

FUND AND SHARE APPLICATION

Pension Scheme

Please use this form to apply for a SIPP/SSAS/other pension scheme ('Scheme') Investment Account within our range of services. This form is intended for applications from pension administrators/trustees, to use the Investment Account to hold the assets underlying a registered pension scheme. This form cannot be used to set up a pension scheme of any sort.

This application is subject to the Online Investment Service, Investment Advisory Service or Managed Portfolio Service Terms of Business (as directed by your selection in question 5), which you should read carefully and ensure you understand fully before completing and signing this form. Please talk to us if there is anything in the Terms or this application which you do not understand or about which you require further clarification.

Please complete all sections of this form in **BLOCK CAPITALS**

1. SCHEME DETAILS

Important:

All correspondence will be sent to the address specified, for the Named Contact or Primary Member as selected in the Declaration at Section 7.

Please enclose a copy of the Scheme Administrator/Trustee Company's current signatory list, and where appropriate a certified copy of either the Trust Deed used to set up the Scheme or correspondence from HMRC confirming that the scheme is formally approved.

Full Name of Scheme

Type of Scheme

☐ SIPP ☐ SSAS ☐ Other PSO/ Please specify

PSTR Number (if applicable)

Name of Scheme Administrator/Trustee Company

Registered Office Address

 Postcode

Company Registration Number

FCA Registration Number (if applicable)

Named Contact of Scheme Administrator (Trustee Company)

Title (Mr/Mrs/Miss/Ms/Other)

Surname

First Names (in full)

Correspondence Address

 Postcode

Email

Contact Telephone Number

Date of Birth

2. PRIMARY MEMBER DETAILS

Title (Mr/Mrs/Miss/Ms/Other)

Surname

First Names (in full)

Permanent Residential Address

Postcode

Date of Birth

Email

Daytime Telephone Number

Country of Birth

Citizenship

Evening Telephone Number

Additional Citizenship (if applicable)

Additional Citizenship (if applicable)

Client Number (existing Tilney clients only)

National Insurance Number

Are you tax resident in a country other than the UK? If you have ticked 'Yes' which country?

☐

Yes

☐

No

If you have ticked 'Yes' please provide your Tax Identification Number (TIN)

If you do not have a TIN please explain why

3. CO-TRUSTEE

If the Scheme has trustees in addition to the Scheme Administrator/Trustee Company and the Member, please provide details here. If there is more than one additional co-trustee, please provide their details on a copy of this page.

Title (Mr/Mrs/Miss/Ms/Other)

Surname

First Names (in full)

Permanent Residential Address

Postcode

Date of Birth

Email

Daytime Telephone Number

Country of Birth

Citizenship

Evening Telephone Number

Additional Citizenship (if applicable)

Additional Citizenship (if applicable)

Client Number (existing Tilney clients only)

National Insurance Number

3. CO-TRUSTEE (CONTINUED)

Are you tax resident in a country other than the UK? If you have ticked 'Yes' which country?

☐ Yes ☐ No

If you have ticked 'Yes' please provide your Tax Identification Number (TIN)

If you do not have a TIN please explain why

4. PRINCIPAL EMPLOYER (SSAS only)

Full Name of Principal Employer

Registered Office Address

Postcode

Company Registration Number

Names of Directors

1.

2.

3.

4.

5.

Names of Shareholders (25% or greater holding)

1.

2.

3.

4.

5. INVESTMENT DETAILS

I would like to fund my account using debit card or invest by monthly savings, which I will set up myself online once this form has been processed.

- Please do not attempt to process any payments until your activation email has been received. If you require any further assistance in relation to payments please do not hesitate to contact a member of the New Business Team on 020 7189 2400.

Service to be used:

☐ Online Investment Service
(execution only)

☐ Managed Portfolio Service

☐ Investment Advisory Service

6.YOUR DOCUMENTATION

As a Tilney client you have a choice about how you receive your contract notes and statements.

Please indicate your choice by ticking one of the following options:

- ☐ Online only (free of charge) ☐ Online and by post (a charge of £37.50 plus VAT per quarter will be made, which covers all Tilney accounts held by the Company. This charge is separate and additional to any similar charges paid by any of the signatories, directors or shareholders in relation to their own personal accounts)

7.MARKETING COMMUNICATIONS

We would like to contact you about investment guides, news, events and other ways we can help you. We usually do this by email, but may occasionally send you information through the post or by phone.

These communications are **OPTIONAL** and separate to any service based messages required under regulations relating to products or services that you may hold.

Please tick the box if you would like to stay informed by email ☐

Please tick the box if you would also be happy to receive marketing communications by:

Post ☐

Telephone ☐

You can unsubscribe using the links in the messages that we send or choose what you receive from us at any time. Full details of how we use and secure your personal information is documented in our privacy notice www.bestinvest.co.uk/help/privacy-notice; if you have any questions about how we handle your personal information, you can email us at ask.dataprotection@tilney.co.uk

8.DECLARATION & SIGNATURE

We, the undersigned Signatories/Trustees of the Scheme detailed in Section 1, 2 and 3 (section 4 for SSASs) declare that:

- The information given in this application is, to the best of my knowledge, correct and we will inform Tilney Investment Management Services Limited ("Tilney") immediately of any changes to these details
- We confirm that we have received the Tilney Terms of Business applicable to the service selected in section 5; we also confirm that we have been given the opportunity to read the Terms and the Key Facts, and that we have had any questions arising answered satisfactorily. We declare that this form has been completed to the best of our knowledge
- We are all 18 years of age or over
- **We wish online access to be given to, and (where appropriate) correspondence to be sent to:**

☐ The Named Contact detailed in Section 1 OR ☐ The Primary Member detailed in section 2 (SIPP only)

We understand that:

