



What we need from you to open an account with us (Guidance notes)

Trusted Novus Bank



Why you need to read this Guide carefully

Delays in processing applications often result from receiving incomplete documentation. This document is intended to guide you through the process with relative ease and confidence. It outlines exactly what information we need when you make your application and the format in which it needs to be supplied. By providing this information when you make your application, you will be helping us keep the time it takes to open your account to a minimum.

If, at any stage, you need further guidance or are unsure as to what you need to supply us, our Business Development team is on hand to help answer your specific questions.

Common causes of delay in the account opening process include:

Unacceptable or incomplete identity & address verification documents

Incomplete information on a Key Individual

Incomplete documentation on corporate or trust structures

Incorrect / inadequate certification of copy documents

Incomplete information & supporting documentation on source of funds and nature of business

Five steps to complete documentation

Step 1 – Identifying the *Key Individuals*, body corporates & trusts connected with your account (page 3)

Step 2 – Verifying their identity & address (page 6)

Step 3 – Certifying documents (page 8)

Step 4 – Providing documentation for corporate, trust, partnership, and club accounts (page 9)

Step 5 - Confirming source of funds (page 14)



Step 1 – Identifying Key Individuals and associated corporates and trusts connected with your account

We need to verify the identity of **each** *Key Individual*, body corporate and trust connected with the Applicant. This means:

In relation to a **Personal Account**:

- a. the named account holder(s);
- b. any person beneficially entitled to the funds on account;
- c. secondary Visa cardholder applicants;
- d. any person in a position of authority to provide instructions in relation to the operation of the account (e.g. holders of powers of attorney or persons with Netbank Authorisation rights).

In relation to a **Corporate Account**:

- a. the ultimate beneficial owners of the entity;
- b. any person ultimately funding the bank account;
- c. authorised signatories to the bank account;
- d. members of the Board of Directors / Council of Management or persons occupying positions by any other name with the authority conferred by the entity's constitutional documents to provide instructions in relation to the operation of the account;
- e. persons who are otherwise in a position to provide instructions in relation to the operation of the account (e.g. holders of powers of attorney or persons with Netbank Authorisation rights);
- f. Visa cardholder applicants.

In relation to a **Trust Account**:

- a. the trustee(s);
- b. the settlor(s);
- c. the protector;
- d. authorised signatories to the bank account;
- e. persons who are otherwise in a position to provide instructions in relation to the operation of the account (e.g. holders of powers of attorney or persons with Netbank Authorisation rights);
- f. Visa cardholder applicants.
- g. each named beneficiary or class of beneficiary.

In relation to a **Partnership Account**:

- a. partners of the firm;
- b. authorised signatories to the bank account;
- c. persons who are otherwise in a position to provide instructions in relation to the operation of the account (e.g. holders of powers of attorney or persons with Netbank Authorisation rights);
- d. Visa cardholder applicants.



In relation to a **Club, Association or Society Account**:

- a. officers of the club/association with the authority to make changes to the bank mandate and persons who are otherwise in a position to provide instructions in relation to the operation of the account (e.g. holders of powers of attorney or persons with Netbank Authorisation rights);
- b. authorised signatories to the bank account;
- c. Visa cardholder applicants.

Individual Details Form

Each *Key Individual** must complete an *Individual Details Form*. To assist you in completing this form, we have defined some of the terms and phrases you will come across.

* If a Key Individual is named as such by sole virtue of the fact that they are employed as Company Director, or are an authorised signatory/holder of power of attorney on the account, or are a named beneficiary (but not the settlor) of a Trust, or the beneficiary of a distribution from a trust account, then only sections 1, 2 and 3 of the Individual details form need to be completed. Individuals that are a named account holders or that have an ultimate beneficial interest in the ownership of the account, or are the named settlors in respect of a Trust Account must complete all sections.

