



## FIMBANK

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The following definitions provide guidance on terms used in this form as used in the Agreements to Automatic Exchange of Financial Account Information ("the Common Reporting Standard").

**If you have any questions about these definitions or require further detail then please contact your tax adviser or local tax authority.**

**"Account Holder"** The term "Account Holder" means the person listed or identified as the holder of a Financial Account. A person holding a Financial Account for the benefit of another person is not treated as the Account Holder. In these circumstances that other person is the Account Holder. For example in the case of a parent/child relationship where the parent is acting as a legal guardian, the child is regarded as the Account Holder. An individual Account Holder includes individuals who are "Controlling Person(s)" (see below). With respect to a jointly held account, each joint holder is treated as an Account Holder.

### "Active NFE"

1. Less than 50 per cent of the NFE gross income for the preceding calendar year or other appropriate reporting period is passive income (such as dividends, interest, royalties, annuities and rent) and less than 50 per cent of the assets held by the NFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
2. The stock of the NFE is regularly traded on an established securities market or the NFE is a Related Entity of an entity, the stock of which is traded on an established securities market;
3. The NFE is a government, an International Organisation, a Central Bank, or an entity wholly owned by one or more of the foregoing;
4. Substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution. However the entity will not qualify as an Active NFE if it functions (or holds itself out to be) 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 then hold interests in those companies as capital assets for investment purposes.
5. The NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution; provided that the NFE shall not qualify for this exception after the date that is 24 months after the date of the initial organisation of the NFE;
6. The NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets, or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution;
7. The NFE primarily engages in financing and hedging transactions with, or for Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution;

8. The entity is a Non-Profit Organisation.

**“Controlling Persons”** are the natural persons who exercise control over an entity. Where that entity is treated as a Passive Non-Financial [Foreign] Entity (“NFFE or “NFE”) then such persons are regarded as the Account Holder(s). “Control” over an Entity is generally exercised by the natural person(s) who ultimately has a controlling ownership interest in the Entity.

**“Financial Account”** A Financial Account is an account maintained by a Financial Institution and includes:

- Depository Accounts; Custodial Accounts;
- Equity and debt interest in certain Investment Entities;
- Cash Value Insurance Contracts; and
- Annuity Contracts.

**“NFE”** Means any Entity that is not a Financial Institution

**“Participating Jurisdiction”** A Participating Jurisdiction means a jurisdiction with which an intergovernmental agreement is in place pursuant to which it will provide the information required on the automatic exchange of financial account information set out in the Common Reporting Standard

**“Passive NFE”** For the purpose of The Agreements a Passive NFE is any NFE that is not an “Active NFE”. Under the Common Reporting Standard a “Passive NFE” means any: (i) NFE that is not an Active NFE; or (ii) an Investment Entity described in subparagraph A (6)(b) Section VIII of The Common Reporting Standard.

**“Related Entity”** an entity that is related to another entity through some type of control or ownership, such as a company within another’s group

**“Reportable Jurisdiction”** A Reportable Jurisdiction is a Participating Jurisdiction with which an obligation to provide financial account information is in place.

**“Reportable Person”** The Common Reporting Standard defines the Account Holder as a “Reportable Person”. Similar to “Specified Person” a Reportable Person is further defined as an individual (or entity) that is tax resident in a Reportable Jurisdiction under the laws of that jurisdiction.

**“Specified Person”** The Agreements use the term “Specified Person” to define the Account Holder. The term “Specified Person” means a person (an individual or an entity) who is resident for tax purposes in a jurisdiction participating under the Agreements. The term is defined by reference to local laws in the participating jurisdiction as set out in the relevant Agreement and is particular to each country where the individual is resident.

**“TIN”** Taxpayer Identification Number is a unique combination of letters or numbers assigned by a country to an individual / entity and used to identify the individual / entity for the purposes of administration the tax laws of that country.