- Any fees or charges arising in connection with our Tilney Online Investment Service Accounts (e.g. paper contract notes) may be deducted from the Scheme Investment Account
- Any rebates will be paid into the Scheme Investment Account
- The information we provide on this application form will be processed in accordance with Bestinvest's data protection statement contained in the Tilney Online Investment Service Terms of Business
- I confirm that I/ we have declared all my/our citizenships and/or tax residence(s) to Tilney on this application form. I/we understand this is required for Tilney to comply with UK and international tax legislation
- In order to comply with Money Laundering Regulations, Tilney will use the information we have provided to verify the company/scheme and check our identities and may undertake a search with a credit reference agency (who will record that an enquiry has been made) for the purposes of verifying our identities. We also understand that the credit reference agency may check the details we have supplied and that Tilney may request additional evidence of identity from us before this application is processed
- In order to comply with relevant tax regulations, where required, Tilney will share information about my/our financial account (s) with the relevant tax authorities. It is my/our responsibility to be aware of any tax requirements in my/our country of permanent or tax residence and in the country in which I/we intend to open a financial account and to take any independent tax or legal advice where required.
- The Primary Member/Named Contact will be granted, as an Authorised User, online access to the Online Investment Service, in order to enter dealing instructions on behalf of all trustees of the Scheme
- Instructions for withdrawals must be made in writing, signed by all trustees (specifically, the Primary Member/Named Contact will not be able to make withdrawals online). Payments will only be made to a company/members bank account in the name of the Scheme detailed in Section 1.
- Instructions may be delayed or rejected if this application form is not fully completed

8.DECLARATION & SIGNATURE (CONTINUED)

Name (on behalf of Scheme Administrator/Trustee Company):

X

PLEASE SIGN HERE

X

Date

Name (on behalf of Scheme Administrator/Trustee Company):

X

PLEASE SIGN HERE

X

Date

Name (Primary Member):

X

PLEASE SIGN HERE

X

Date

Name (Co-Trustee):

X

PLEASE SIGN HERE

X

Date

Once completed, please return this form to: **Online Investment Service, Bestinvest , The Observatory, Western Road, Bracknell, RG12**

G005V1-05.16

EBS Terms of Business The Best SIPP

May 2018

Terms and Conditions of Business

This document (the ‘Terms’) sets out the way that your Self Invested Personal Pension fund (‘your SIPP’) within the Best SIPP (‘the Scheme’) will be operated. For your own benefit and protection please therefore read these Terms carefully and contact Bestinvest for further information if you do not understand any point.

By signing your Best SIPP application form you are agreeing to accept these Terms, including the charges set out on the separate ‘SIPP Fees and Charges’ sheet. For your own benefit and protection please therefore read these Terms carefully and contact us for further information or if you do not understand any point.

The tax treatment of pensions depends on individual circumstances and may be subject to change in future.

1. DEFINITIONS

APPENDIX

the appendix appearing at the end of these Terms (and which form part of these Terms) setting out the range of acceptable investments within the Scheme.

ANNUAL ALLOWANCE

is the upper limit for a tax year, on the total value of Pension Inputs that can be made to your SIPP, and to any other registered pension schemes of which you are a member, in all tax years, which can benefit from tax relief.

BENEFIT CRYSTALLISATION EVENT

an event which triggers a test of the amount of SIPP funds crystallised against your remaining Lifetime Allowance.

CRYSTALLISE

to designate all or part of your SIPP funds for the provision of benefits.

CAPPED DRAWDOWN PENSION

pension income that may be taken from your SIPP subject to limits as set out by HMRC. This only applies if you had designated SIPP funds for Capped Drawdown Pension prior to 6 April 2015.

DRAWDOWN PENSION

either Capped Drawdown Pension or Flexi-access Drawdown Pension or short-term annuity.

EBS

EBS Pensions Limited

EMPLOYER

includes any company of which you are an employee or a director and any other person in relation to whom you are an employee.

FLEXI-ACCESS DRAWDOWN PENSION

pension income that may be taken from your SIPP, with no upper limit other than the amount of funds available for the pension income.

FLEXIBLE ANNUITY

an annuity from an insurance company that can decrease.

FCA

Financial Conduct Authority, or any successor body.

HMRC

Her Majesty's Revenue & Customs.

LIFETIME ALLOWANCE

the upper limit on tax favoured pension savings you can build up in aggregate in all of your registered pension schemes.

LIFETIME ALLOWANCE CHARGE

tax levied at a Benefit Crystallisation Event on amounts above your remaining Lifetime Allowance.

LIFETIME ANNUITY

an annuity contract purchased from your SIPP funds from an insurance company that provides you with a pension for life and cannot decrease.

MONEY PURCHASE SCHEME

a pension scheme under which all the benefits that may be provided are money purchase benefits. The Best SIPP is a Money Purchase Scheme.

MONEY PURCHASE ANNUAL ALLOWANCE

the reduced Annual Allowance for your Pension Inputs to Money Purchase Schemes arising on the happening of the first of any one of the following events in any Money Purchase Scheme: receiving a Flexi-access Drawdown Pension payment or a payment from a Flexible Annuity; exceeding your maximum Capped Drawdown Pension; receiving a payment from a "scheme pension" set up on or after 6 April 2015 from a scheme paying (broadly) fewer than

eleven other pensioner/dependants' "scheme pensions"; receiving a Payment of a "stand-alone lumpsum" where you have a Primary Protection certificate from HMRC which includes protection for a lump sum in excess of £375,000.

PENSION COMMENCEMENT LUMP SUM

a tax free lump sum benefit paid to you in connection with an arising entitlement to a Pension benefit under your SIPP (other than a short term annuity).

PENSION INPUTS

includes gross contributions paid to your SIPP and any other registered pension schemes of which you are a member, by you, your employer and anyone else, and benefit increases in defined benefit and cash balance registered pension schemes.