Source of Wealth

Here we ask you to record an estimate of the key individual's total/overall wealth, and the historic economic activity by which the wealth has been created

Tax Country: Provide details of all countries where you are considered to be tax resident (note that EU nationals resident outside of the EU must provide a certificate of tax residency issued by the tax office of their country of residence)

Tax Identification Number (TIN): Provide your personal Tax Identification Number. If the country in which you are tax resident does not issue a TIN then please provide an alternative `functional equivalent` (e.g. social insurance number or fiscal identification number)

Active and other income sources

Here we ask you to record income range in terms of **active** and **other** income sources.

Active income means income derived from paid employment, or from a trade or business in which the individual materially participates (self-employment). To *materially participate* in an activity the individual must have regular, continuous and substantial participation in the performance of the activity. This category includes wages and salaries, tips and bonuses and the proceeds of self-employment.



Other income means income from retirement, investments (portfolio income), or from a trade or business in which the individual is not actively involved (does not *materially participate*). This category includes pensions, rental income, income from an interest in a trust or estate, and income derived from investments (interest, dividends, capital gains, rents and royalties) unless earned in the ordinary course of a trade or business.

For individuals in self-employment

We ask you to indicate the category that most closely describes the nature of your self-employment. The 5 categories are defined as:

Employer: an individual who employs others; i.e. the traditional entrepreneur running a small or medium-sized enterprise. The individual holds a position in an enterprise (often incorporated), in which he or she:

- a. alone or together with others (family members or one or more business partners) holds controlling ownership of the enterprise; and
- b. has the authority to act on its behalf as regards contracts with other firms and the hiring/dismissal of employees.

Freelancer: an individual working for a variety of clients in short-term or long-term assignments on his or her own account, usually without employing staff. (i.e. a single-person enterprise).

Semi-autonomous worker: an individual who works for his or her own account for a single client in a long-term arrangement.

Franchisee: an individual who runs an establishment for his/her own-account based on contracts for the exclusive sale of certain products. The contract determines to a significant extent how the business is operated and requires the payment of a specific portion of total sales.

Other: an individual who works for his or her own account, but whose nature of self-employment does not fit into one of the four categories mentioned above. We ask you to describe the nature of your self-employment in your own words.

P.E.P. (or 'Politically Exposed Person') Status: Is defined as a person entrusted, or that has been entrusted, with a prominent public function (e.g. a position in Senior Public Office). We ask you to confirm if you hold, or have held such a position, or if you are directly related to or closely associated with a person who holds /has held such a position.

U.S Status: Please see notes regarding U.S. / FATCA Status on page 13



Associated Corporate/Trust Details Form

Where a person mentioned in Step 1 is a corporate entity or trust, we will need you to complete an *Associated Corporate/Trust Details Form*.

You will also need to complete this form for each entity that stands in a direct linear ownership/control relationship with the Applicant. Step 3 explains this in relation to complex corporate structures.

Step 2 – Verifying identity & address

We are required to verify the identity and address of each *Key Individual* connected with your account.

To do this, we need a **certified** copy of at least one item of personal identification from table 1, and at least one item of residential address verification from table 2 (see Step 5 for Certification).

Note: For non-English/Danish/German/Spanish documentation please include a fully certified English translation.

Table 1: Personal identification documents

Eligible documents:

| | |
|---|--|
| A certified full copy of a current valid passport. | The copy must clearly show : <ul style="list-style-type: none">- your photograph and signature- gender- document number- place and date of issue- expiry date- date and place of birth |
| A certified copy of a full drivers licence. | Must satisfy the above requirements as for a passport. |
| A certified copy of a National ID card. | Must satisfy the above requirements as for a passport. |



