

# Premier Portfolio Management Service

## Self-certification of tax residency for entities form Explanatory notes & instructions

Self-certification for entities for the purposes of FATCA and the UK Intergovernmental Agreements (IGAs)

### Introduction

These explanatory notes are no substitute for reading and understanding the certification requirements of the following publications:

- US Foreign Account Tax Compliance Act (FATCA);
- HMRC Guidance Notes on the Automatic Exchange of Financial Account Information Guidance Notes;
- HMRC Implementation of International Tax Compliance (Crown dependencies and Gibraltar) Regulation 2014; or
- The corresponding Intergovernmental Agreements (IGAs).

### Completion of Form

1. All entities should complete Sections A and B of the form. Depending on the tax status you should complete Section C as appropriate. Then depending on your answers to Section C, complete either Section D or Section E.
2. If you have indicated that the entity is tax resident in another country (including a Crown dependency), you cannot invest with Premier Fund Managers Limited
3. All entities must complete Section F “Declaration Section”.

### Background

4. This form applies to all types of entities and, therefore, can also apply to certain trusts, charities and pension arrangements.
5. The International Tax Compliance (United States of America) Regulations 2014 revoked and replaced the previous 2013 Regulations and came into force on 30 June 2014. They implemented the UK-US Agreement to Improve International Tax Compliance and to implement the US Internal Code, commonly known as FATCA. Under the UK Regulations Financial Institutions (FIs) must identify all reportable accounts and establish the tax residency of all account holders not just in respect of US persons. More background about how FATCA was implemented in the UK can be found in HMRC’s UK-US Guidance Notes at <https://www.gov.uk/government/collections/automatic-exchange-of-information-agreements>
6. The UK has signed similar reciprocal agreements with other countries and the Crown Dependencies (CDs). The International Tax Compliance (Crown Dependencies and Gibraltar) Regulations 2014 came into force on 31 March 2014. Further details can be found at <https://www.gov.uk/government/collections/automatic-exchange-of-information-agreements>

The European Directive on Administrative Cooperation (DAC) governs the obligations imposed on UK financial institutions to identify reportable accounts and establish the tax residency of all account holders. Further details can be found at <https://www.gov.uk/government/collections/automatic-exchange-of-information-agreements>

7. The UK-US Agreement, UK-Crown Dependencies and Gibraltar Agreements and DAC require UK FIs to identify and report Financial Accounts held by US Specified Persons and by persons resident for tax purposes in other countries including the Crown Dependencies. One way to meet these requirements is by obtaining a self-certification from the account holder.

### Detail

#### Section A: Entity Information

**Entity Name:** Enter the full name of the entity (the account holder).

**Address:** Enter the full address of the entity including the postcode and the country.

**Account Number(s):** If you are a new client you will not have an account number and Premier Fund Managers Limited will complete this for you. If you are a pre-existing client, you should complete this information if you know it. Premier Fund Managers Limited may include all relevant account numbers.

#### Section B: Tax Residency

UK legislation requires Premier Fund Managers Limited to collect certain information about each client’s tax residence (ies), and determine whether we are obliged to submit certain account information to UK tax authorities, who may pass it on to other tax authorities. Please indicate the country in which the entity is resident for tax purposes and the associated tax identification numbers in the table provided. Investment with Premier Fund Managers Limited is not permitted if the entity’s country of tax residency is not the UK, or is in a Crown dependency.

‘Tax residence’ for entities is determined by the laws of the relevant local jurisdiction, and may depend on factors such as the residencies of the entity and/or other factors.

If you are unsure as to which country the entity is resident in for tax purposes please contact your tax adviser.

**Country of Tax Residency:** Enter the country where the entity is resident for the purposes of that country’s income taxation.

If the entity is resident for tax purposes anywhere other than the UK, investment with Premier Fund Managers Limited is not permitted and therefore this form should not be completed.

**Tax Identification Number(s):** Enter the tax reference number that the entity’s country of residence for tax purposes has issued to it. Where a country does not issue a Tax Identification Number a “functional equivalent” may be used.

If the entity does not have a TIN, or ‘functional equivalent’ please tick the relevant box.

### Section C: Entity classification for the purposes of FATCA or US IGAs

Whether or not the entity is treated as Financial Institution (FI) by Premier Fund Managers Limited regarding the entity's account with Premier Fund Managers Limited depends on the regulations of the jurisdiction in which the account is maintained. According to UK Regulations, an entity is either an FI or a Non-Financial Foreign Entity (NFFE).

If the entity fits the definition of 'FI' please complete Section C, 1 of the Form ("The entity is a Financial Institution"). If the entity is an NFFE please complete Section C, 2 of the Form. If the entity is an "Owner- documented FI" please complete Section E.