QROPS

Qualified Recognised Overseas Pension Scheme

RELEVANT UK EARNINGS

1. employment income,
2. income which is chargeable under Part 2 of Income Tax (Trading and Other Income) Act 2005 and is immediately derived from the carrying on or exercise of a trade, profession or vocation (whether individually or in a partnership),
3. income which is chargeable under Part 3 of Income Tax (Trading and Other Income) Act 2005 and is immediately derived from the carrying on of a UK furnished holiday lettings business (whether individually or as a partner acting personally in a partnership),
4. patent income where the individual, alone or jointly, devised the invention from which the patent in question was granted.

Relevant UK Earnings are to be treated as not being chargeable to income tax if, in accordance with arrangements having effect under section 2(1) of the Taxation (International and Other Provisions) Act 2010 (double taxation agreements), they are not

taxable in the United Kingdom.

SCHEME RULES

the rules, requirements or practice of HMRC or the FCA (as the context requires), the rules of the Best SIPP as amended from time to time.

SIPP MONEY

cash held in the Trustee's account arising from contributions and transfers, and the sale of investments.

2. THE STRUCTURE

The Scheme is a registered pension scheme for the purposes of the Finance Act 2004. EBS Pensions Limited (registered in England No. 00998606) established the Scheme and is Scheme Administrator and Trustee under the Scheme's Rules, a copy of which is available on written request. All monies received by the Scheme on your behalf will be applied to your SIPP for your benefit alone, in accordance with the relevant investment service undertaken on your behalf by Tilney Investment Management Services Limited, registered in England No. 2830297. (Bestinvest) registered office, 6 Chesterfield Gardens, Mayfair, London, W1J 5BQ.

The operation of your SIPP is governed by a combination of these Terms, your Scheme Application Form, the Scheme's Rules and the Bestinvest Terms of Business. These form a contract between you, EBS and Bestinvest which starts from the date that the Scheme Application Form is received and accepted by EBS. In the event of conflict, these Terms shall take precedence.

EBS and Bestinvest are authorised and regulated by the Financial Conduct Authority ('FCA'). For the purposes of the FCA rules, EBS, and not you, will be treated as a retail client of Bestinvest. This means that you will receive information in a straightforward way and the highest level of regulatory protection available. Although EBS may not necessarily have rights itself under the Financial Ombudsman Service or the Financial Services Compensation Scheme, EBS may be able to take action on your behalf in the event of a default or a complaint.

3. CANCELLATION

After setting up your SIPP, we will send a cancellation notice to you. You may cancel your SIPP within thirty days of its commencement by giving us written notification at the address

shown on the cancellation form. We shall either return to you or your employer the contributions. Contributions received from anyone else will be returned to you. Monies invested will be subject to investment fluctuations if assets have been purchased during the cancellation period. As a result, the value of the repayment may be higher or lower than the amount originally invested.

There are special cancellation rules for pension transfers: if money resulting from a pension transfer is paid into your SIPP at any time we will send a cancellation notice to you. You will have 30 days to cancel the pension transfer. The transfer money will be held in cash deposit until the 30 day period has expired (unless you have instructed us otherwise in your application form).

If you cancel a pension transfer, we will attempt to repay the transferring scheme. However, the transferring scheme may refuse to accept the repayment, or only accept it on different terms to those applying prior to the transfer, in which case we will require your instructions on whether to pay the amount to another registered pension scheme.

If you choose to receive a Flexi-access Drawdown Pension, on the first occasion we will send you a cancellation notice once you have completed and returned the relevant form to us. If you cancel you will need to repay any tax-free lump sum and drawdown pension paid to you.

Any monies that are returned to your SIPP that are then subsequently invested may incur additional charges and will be subject to market conditions at the time of purchase.

If assets have been purchased during the cancellation period, any such monies invested will be subject to investment fluctuations and appropriate charges as set out in the 'Bestinvest-Key facts about our services & costs document'. As a result, the value of the repayment may be higher or lower than the amount originally invested.

4. CONTRIBUTIONS

You, your employer or anyone else can pay contributions to your SIPP on your behalf. Standing order forms for regular contributions are available on request.

Provided you are UK resident and/or you have earnings subject to UK income tax, your contributions are paid net of basic rate tax. We

will reclaim the basic rate tax and apply this to your SIPP once received from HMRC. Higher rate tax may be reclaimed by you directly through your Tax Office where appropriate. You are responsible for advising us if you are not entitled to tax relief on the whole or part of your contribution. If you have made contributions in a tax year which exceed 100% of your Relevant UK Earnings for that tax year we may agree to a repayment of the excess to you, provided that sufficient funds are available in your SIPP, any amounts of tax due to be repaid to HMRC have been repaid and you have not exceeded your Annual Allowance for the tax year. If you have taken benefits or transferred the cash/assets of your SIPP to another registered pension scheme, you agree to indemnify and keep us indemnified in respect of any tax due to HMRC as a result of the above.

Tax will only be reclaimed on personal contributions once sufficient anti-money laundering documentation has been received as such, tax may not be claimed until the annual tax reclaim is made.

The basic rate tax we reclaim on your behalf will normally be reclaimed and received from HMRC between eight to twelve weeks after the contribution has been paid. This tax reclaim is made as part of an aggregate reclaim for all relevant members of the Scheme.

HMRC pay the aggregate reclaim from which we will promptly make the appropriate distribution to your SIPP. Any interest received on this client account in relation to your reclaim will not be distributed with the tax reclaim to your designated SIPP bank account unless such interest exceeds £10 at the time of the distribution.

Your employer can also pay contributions to your SIPP. These are paid gross and should not, when combined with your own contributions in a tax year, exceed the Annual Allowance set by HMRC. If they do, you will be liable for a tax charge on the excess, although this can be paid from your SIPP in certain circumstances. Employer contributions are normally allowed for tax relief against the employer's profits provided they are 'wholly and exclusively paid and/or expended for the purposes of the trade, profession or vocation' of the employer.