Table 2: Residential address verification

Eligible documents:

| | |
|--|---|
| <p>An original or certified copy of a utility bill or telephone bill.</p> | <p>Examples of utility bills include an electricity bill, water bill, gas bill. The document must state the residential address supplied in the <i>Individual Details Form</i> and must be no more than six months old. (note: PO Box verification and mobile phone bills are not acceptable).</p> |
| <p>A certified copy of a bank or building society statement.</p> | <p>Must be no more than six months old.</p> |
| <p>A certified copy of your most recent tax assessment.</p> | |
| <p>A certified copy of an ID card bearing the individual's address</p> | <p>We may accept a certified copy of an ID card for both ID and address verification but only if the original has been presented to an officer of Trusted Novus Bank in a face-to-face meeting. Otherwise, an ID card may only be used for address verification if the same document has not been used to verify identity.</p> |



Step 3 – Certifying your documents

We can only accept certified copies of documents where the person providing the certification is a **suitable certifier**. The following classes of persons qualify as suitable certifiers, provided always that the person carries on his or her profession in a jurisdiction with effective anti-money laundering measures and the profession is subject to these measures:

- Notaries public
- Bank officials – Employed in a jurisdiction that is subject to the European Union AML Directives/legislation or in a jurisdiction which, in the opinion of the bank is subject to an equivalent standard of AML legislation/regulation. (If outside of the E.U we recommend that you contact the bank to confirm the suitability of the proposed certifier for the banks purposes)
- Auditors registered and regulated in Gibraltar or the U.K
- Barristers registered and practicing in Gibraltar or the U.K.
- Commissioners for Oaths registered and practicing in Gibraltar or the U.K.
- Directors of licensees authorised or licensed under the Gibraltar Financial Services Ordinances 1989 or 1998, the Banking Ordinance 1992, or the Insurance Companies Ordinance
- Individuals holding a Class VII (professional trustee) or Class VIII (company manager) licence under the Gibraltar Financial Services Ordinance 1989
- Solicitors registered or practicing in Gibraltar or the U.K.

What the certification should say

The person providing ID certification must examine the personal identification document **in the presence of the ID holder**. The certification should read:

I certify that this is a true copy of the original document and that the photograph is a true likeness of the subject.

Note that ID certification that does not confirm a true likeness may not be accepted by the bank

Similarly, when certifying a copy of an address verification document, the certifier should state:

I certify that this is a true copy of the original document.

The certification must also contain:

- name , address and profession / occupation of the certifier (if certified by a bank official then also include the bank's stamp)
 - certifier's signature
- date of certification



Step 4 – Providing documentation for corporate, trust, partnership, and club accounts

Depending on the type of entity, you will need to provide additional documentation as follows:

Note: For non-English/Danish/German documentation please include a fully certified English translation.

For **corporate accounts** we require:

- a. **Copy of the entity's Certificate of Incorporation** or such other document issued under the authority of a competent body as prescribed by legislation in the country where the entity is established, giving the entity's name, legal form, date of formation and registration number. The document should also contain the name of the issuing authority, country of location and date of issuance of the document.
- b. Where the entity carries on a business under a business name that does not consist solely of its corporate (legal) name, please supply a **copy of the Certificate of Registration of Business Name** or such other document issued under the authority of a competent body.
- c. **Extract from a public register** in the country where the entity is established, either in the form of a Company Search, Certificate of Good Standing or similar document admissible as evidence of the entity's continued inscription on an official register;
- d. **Copy of the entity's Memorandum & Articles of Association**, By-Laws, Founding/Operating Agreement, Articles of Organisation, Statutes, Charter or such other set of documentation serving as the basis of the entity's operations. Collectively these should set down:
 - (i) the activities that the entity may conduct;
 - (ii) details of the entity's capitalisation (e.g. authorised share capital – number of shares and nominal value per share);
 - (iii) the rules regarding the entity's day-to-day management, the appointment of officers, the conduct of meetings and the specific powers, duties and responsibilities of its officers;
- e. **Copy of the resolution** to open a bank account with Trusted Novus Bank and conferring authority on the individual(s) who will operate the account (i.e. authorised signatories). This resolution must be passed in accordance the entity's Articles of Association.
- f. **Copy of the latest annual financial statement**, if there is a statutory requirement to file accounts in the country where the entity is established.
- g. For professionally managed companies or financial institutions – **A declaration as to U.S. tax/FATCA status** using the appropriate IRS tax form (series W8 or W9)