#### 1. The entity is a Financial Institution

Where the entity is an FI, Premier Fund Managers Limited is obliged to verify that the entity is a "compliant" FI. One way to verify that is to obtain a 'Global Intermediary Identification Number' (GIIN) from the entity.

- a). Please provide the respective GIIN, if any of the three cases below apply:
- i. The entity has registered as a "FI" with the US IRS, or the entity is a 'Sponsored Investment Entity' - please provide the entity's GIIN. Entities can be FIs in their own right but they can also be sponsored investment entities where the Sponsored Investment Entity has a contractual arrangement for its due diligence and reporting responsibilities to be carried out by a Sponsoring Entity. In both cases the Entity will have a GIIN which should be recorded in the box provided.
  - ii. The Entity is a "Sponsored Investment Vehicle" - please provide the GIIN of the Sponsoring FI. This category is very similar to the 'Sponsored Investment Entity' under i. above. The difference is that a Sponsored Investment Vehicle does not need to register with the IRS and obtain a GIIN. Only the Sponsoring FI will have to register with the IRS. Please provide the GIIN of the Sponsoring FI. For more information, please refer to HMRC's UK-US Guidance Notes.

Please confirm whether it is the GIIN of the entity or the GIIN of the Corporate/Sponsoring FI: If it is the entity's GIIN, please tick the relevant box and if it is the GIIN of the Corporate / Sponsoring FI please tick the relevant box and also put the name of the Corporate/Sponsoring FI.

If you have provided a GIIN you should proceed to Section F "Declaration Section" at the end of the form.

- b). If the entity cannot provide a GIIN, please tick the reason why it does not have a GIIN:
- i. Whilst most FIs will have applied and received a GIIN there may be cases where the FI is in the process of applying but has not yet received it.

Entities that have already registered as Foreign Financial Institutions (FFIs) will appear on the IRS FFI list at <http://apps.irs.gov/app/fatcaFfiList/flu.jsf>.

- ii. The Entity is, or intends to be, an "Owner-Documented FI" and meets the requirements in Section E.

This classification is intended to apply to entities that are FIs where meeting the obligations under the Regulations such as registering with the IRS and possible reporting to HMRC would be too onerous for the entity.

An entity that qualifies as an 'Owner-documented FI' must meet all of the requirements as explained in Section E and complete and sign Section F.

The "Owner documented FI" classification is only applicable under the UK-US Agreement.

- iii. The entity is a "Certified or otherwise Deemed Compliant FI" The most common example for this category is a UK registered charity. For other examples, see HMRC's UK-US Guidance Notes
- iv. Other reason (please specify)

Please explain in the box why you believe that the entity does not require a GIIN. As with iii. above this will increase the amount of withholding tax deducted from the entity's US sourced income and we may also be obliged to report details of this account to HMRC.

#### 2. The entity is NOT a Financial Institution

If the entity is not a Financial Institution, it will be a 'Non-Financial Foreign Entity' (NFFE). An NFFE is either an Active or Passive NFFE.

Active NFFE: The most common example of an Active NFFE is one that is conducting trading activities and meets certain conditions such as an active income test.

If your organisation is such an entity please tick the relevant box and proceed to Section F "Declaration Section" at the end of the form.

Passive NFFE: If the entity is not an Active NFFE or an FI, it will be a Passive NFFE and you should tick the relevant box and proceed to Section D.

Direct Reporting NFFE: The US Regulations introduce a new category of Passive NFFE – a Direct Reporting NFFE. It will be required to report certain information about its direct or indirect substantial US owners. The NFFE will also be required to register with the IRS to obtain its GIIN. If the entity is a Direct Reporting NFFE you should tick the relevant box and include your GIIN.

Sponsored Direct Reporting NFFE: The US Regulations also allow an Entity to sponsor one or more Direct Reporting NFFEs (Sponsored Direct Reporting NFFEs). If the entity is a Sponsored Direct Reporting NFFE you should tick the relevant box and include the GIIN of the Entity that is acting as your Sponsor.

The final two categories of NFFE only apply to the UK-US Agreement and not to the UK- DAC Agreements.

### Section D: Passive NFFE Controlling Persons Self-Declaration of residency

If you have declared the entity to be an FI or 'Active NFFE' in Section C above – you do not need to complete this section.

Otherwise, the entity will be considered a 'Passive NFFE'.

Therefore, section D needs to list all "controlling persons" in the list provided.

Note: the term 'Controlling Person' (as defined by UK Anti-Money Laundering and Know-Your- Customer regulations) are natural persons who exercise control over an entity.

### Section E: "Owner -documented FIs"

Please note that the concept of "Owner-documented FIs" is only applicable to the UK-US Agreement.