If you do become liable for the Annual Allowance charge, we will provide you with a 'pension savings statement' as required under the relevant HMRC Rules.

We reserve the right to decline any contribution at our absolute discretion (for example, in circumstances where we have been unable to verify the identity of the contributor or where you are aged 75 or over) or where valid anti money laundering has not been satisfied.

All contributions must be in sterling cash and not assets.

5. TRANSFERS IN

You can arrange for a transfer of benefits from other pension schemes to your SIPP by means of the transfer section of the Scheme Application Form. Transfer values may be received either in cash and/or assets, provided the assets fall within the guidelines in the Appendix. We reserve the right to decline any transfer at our absolute discretion.

It is your responsibility to ensure that a transfer of other pension benefits is in your best interests. We do not give advice, nor do we check your transfer application for suitability other than to confirm that the transfer is a 'recognised transfer' for the purposes of the Finance Act 2004.

Bestinvest can provide advice based on your personal circumstances. Additional charges may apply. We will not accept the transfer of pension benefits from a Defined Benefit (final salary) scheme or transfers that include guarantee minimum pensions or guaranteed annuity rates unless you have received a positive recommendation to transfer from a firm which holds permission from the Financial Conduct Authority for the activity of advising on conversion or transfer of pension benefits.

5. TRANSFERS OUT

You can request a transfer out of part of your SIPP (provided it relates to funds representing undrawn benefits) or your entire SIPP fund to another registered pension scheme or a 'QROPS' at any time subject to applicable legislation, HMRC rules and the agreement of the receiving scheme.

This will be done as soon as reasonably practicable and without penalty although charges relating to the re-registration of assets will apply as set out in the "Bestinvest - Key facts about our services and costs" document.

Where the receiving scheme is a QROPS and you do not have a relevant and valid Certificate of Protection from HMRC, we will be required to test the transfer value against your remaining Lifetime Allowance and, where necessary, deduct and pay

to HMRC any Lifetime Allowance Charge.

We reserve the right to decline a transfer out until we have received confirmation from the receiving scheme that it is a registered pension scheme or a QROPS and is willing to receive the transfer payment, whether in the form of cash and/or assets or if we suspect the transfer may involve pension liberation fraud. In the case of a QROPS, we will also require written confirmation from HMRC of its QROPS status and reference.

We do not accept any liability for any unauthorised payment charges that might arise in the receiving scheme in respect of the transfer of any assets that were authorised whilst in your SIPP but constitute unauthorised payments in the receiving scheme.

7. CLIENT MONEY

We will deal with your money in accordance with the Rules. Any of your money which is not due and payable to us will be segregated from our money and held by us as a bare trustee in a bank or building society account which is authorised and regulated by the Prudential regulation authority. Your SIPP money is subject to protection under Client Money rules set out in Chapter 7 of the Client assets sourcebook of the FCA rules. Your SIPP money will be held at all times within the United Kingdom. We shall not be liable in the event of default by a bank, other borrower, agent, broker or other Person who is holding your SIPP money pursuant to these Terms.

Interest at Bank of Scotland's published pension rates will be added to your SIPP in respect of all cleared balances standing to your credit.

Interest will be credited half-yearly on 31st March and 30th September.

Interest rates may be varied at any time. Overdrafts are not permitted. No bank charges other than for a CHAPS or a SWIFT payment are made. Payment or receipt of monies in foreign currencies may also attract charges. Cheques paid into this account take five working days to clear following receipt at Bank of Scotland.

Subject to any cancellation period (as referred to in clause 3) and any retention of deposit interest we may make (as referred to in clause 4), all cash received, once cleared, will be moved directly to your Bestinvest SIPP account for investing unless we have been requested to hold a deposit in our Client Account to pay you a pension.

We receive a commission from Bank of Scotland based on aggregate cash balances held across all client accounts. This commission payment has no effect on the rates of interest provided by Bank of Scotland in respect of your SIPP.

A statement of your cash movements will be sent to you once a year.

8. INVESTMENTS

The Scheme permits a choice of investments, details of which are set out in the Appendix at the end of this document. All cash received into our Client Account, once cleared, will be moved directly to your Bestinvest SIPP account for investing in accordance with your agreement with Bestinvest under the Bestinvest Terms of Business unless we have been requested to hold a deposit in our Client Account to pay you a pension.

Although we do not provide advice in relation to investments and it is your responsibility to ensure that the investments you select are in accordance with the guidelines in the Appendix, your choice is subject to our final approval. We may veto or impose certain restrictions and requirements on proposed investments you may wish to make. We will do this where we become aware that a proposed investment will, or may not be, in accordance with HMRC Rules, any legislation or the Scheme Rules. This may occur for example in instances of indirect investment in residential property.

Your SIPP cannot acquire investments from or sell investments to you or a person connected with you (e.g. a member of your family, or a company which is directly or indirectly controlled by you or a person connected with you, or a partnership of which you or a member of your family is a partner).

If any asset within your SIPP is deemed to be taxable

property by HMRC and/or legislation, we may dispose of any such investment on giving reasonable notice to you (where practicable in the circumstances). We accept no liability for any tax charge that is applied.

9. STOCK CUSTODY

We do not have custody of your SIPP investments; this is the responsibility of Bestinvest via its custodian SEI (Europe) Ltd.

Your SIPP investments may be registered

collectively in the name of the custodian appointed by Bestinvest. Where this is the case your SIPP investments may not be separately identifiable by certificates or other documents of title and in the event of an irreconcilable shortfall at t er our default or that of the custodian you may share in that shortfall proportionately. Further information on the custodian appointed by Bestinvest and your protection can be found in the Bestinvest Terms of Business.

10. ANNUAL SUMMARY OF ASSETS AND STATUTORY ILLUSTRATION OF BENEFITS

An annual summary of the assets held in your SIPP will be provided as at the anniversary date of your SIPP each year within twelve months of that date. Unless you are already within two years of your chosen retirement date or in receipt of benefits from your SIPP, you will also receive with the annual summary a statutory money purchase illustration of the benefits you might receive at your chosen retirement date based on various statutory assumptions. If you are in receipt of Drawdown Pension a re-illustration will be provided.

