America or under the law of the United States or of any State of the United States of America
- Any estate of a decedent that is a citizen or resident of the United States
- Any trust if – (i) a court within the United States is able to exercise primary supervision over the administration of the trust, and (ii) one or more United States persons have the authority to control all substantial decisions of the trust.

Am I an Active Non-Financial Foreign Entity (Active NFFE) or An Active Non-Financial Entity?

The two terms are broadly the same. They will typically be an entity that makes its income from providing goods or services. In respect of this declaration you need to confirm that less than 50 per cent of the entities gross income for the preceding calendar year or other appropriate reporting period is Passive Income (see definition below) and less than 50 per cent of the assets held during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income.

Alternatively the entity could be one which is established exclusively for religious, charitable, scientific, artistic, cultural, athletic or educational purposes on a not-for-profit basis and is exempt from income tax. Under the CRS and FATCA these organisations may also be treated as Active NFEs. Generally these entities will be outside the scope of reporting, unless the charity or the not-for-profit organisation are tax resident elsewhere. Registered charities are exempt.

What is meant by passive income?

Passive income for FATCA and the CRS generally includes:

- Dividends including income equivalent to dividends
- Interest including income equivalent to interest and certain returns from investments in insurance contracts
- Certain rents and royalties other than those derived from an active trade or business
- Annuities
- Net gains from transactions, including forwards and similar transactions relating to certain types of transactions in commodities
- Amounts received under cash value insurance contracts or amounts earned by an insurance company in connection with its reserves for insurance and annuity contracts
- Certain foreign currency exchange gains
- Net income from notional principal contracts
- Net gains from the sale of assets that give rise to certain of the above types of income

Certain exceptions apply. For further details please refer to The International Tax Compliance Regulations 2015 and associated HMRC Guidance.

What happens if I do not complete the form?

Under both FATCA and the CRS we are also be required to report information on customers who do not provide us with the requested documentation which we need so that we can establish your tax status.

How do I know where I am tax resident?

Generally, an Entity will be resident for tax purposes in a jurisdiction if, under the laws of that jurisdiction (including tax conventions), it pays or should be paying tax therein by reason of his domicile, residence, place of management or incorporation, or any other criterion of a similar nature, and not only from sources in that jurisdiction. Dual resident Entities may rely on the tiebreaker rules contained in tax conventions (if applicable) to solve cases of double residence for determining their residence for tax purposes. An Entity such as a partnership, limited liability partnership or similar legal arrangement that has no residence for tax purposes shall be treated as resident in the jurisdiction in which its place of effective management is situated. A trust is treated as resident where one or more of its trustees is resident. For additional information on tax residence, please see the following link:

www.oecd.org/tax/transparency/automaticexchangeofinformation.htm or talk to your tax adviser.

What is a Taxpayer Identification Number (TIN)?

Your Taxpayer Identification Number (TIN) is a unique combination of letters and/or numbers assigned to your entity. Some countries do not issue a TIN, but rely on another issued number such as social security/national insurance numbers or company registration numbers for businesses. The OECD has published a list of the acceptable Taxpayer Identification Number (TIN) formats <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/>

Where to go for further information

The “Organisation for Cooperation and Economic Development” (OECD) has developed the rules to be used by all governments participating in the CRS and these can be found on the OECD’s “Automatic Exchange of Information” (AEOI) website, www.oecd.org/tax/automatic-exchange/.

If you have any questions on how to define your tax residency status, please visit the OECD website, www.oecd.org/tax/automatic-exchange/ or speak to your tax advisor as we are not allowed to give tax advice.

DISCLAIMER

This document is intended solely for the customers FidBank UK Limited, to whom it is sent and not for any other person. It is a summary for information purposes only and general in nature. FidBank UK Limited makes no guarantee of its accuracy and completeness and is not responsible for any errors, nor shall FidBank UK Limited be liable for any loss that results from reliance upon this information based on FATCA legislation as at 30 June 2014. Customers should seek professional legal and tax advice specific to their own situation.