Complete Section E where you ticked 'Owner-Documented FI' in Section C.1.(b)ii). The Owner-Documented FI classification is intended to apply to entities that are 'Investment Entity' FIs but meeting the obligations under the regulations such as registering with the IRS and possible reporting to HMRC would be too onerous.



UK legislation based on international information exchange agreements provides that an entity which qualifies as an 'Owner- Documented FI' will not have to register with the IRS nor obtain a GIIN. Note that the status as an Owner- Documented FI operates exclusively between the entity and Premier Fund Managers Limited to whom this Self-certification for tax residency form has been provided. Therefore the certifications in this form do not extend to any financial account that the entity has with any other FI and that FI will require separate documentation/ certification from the entity.

Information regarding all direct and indirect holders of equity or debt interests in the entity must be provided. Please note that UK legislation requires Premier Fund Managers Limited to possess information in addition to that requested by this section. Although Premier Fund Managers Limited may already have been provided with the required information in connection with UK regulations, it may be necessary for Premier Fund Managers Limited to request additional information from you.

It is important that if any of the information changes or needs to be updated, that the entity informs Premier Fund Managers Limited at the earliest opportunity, and certainly within 30 days of any change in circumstances (see Section F "Declaration Section" at the end of the form).

### Part 1: Qualification for Owner-Documented FI Status

In order to qualify for 'Owner-Documented FI' status all of the following three requirements must be met:

The entity does not maintain a financial account for any Non-Participating Financial Institution. Under UK legislation based on international information exchange agreements "financial account" of an 'Owner-Documented FI' means direct or indirect equity or debt interest in the entity. The entity will not qualify for 'Owner-Documented FI status where a Non-Participating FI holds an equity interest or debt interest in the entity.

The entity is not owned by, nor a member of, a group of Related Entities with any FI that is a depository institution, custodial institution or specified insurance company as defined in UK legislation.

The entity provides Premier Fund Managers Limited (i.e. the reporting entity) with information regarding all persons – both natural and legal persons – that hold direct or indirect equity or debt interest in the Entity.

Note that the concept of Non-Participating Financial Institutions (NPFIs) does not apply for the purposes of the UK-Crown Dependencies, the UK-Gibraltar or other country IGAs.

The entity will qualify for Owner-Documented FI Status only where the entity meets ALL of the above conditions in this section.

### Part 2: Entity Owner Information

The entity must provide the requested information regarding all persons that hold direct and indirect equity or debt interest in the entity and UK legislation requires that the determination of owners is made by looking through all interests held by entities.

Direct equity and debt holders are persons (individuals and/or entities) that hold direct interests in the entity.

Indirect equity and debt holders arise when an entity itself holds an equity or debt interest in the entity. In such case you must look through all interests held by entities, including in the case of tiered entities, to provide the required identification on all direct and indirect owners.

#### 1. Entity Owner Information: Direct Owners

In the table provided, list all direct holders of equity or debt interests in the entity. Also complete Section 2. for each direct owner that is itself an entity

**Name:** Enter the full name of the Individual or, if applicable, the Entity that holds a direct equity or debt interest in the entity.

**Individual/Entity:** Indicate if the person is an Individual or Entity.

**Country of Tax Residency:** For individuals enter in full the name of the country in which the Individual is resident for tax purposes. For entities enter the country where the Entity is resident for the purposes of that country's income taxation. If the Entity is a tax resident in more than one country, please list each one separately.

**Address:** For individuals enter the permanent residential address. Your permanent residence address is the address in the country where you claim to be resident for the purposes of that country's income tax. For entities enter the registered address.

**Tax Identification Number:** Enter the tax reference number that your country of residence for tax purposes has issued to you. Where a country does not issue a Tax Identification Number a "functional equivalent" may be used. For an individual this would include, for example, a social security number (such as in Guernsey, Jersey, Gibraltar) or national insurance number (such as in the Isle of Man), or personal identification number or a resident registration number. For an entity it would include a business or company registration number or other similar form of identification.

**Country of Birth/Country of Organisation:** For individuals enter the country in which you were born. Abbreviations may be used. For example, individuals born in the United Kingdom may enter "UK". For entities, a corporation should enter the country of incorporation and if it is another type of entity enter the country under the laws in which it is created.

**Date of Birth:** Enter date of birth in the following format DD/MM/YY (not necessary for entities). Attach additional sheets if necessary.

#### Entity Owner Information: Indirect Owners

Complete a separate Part 2 for each entity listed as a direct holder of an equity or debt interest in the Entity under Part 2. In addition, complete this section separately for each entity that is subsequently listed in Part 2.

Refer to the single line instructions in Part 2 above. Attach additional sheets if necessary.

### Section F: Declaration Section

Please sign, date and indicate in which capacity you are signing. The individual signing this Form must possess the authority to make the certifications in this section on behalf of the entity.

Please note that based on the information you provide we may need to contact you for further clarification.