11. PAYMENT OF YOUR BENEFITS

Once you reach the normal minimum pension age (currently 55) you can opt to take benefits from your SIPP. This can include an r a Pension Commencement Lump Sum normally of up to 25% of the value of your SIPP funds that you crystallise subject to any unused Lifetime Allowance you may have and a Drawdown pension paid from your SIPP which will be subject to income tax. Your pension can be paid from your SIPP fund as Drawdown Pension paid from your SIPP (i.e. it has not been secured by purchasing a Lifetime Annuity with an insurance company) or you can use the balance of your SIPP after payment of the Pension Commencement Lump Sum to purchase a Lifetime Annuity, a Flexible Annuity or both.

If you opt for a Drawdown Pension the Scheme Trustee will call for money from Bestinvest to meet both the net pension payments and income tax due under your relevant tax coding. Depending on the Bestinvest service(s) you are receiving, it may be your responsibility to ensure that your SIPP account with Bestinvest has sufficient, settled funds in order that Bestinvest can satisfy this call for money, otherwise payment of your benefits may be suspended until such time as you do.

You may at any time from age 55 exercise your right to use your SIPP, in whole or in part, to purchase a Lifetime Annuity, a Flexible Annuity or both.

We will not pay benefits or purchase a Lifetime

Annuity, a

Flexible Annuity or both with the above terms unless

- a. we have received a signed request from you or Bestinvest to make the relevant payment;
- b. we have received into our Client Account sufficient funds to make the relevant payment;
- c. we have received all required documentation and information from you that we in our reasonable opinion believe is necessary;
- d. we have received all charges due to us; and
- e. all costs chargeable to your SIPP and all liabilities of your SIPP have been satisfied.

We reserve the right, in circumstances which in our absolute discretion we consider exceptional, to defer the payment of benefits or the purchase of a Lifetime Annuity, a Flexible Annuity or both where it is not possible to realise all or any of the investments of your SIPP or it is not possible to do so on what we consider to be reasonable terms, and defer the encashment of your SIPP until it is possible to realise the relevant investments or it is possible to do so on what we consider to be reasonable terms. We will inform you when this is the case.

In particular and without limiting the generality of the previous term, we may defer payment of benefits or encashment in such circumstances until the relevant investment is realised.

Where it has not been possible to realise an investment, the Scheme Trustee may, if it so chooses.

- a. transfer that investment to you in part or full satisfaction of any payment of benefits under your SIPP subject to satisfying HMRC requirements in this respect; or
- b. require you to buy the investment from your SIPP at fair market value or £1, whichever is the greater.

You must do all things and execute all documents that we may reasonably require to give effect to our rights under this term.

Your SIPP fund will normally consist of a single 'arrangement' (or pot), containing

- funds not yet used to provide benefits ('uncrystallised funds'); and/or
- funds underpinning a Drawdown Pension which came into payment on or after 6 April 2006 ('crystallised funds').

You can put any part of your uncrystallised funds into payment at any time subject to the age restrictions mentioned above.

Your SIPP fund may also consist of separate arrangements for each of the following

- funds underpinning a Drawdown Pension which came into payment before 6 April 2006;
- funds received as a transfer from another registered pension scheme which were underpinning a Drawdown Pension which came into payment before 6 April 2006; and
- funds received as a transfer from another registered pension scheme which were underpinning a Drawdown Pension which came into payment on or after 6 April 2006

At age 75 or over EBS, with your agreement will choose the anniversary date of any one of your arrangements to be the anniversary for all of your arrangements.

A review of your Capped Drawdown Pension from each 'arrangement' in your SIPP is required at least every three years until the year in which you attain age 75 (when it is required every year). You may request a review on any anniversary of the commencement of your Capped Drawdown Pension.

12. POSITION ON DEATH

On your death, we will require sight of your original death certificate. Until a beneficiary of the SIPP has been determined the Trustee will take no action in respect of your SIPP. Thereafter, we may (as appropriate) sell investments from your SIPP to provide death benefits, or otherwise terminate the SIPP in accordance with the Scheme Rules.

We are not responsible for losses in the value of investments held within your SIPP during the period between your death and the termination of your SIPP.

Your SIPP will continue to incur our usual charges until it is closed.

13. CHARGES

These are set out on the separate "Bestinvest - Key facts about our services and costs" document enclosed with these Terms, and will be deducted from your Bestinvest SIPP when they fall due.

In the event that there is insufficient cash in your

SIPP to meet our charges we reserve our right on not less than three days' notice to disinvest assets held in your SIPP in order to meet them.

14. VARIATION

The operation of your SIPP as set out in these Terms may be varied from time to time for the following reasons, subject to the conditions set out below:

1. we may make a variation in order to comply with the FCA Rules or with relevant accepted market custom and practice. If we do so we shall seek to give you not less than ten business days' notice in advance, but where this is not practicable we shall notify you as soon as we can thereafter;
2. we may make a variation with a view to improving or extending the service that we offer. If we do so we shall give you not less than ten business days' notice in advance; and
3. in the case of any other variation in these Terms or in the characteristics of our services (including a variation in our charges) we shall give you not less than ten business days' notice in advance. Where the variation is material in relation to the substance of these Terms (including a variation in charges), and you give notice of termination within ten business days of receiving our notice of the variation, we shall waive the existing transfer administration charge for transferring your SIPP to a third party. Such notification shall be made by e-mail communication or in writing.