For **trust accounts** we require:

- a. **Copy of the Trust Deed**, trust agreement, declaration of trust or such other written instrument (or extract thereof), which names the trustee(s), protector(s), and beneficiaries and provides details of the trust property.
- b. **Copy of the resolution** passed by the trustee(s) to open a bank account with Trusted Novus Bank and conferring authority on the individual(s) who will operate the account (i.e. authorised signatories).
- c. [Where the settlor is deceased] **written confirmation of source of funds** in the form, for example, of a grant of probate or copy of the Will creating the trust.
- d. **A declaration as to US tax/FATCA status** using the appropriate IRS tax form (series W8 or W9)

For **partnership accounts** we require:

- a. **Copy of the Partnership Agreement**, which deals with such matters as the actual formation purpose and scope of the partnership's activities, the rules regarding the partnership's day-to-day management, the conduct of meetings and the specific powers, duties and responsibilities of partners, capitalization and capital contribution issues, distribution and divisions of monies, terms and terminations, changes and transfers, accounting /recordkeeping.
- b. Where the partnership is engaged in the practice of a profession or trade that can only be lawfully carried on by a person or firm licensed in accordance with the laws of the State, a **copy of the licence/permit to practice/trade** or such other document of registration issued under the authority of a competent body.
- c. **Copy of the resolution to open a bank account with Trusted Novus Bank** and conferring authority on the individual(s) who will operate the account (i.e. authorised signatories). This resolution must be passed in accordance the partnership's internal rules (as set down in a. above).

For **club, association & society accounts** we require:

- a. **Copy of the club/association's Constitution**, By-Laws, Founding/Operating Agreement, Articles of Organisation, Statutes, Charter or such other set of documentation serving as the basis of the club/association's operations.

Collectively these should set down:

- (i) the activities that the club/association may conduct;



- (ii) the rules regarding the club/association's day-to-day management, the appointment of officers, the conduct of meetings and the specific powers, duties and responsibilities of its officers;
- b. Where the club/association is registered as a charity, a **copy of the Certificate of Registration as a Charity** or such other document issued under the authority of a competent body,
- c. Where the club/association carries on business under a registered business name, a **copy of the Certificate of Registration of Business Name** or such other document issued under the authority of a competent body,
- d. **Copy of the resolution to open a bank account with Trusted Novus Bank** and conferring authority on the individual(s) who will operate the account (i.e. authorised signatories). This resolution must be passed in accordance the club/association's internal rules (as set down in a. above);

Structure diagram for complex corporate structures

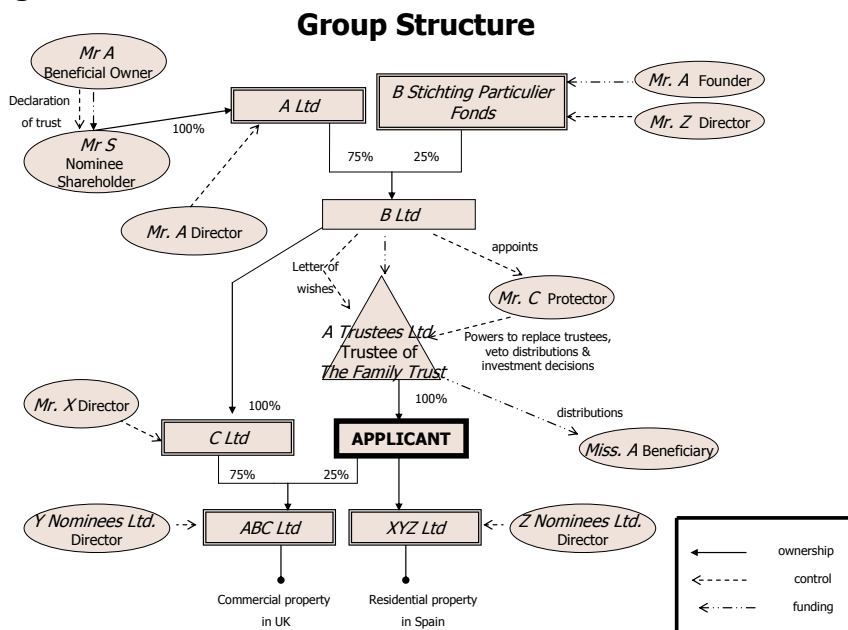
Where the applicant is part of a wider group structure such that there are intermediate layers in the ownership and control between the Applicant and its ultimate beneficial owners – i.e. a chain of ownership & control, we would need to have a clear understanding of the overall group structure.