15. TERMINATION

Subject to the cancellation provisions above, your SIPP shall continue until terminated by the payment of the whole of your SIPP as one of the following in accordance with the Scheme Rules

- a. a transfer to one or more other registered pension schemes or QROPS, upon you serving written notice to terminate these Terms on us at any time (with no obligation to give any reason for the termination); or
- b. the purchase price of a Lifetime Annuity (or annuities) with an insurance company in your own name after we give you not less than ten business days notice to terminate these Terms (with no obligation to give any reason for the termination); or

- c. through taking Drawdown Pensions which extinguish your SIPP; or
- d. one or more lump sums in the event of your death.

Your attention is drawn to the charges that may be made on a termination of these Terms, as set out in the 'Bestinvest - Key facts about our services and costs' document'.

16. COMPLAINTS

If you are not happy with any aspect of your SIPP or the service you have received, you may wish to make a complaint. In the first instance, please write to Bestinvest at the address set out above, and your complaint will be handled in accordance with their complaints procedure, a copy of which is available on request.

If you are not satisfied with the reply to your concerns, you can refer complaints to:

The Financial Ombudsman Service,

Exchange Tower, London E14 9SR; Tel: 0800 023 4567 Email: financial-ombudsman.org.uk

or one of the following organisations

The Pensions Advisory Service (TPAS),

11 Belgrave Road, London SW1V 1RB; (Tel 0300 123 1047)

Email: pensionadvisoryservice.org.uk

If you have a complaint about advice or service from your Financial Adviser you should contact them so that they can respond in accordance with their complaints procedures. You may also refer such complaint to:

The Pensions Ombudsman, 6th Floor, 11 Belgrave Road, London SW1V 1RB (Tel 020 7630 2200)
Website: www.pensions-ombudsman.org.uk

Making a complaint will not prejudice your right to take legal proceedings.

17. COMPENSATION

Your SIPP is covered by the Financial Services Compensation Scheme (FSCS), such that if you are an eligible claimant you may be entitled to compensation in the event of default. The amount of compensation available under the FSCS depends on the type of business and the circumstances of the claim. Further details are available at www.fscs.org.uk or by telephone on 020 741 4100.

18. CONFIDENTIALITY

We undertake not to disclose at any time information coming into our possession during the continuance of your SIPP to a third party except where expressly authorised to do so or where compelled to do so by law or regulatory authority.

As email messages may not be secure and may be intercepted by third parties we advise you not to send confidential information or that which requires our immediate attention by email.

19. LIMITS OF LIABILITY

We shall not be liable for any losses, costs, liabilities or expenses incurred by your SIPP in connection with these Terms, save for those reasonably foreseeable losses, costs, liabilities and expenses resulting directly from our negligence, wilful default or fraud. You agree to indemnify us against all losses, costs, liabilities or expenses suffered or incurred in exercising our lawful duties and responsibilities in relation to your SIPP except in the case of our negligence, fraud or wilful misconduct or a Person connected with us. This indemnity remains in force following the termination of your SIPP.

20. REPRESENTATIONS

You hereby represent to us both now and on each occasion that you use our services, as follows

- a. that you have all requisite power, authority and approvals to enter into and perform your obligations under these Terms;
- b. that we have not made, and you are not relying upon, any statements, representations, promises or undertakings whatsoever that are not contained herein;
- c. that we have not advised you in relation to any transaction and that via a separate agreement you have appointed Bestinvest to act on your behalf;
- d. your performance pursuant to these Terms and each transaction thereunder does not and will not violate, contravene, conflict with or constitute a default under any law, regulation, rule, decree, order, judgment or charge, contract, trust deed or other instrument binding on you or any of your assets; and that
- e. you agree that you will supply to us in writing, and as soon as reasonably practicable, any

information which we may reasonably request. You warrant that all information that you supply to us is and shall be correct to the best of your knowledge and belief, and that you will notify us promptly of any material change.

You accept full responsibility for the monitoring of your SIPP. You agree to notify us immediately in writing if you become aware of any apparent errors or omissions, including

- a. receipt by you of a contract note or confirmation of an instruction, order or transaction which you did not place; or
- b. any inaccurate information in your SIPP balances, records or assets or money held or transaction history.

21. ADVICE

We do not act as an investment manager for your SIPP or give investment or financial advice. Nothing whatsoever provided to you verbally or in writing by us should be construed as financial or investment advice as defined under the Financial Services and Markets Act 2000.

22. DATA PROTECTION

We are authorised under Data Protection Legislation to maintain, process and store your personal information. We will use this information to set up and administer your Accounts and for legitimate business reasons (including, but not limited to, the provision of information to a Group Company, your Financial Adviser, Discretionary Investment Manager, contracted third parties, including, Fund Managers, in the event that they reasonably request such information from us.

We may also be required to share information with other companies or organisations, governmental bodies or regulatory bodies (including those outside the EEA) if required to do so by Applicable Law so they can process it. The processing of any information by us pursuant to this Section 13 shall be conducted in compliance with Data Protection Legislation and our Data Protection Policy, a copy of which can be obtained from our website.

We will otherwise keep your personal information confidential.

Provided always you have certain rights around the processing of your data which include:

- your right to request a copy of the information

we hold about you (we may charge you for this);

- making sure any request to amend incorrect data about you is processed;
- blocking the use of data that may cause damage or distress to you; and
- claiming compensation for our failure to comply with the terms of the Act.

You can obtain any further information about how we collect and process your data as well as other information under Data Protection Legislation by using the contact details below:

The Data Protection Manager EBS

Lindsay Ballantyne

By email:

lindsay.ballantyne@embarkgroup.co.uk

By telephone: 0131 603 5929

Information Commissioner's office

The office of the Information Commissioner is the government appointed office with responsibility for data protection. They can assist with any complaints or questions you may have. They can be contacted on 0303 1231113 or online at ico.org.uk

1. We may use sources that we consider appropriate, including electronic data sources, for the purpose of verifying your identity or any other information you provide to us.
2. All telephone calls may be recorded.
3. You may opt out of any marketing communications by writing to us at our registered address.

For the purpose of this section Data Protection Legislation means the Data Protection Act 1988 as amended, the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679), and any code of practice or guidance published by the UK Information Commissioners Office

23. JURISDICTION

These Terms, your application form and any other written agreement between you and us constitute the entire agreement between us relating to your SIPP and supersede and extinguish any prior drafts, representations and arrangements of any

nature whether in writing or oral relating to your SIPP.

These Terms are governed by the laws of England and Wales. You agree that legal action relating to them may only be dealt with by the Courts of England and Wales. These Terms are based upon our understanding of current legislation and HMRC guidance, but these may change from time to time and are applicable to UK residents for tax purposes only.

APPENDIX

1. RANGE OF ACCEPTABLE INVESTMENTS WITHIN THE BEST SIPP

The list of acceptable investments is restricted as part of the product offering and other applicable regulations (which may vary from time to time) and in addition we reserve the right to decline to accept any investment instruction. We will not assess the advisability of any proposed transaction. We also reserve the right to dispose of any investment which, in our opinion, is likely to give rise to tax charges on you as a member of the Scheme, or on your SIPP, and we do not accept liability for any loss suffered by your SIPP as a result.

2. STOCKS/SHARES/DERIVATIVES

- Stocks and shares of companies (including investment trust companies) listed on any HMRC recognised stock exchange (including the Alternative Investment Market and ISDX Main Board [formerly Plus Listed])
- Fixed interest securities issued by governments or other bodies
- Equities
- Debenture stock and other loan stock
- Permanent interest bearing shares
- Convertible securities
- Warrants (equity)

3. UNIT TRUST COLLECTIVE INVESTMENTS

- Any unit trust resident in the UK and authorised for the purposes of the Financial Services and Markets Act 2000.
- Most unit trusts, resident outside the UK, that are either a recognised scheme or a designated scheme within the meaning of section 264 and 270 of the Financial Services and Markets Act 2000.

- Investment policies or unit linked funds of any UK insurance company within the EU appropriately authorised under EEC legislation.
- Shares in an Open Ended Investment Company which is listed on a recognised stock exchange.

4. OTHERS

Foreign currency may be held for the purpose of facilitating stock purchase to be settled in the relevant currency.

We will not allow investment in

- Unquoted shares
- Plus-quoted or plus-traded stocks and shares
- Commercial or residential property (including land)
- Tangible moveable assets
- Loans to anyone (including unconnected third parties)
- Any investment that Bestinvest advise us from time to time cannot be held by their custodian
- Options
- Contracts for difference
- Spread betting
- Unregulated collective investment schemes
- Non mainstream pooled investments
- Contingent Convertibles

5. RISK WARNINGS

The value of investments and the income from them may fall as well as rise and you may not recover the amount of your original investment. Where investments are denominated in a currency other than sterling, changes in rates of exchange may have an adverse or favourable effect on the value, price or income of the investments. It should be remembered that with any type of investment past performance is not a reliable indication of future results.

Warrants often involve a high degree of gearing so that a relatively small movement in the price of the security to which the warrant relates may result in a disproportionately large movement, unfavourable as well as favourable, in the price of the warrant.

Bestinvest
powered by TILNEY

London Stock Exchange Plc
FAO: LEI Operations Department
4th Floor
10 Paternoster Square
London
EC4M 7LS
UK

Re: Authorisation to apply for Legal Entity Identifier (LEI)

Dear Madam or Sir,

The below named entity is authorised to apply for an LEI on our behalf, as well as maintain the related data (annual renewal), submit the corresponding declarations of intent in our name, and to take all necessary measures in this regard.

Requestor Entity name – Tilney Group Limited

Requestor Entity address – Royal Liver Building, Pier Head, Liverpool, L3 1NY

Requestor contact details – Email: LEI@tilney.co.uk

Regards

Entity Name

Entity Address

Authorising Signature

First name, last name (please print)

Email: _____

Telephone number: _____

Position within organisation:

☐ Director ☐ Company Secretary ☐ Compliance Officer ☐ Treasurer
☐ Trustee ☐ Other (please specify): _____

MiFID II Legal Entity Identifier (LEI) Information Form

Client Name: _____

Client Code (If already existing Tilney client): _____

Tilney Contact Name: _____

Section 1: General Client Information

1.1 General information about your entity

Name of Entity: _____

Entity Legal Form:¹ _____

Registered Address:² _____

Country: _____ Postcode: _____

Registered Number Company/Charity only: _____

1. This refers to whether the entity is a trust, charity, company etc.

2. This address must match the entry at Companies House, Charity Commission, Pension Regulator or Trust Deeds

1.2 Authorised signatory details

Authorised Signatory

Full Name:³ _____

Position: _____ Telephone: _____

Email: _____

Address: _____

Country: _____ Postcode: _____

3. Please align first given name with formal documentation (e.g. passport or equivalent).

Section 2: LEI Related Information

2.1 The Entity does have an existing LEI number

If you have an existing LEI number, please provide it below, complete section 4 and return this to Tilney. The LEI number is a 20-character reference which is compulsory for each entity and is provided by the LSE or other relevant issuing authority upon application.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

☐ Please tick here if you would like to transfer the LEI renewal responsibility to Tilney, complete section 4 and provide the transfer of Legal Entity Identifier Authorisation letter to the London Stock Exchange

2.2(a) The Entity does not have an existing LEI number (please pick one option below)

☐ Where you wish to take responsibility for applying directly to an issuing body for an LEI number and for renewing it annually, please tick here. (Upon receipt of your LEI please forward it on to your Investment Manager or Financial Planner).

You can apply directly to the London Stock Exchange for a new LEI number (and also renew it annually) through the London Stock Exchange website at: <http://www.lseg.com/LEI>.

2.2(b)

☐ If you wish to instruct Tilney to apply for, and subsequently renew the LEI annually on your behalf, please tick here and also complete and return the enclosed Authorisation to apply form to Tilney.