By “ultimate beneficial owner” we mean the **natural person(s)** who is able to exercise direct or indirect control over the Applicant’s business or is entitled to acquire direct ownership of it. This includes any person who effectively controls:

- at least 10 per cent of the issued share capital of, or the voting rights in, the Applicant, or
- enough of the issued share capital that, if the Applicant's entire income were distributed among the participators, that person would be entitled to receive at least 10 per cent of the amount distributed, or
- the right to receive at least 10 per cent of the assets available for distribution in the case of a winding-up (without prejudice to the rights of creditors).

To gain an understanding of the group structure we ask you to provide this information in diagrammatic form (i.e. a corporate family tree) as shown in the following example, supported by an *Associated Corporate/ Trust Details Form* on each entity that stands in a direct linear ownership/control relationship with the Applicant (see below).

Figure 1





By way of illustration, in the structure set out in Figure 1 we would need an *Associated Corporate/ Trust Details Form* for:

- (i) *The “Family Trust”*
- (ii) A Trustees Ltd (trustees of the “Family Trust”)
- (iii) B Ltd.
- (iv) B Stichting Particulier Fonds
- (v) A Ltd.

Note: *If XYZ Ltd and/or ABC Ltd were (or were likely to become) a significant funding source into the Applicant’s account, we would also request an Associated Corporate/Trust Details Form for these companies.*

U.S. / FATCA Status

Trusted Novus Bank cannot provide FATCA/Tax advice and if you are in any doubt as to your FATCA/ tax status, how you should answer our questions in this regard or how you should complete any required U.S. tax forms, then you should take advice from your tax adviser. The notes below are for background information purposes only. They are not to be taken as tax advice and are not to be relied upon as such.

FATCA is a US tax law that requires Foreign Financial Institutions (FFIs), including Trusted Novus Bank, to register with the US Internal Revenue Service. The Gibraltar Government has entered into an Intergovernmental Agreement (Model 1) with the United States for FATCA purposes. FATCA requires that FFIs should identify their clients’ FATCA status including whether or not they are a U.S./non-U.S. entity/person, whether or not they should be considered an Active or Passive Entity, and whether or not they are a Financial Institution for FATCA purposes. Trusted Novus Bank (Gibraltar) is subject to certain automatic reporting and withholding tax obligations depending on a client’s FATCA Status.

You will find definitions of some U.S FATCA terms at the end of this document.

Similar to U.S. FATCA the Government of Gibraltar has also entered into an Intergovernmental Agreement with the United Kingdom (U.K.FATCA) which broadly speaking imposes similar requirements for client classification and automatic exchange of information reporting for UK tax purposes.



Step 5 - Confirming your source of funds

To meet legal requirements, we also need to establish the source of your overall wealth and the original source of the money you are paying into your account. The verification of the source of funds (where the money came from) and the source of wealth (the economic activity that contributed to one's wealth) is an important part in the overall 'know your customer' profile. Depending largely upon the amount you are depositing with us, this is best achieved through documentation arising from the underlying transaction or through an independent person closely associated with the source.

By providing this documentation when you make your application, you will be helping us keep the time it takes to open your account to a minimum.

The following table outlines examples of documentation which would normally be acceptable for this purpose. For non-English/Danish/German documentation please include a fully certified English translation.

Table 3: Source of funds/wealth documents

| Source of funds | Information required | Examples of supporting documentation |
|---|--|--|
| Sale of liquid assets (shares, bonds, mutual funds, etc.) | Description of shares / funds / bonds Name & address of broker Total sale proceeds Date of sale | Contract note |
| Maturing life policy | Description of life policy Name & address of insurer Amount received Date received | Closing statement |
| Sale of property | Total amount of sale Type of property & address Date of sale | Copy of sale documentation; or Letter from solicitor / estate agent or a completion statement |



| Source of funds | Information required | Examples of supporting documentation |
|------------------------|--|---|
| Sale of business | <p>Name & address of business</p> <p>Total sale price (& applicant's share of proceeds, if different)</p> <p>Nature of business</p> <p>Date of sale</p> | <p>Copy of sale documentation; or</p> <p>Letter from solicitor or accountant</p> |
| Sale of other assets | <p>Description of asset</p> <p>Total sale price (& applicant's share of proceeds, if different)</p> <p>Date of sale</p> | <p>Copy of sale documentation; or</p> <p>Letter from solicitor or accountant</p> |
| Inheritance | <p>Name of benefactor</p> <p>Relationship with benefactor</p> <p>Total amount received</p> <p>Date received</p> <p>Source of donated funds &/or benefactor's source of wealth</p> | <p>Grant of probate (or copy of the Will), which includes the value of the estate or Letter from solicitor; and</p> <p>Documentation supporting benefactor's source of wealth</p> |
| Gift | <p>Name of benefactor</p> <p>Relationship with benefactor</p> <p>Reason for the gift</p> <p>Total amount received</p> <p>Date received</p> <p>Source of donated funds &/or benefactor's source of wealth</p> | <p>Letter from benefactor confirming details of gift and acknowledging the source of donated funds; and</p> <p>Documentation supporting benefactor's source of wealth</p> |

| Source of funds | Information required | Examples of supporting documentation |
|-------------------------------|---|--|
| Loan | Name & address of loan provider Amount of loan Date of loan | Loan agreement; or Recent loan statements |
| Trust advancement or benefits | Name & country of domicile of the trust Name & address of the Trustee Amount of advancement Date of advancement | Letter from trustee confirming details of the advancement |
| Lottery/Betting/Casino win | Details of organisation/operator paying prize Where & how won Total amount of winnings Date of payment of winnings | Letter from relevant organisation; or Copies of media coverage |
| Compensation payment | Details of person making payment Reason for payment Amount of payment Date received | Copy of court order awarding compensation; or Letter from compensating body confirming details of compensation paid |



| Source of funds | Information required | Examples of supporting documentation |
|--|--|--|
| Accumulated savings from employment income | Annual income (& bonuses) from paid- or self-employment. | If in paid employment: <ul style="list-style-type: none"> - Copy of payslip; or - Letter from employer confirming details of salary; or - copy of bank statements showing accumulation of funds If in self employment: <ul style="list-style-type: none"> - Copy of recent (audited) accounts; or - Copy of bank statements showing accumulation of funds |
| Accumulated business profits | Annual revenues from business activities | Copy of recent (audited) accounts; or Letter from a Certified Accountant giving details of company profits over the last two years. |

We recognise that sometimes it may not be possible to supply the documentation as outlined above and common sense must prevail, bearing in mind the size of your initial deposit. In such cases, we will consider alternative documentation or information if this otherwise enables us to reasonably verify the source of your wealth and source of the funds provided. In any event we will consider the documentation in conjunction with the information supplied on the application form, Key Individual forms (and where applicable, Corporate & Trust Detail forms), and other information available to us to ascertain whether this reasonably fits with your profile.

It should be noted that occasionally it may be necessary for us to request additional information and/or supporting documentation in evidence of your wealth/ initial source of funds. This is often the case where the information relates to transactions that occurred some time in the past and it is not clear where the funds have been held in the intervening period. Moreover, we may request information &/or documentation from time to time as additional funds are deposited into the account. Rest assured that this information will only be used for the purposes of verifying the source of funds deposited into your account and will be treated in the strictest confidence.



Some FATCA definitions

These definitions are for information purposes only. They should not be construed as tax advice, nor should they be relied upon as such. Local legislation / different Intergovernmental Agreements may contain different definitions of certain terms.

| | |
|-------------------------------|---|
| Financial Institution | Means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company. |
| Custodial Institution | <p>Means any Entity that holds, as a substantial portion of its business, financial assets for the account of others. An entity holds financial assets for the account of others as a substantial portion of its business if the entity's gross income attributable to the holding of financial assets and related financial services equals or exceeds 20 percent of the entity's gross income during the shorter of:</p> <p>(i) the three-year period that ends on December 31 (or the final day of a non-calendar year accounting period) prior to the year in which the determination is being made; or</p> <p>(ii) the period during which the entity has been in existence.</p> |
| Depository Institution | Means any Entity that accepts deposits in the ordinary course of a banking or similar business. |
| Investment Entity | <p>Means any Entity that conducts as a business (or is managed by an entity that conducts as a business) one or more of the following activities or operations for or on behalf of a customer:</p> <p>(1) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;</p> <p>(2) individual and collective portfolio management; or</p> <p>(3) otherwise investing, administering, or managing funds or money on behalf of other persons.</p> |
| NFFE | Means any Entity that is not a Foreign Financial Institution |



| | |
|---------------------------|--|
| <p>Active NFFE</p> | <p>Means any NFFE that meets any of the following criteria:</p> <ul style="list-style-type: none">a) Less than 50 percent of the NFFE’s gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 percent of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;b) The stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity of an Entity the stock of which is regularly traded on an established securities market;c) The NFFE is organized in a U.S. Territory and all of the owners of the payee are bona fide residents of that U.S. Territory;d) The NFFE is a government (other than the U.S. government), a political subdivision of such government (which, for the avoidance of doubt, includes a state, province, county, or municipality), or a public body performing a function of such government or a political subdivision thereof, a government of a U.S. Territory, an international organization, a non-U.S. central bank of issue, or an Entity wholly owned by one or more of the foregoing;e) Substantially all of the activities of the NFFE 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, except that an entity shall not qualify for NFFE status 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 then hold interests in those companies as capital assets for investment purposes;f) The NFFE 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 NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE;g) The NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution; |
|---------------------------|--|



| | |
|----------------------------|--|
| | <p>h) The NFFE 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;</p> <p>i) The NFFE is an “excepted NFFE” as described in relevant U.S. Treasury Regulations; or</p> <p>j) The NFFE meets all of the following requirements:</p> <ul style="list-style-type: none"> i. It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare; ii. It is exempt from income tax in its jurisdiction of residence; iii. It has no shareholders or members who have a proprietary or beneficial interest in its income or assets; iv. The applicable laws of the NFFE’s jurisdiction of residence or the NFFE’s formation documents do not permit any income or assets of the NFFE 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 NFFE’s charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFFE has purchased; and v. The applicable laws of the NFFE’s jurisdiction of residence or the NFFE’s formation documents require that, upon the NFFE’s liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFFE’s jurisdiction of residence or any political subdivision thereof. |
| <p>Passive NFFE</p> | <p>Means any NFFE that is not (i) an Active NFFE, or (ii) a withholding foreign partnership or withholding foreign trust pursuant to relevant U.S. Treasury Regulations.</p> |