The Authorisation to apply form (enclosed) is used to enable Tilney to act on your behalf in applying for an LEI number with an issuing authority. Please print/scan the Authorisation form onto your entity's headed paper, sign and return it to your Investment Manager or Financial Planner.

Section 3: LEI Charges

3.1 New LEI application Via Tilney	£70+VAT
3.2 Annual renewal of an existing LEI via Tilney	£60+VAT

The application fee will be charged at your next management fee charging date and annually thereafter.

Section 4: Declaration and Client Consent

I DECLARE THAT ON BEHALF OF THE ENTITY NAMED AT SECTION 1.1 ABOVE:

- The information provided in this form is to the best of my knowledge and belief, accurate and complete;
- I understand that if the information provided in this or (if applicable) the Authorisation to apply form is incorrect or incomplete, Tilney may not be able to carry out any transactions, or otherwise provide its services to me the above named entity;
- I will notify Tilney promptly in writing if any of the information provided in this form becomes incorrect or incomplete;
- Tilney shall not be responsible for the consequences of any incorrect or incomplete information being provided in this or (if applicable) the Authorisation to apply form, or if I do not notify Tilney of any such information subsequently becoming incorrect or incomplete;
- I understand that, in certain circumstances, Tilney will be obliged to share the information provided in this form with the relevant UK and Jersey tax authorities, who may pass it on to other tax authorities. By signing below, I provide my consent on behalf of the abovenamed entity to such information sharing;
- where I have chosen to request Tilney to renew the LEI number annually, Tilney will be responsible only for the period during which the above named entity remains a Tilney client; and
- Where applicable, I accept the charges of £70 + VAT for application and £60+VAT for renewal of an LEI number.

Before signing below please make sure that you have carefully read the above declaration and consent. If there is anything in this form that you do not understand, or if you have any questions, please discuss it with your Investment Manager or Financial Planner and seek clarification before signing. By signing below, you agree on behalf of the above named entity to both the declaration and consent.

Signatory

FULL NAME

SIGNATURE _____ DATE ____/____/____

Once completed, please return this form to Tilney in the pre-paid envelope provided

Section 5: Checklist - Documents to complete, sign and return to Tilney:

- Section 1.1
 - Any pre-filled information checked and verified ☐
 - Ensure all requested information is completed ☐
- Section 1.2
 - Ensure all requested information is completed ☐
- Section 2.1
 - Provided existing LEI (where applicable) ☐
- Section 2.2
 - Confirmed LEI status ☐
- Section 4
 - Sign declaration ☐
- Authorisation to apply form (where applicable)
 - Sign and complete your entity name and address ☐
- Authorisation Transfer (where applicable)
 - Sign and complete your entity name and address ☐
- Supporting Documentation
 - Copy of Trust Deeds/Copy of Pension Scheme details ☐



Personal Identity Verification



Why we need to prove who you are

This is important – please read

In order to guard against the laundering of criminal proceeds, and to fight against the illicit funding of terrorist activities, we are required by UK law and European regulation to adequately verify the identities of all clients with whom we have a business relationship.

We take these obligations very seriously and ask, therefore, that you provide us with one form of identification from List A (to verify your identity), and a separate document from List B (to verify your residential address). Please note that we will not be able to complete the opening of your account until we have received the required documents.

List A

- Valid, current and signed passport
- Current UK photocard driving licence (issued within the last 10 years)

List B (must show name and full address)

- Bank or credit card statement issued by a UK/EU regulated firm within the last three months (not a version printed from the internet)
- Utility bill issued within the last three months (not including mobile phone, and not a version printed from the internet)
- Local authority tax bill (issued within the last 12 months)
- Current full UK driving licence (if not used as List A evidence)
- Most recent mortgage statement (issued within the last 12 months)
- Solicitor letter confirming recent house purchase (dated within the last six months)
- HMRC Notice of Coding (issued within the last 12 months)

Please note:

- All documents must be originals or certified copies, photocopies cannot be accepted
- For security reasons, we would encourage List A documents to be certified copies, List B documents should be originals
- Copies of documents can be certified by a UK lawyer, Justice of the Peace, banker, authorised financial intermediary, accountant, teacher, doctor, minister of religion or Post Office master/sub-master
- The person making the certification must be capable of being contacted and should note their name, address, occupation and employer
- Certified copies should also be dated and signed "original seen", and should be certified as providing a good likeness of the applicant if a photograph is displayed
- Non-UK nationals should have their passport certified by a Consular Office, or by a solicitor or notary public
- We will return original documents as soon as possible using Royal Mail Special Delivery
- Should you have any queries regarding this procedure, please contact us on 020 7189 9999

Issued by Tilney Financial Planning Limited, which is authorised and regulated by the Financial Conduct Authority. Financial services are provided by Tilney Financial Planning Limited, Tilney Investment Management Services Limited and other companies in the Tilney Group, further details of which are available at www.tilney.co.uk. © Tilney Group Ltd 2017

2789V2-01.16

Entity Self-Certification Form

If you are opening or hold a Tilney account for a Trust, a Company, a Partnership, a Charity or other organisation you will need to complete this form (in this form we refer to all of these as 'Entity'). Do not use this form if the Tilney account is for an individual, sole trader or sole proprietor. Instead, the Individual Self-Certification Form should be completed. Please contact your Tilney Investment Manager or Financial Planner for this form.

Why am I being asked to complete this form?

Tilney, like other financial services firms across Europe and the rest of the world, is required to comply with international tax regulations and these regulations require Tilney to collect certain information for all its clients. In certain circumstances, Tilney may be required to share this information with relevant tax authorities.

These regulations were created to prevent tax evasion via enabling the automatic exchange of financial account information between tax authorities of different countries and include:

- The United States Government's Foreign Account Tax Compliance Act (FATCA);
- The Common Reporting Standard (CRS) of the Organisation for Economic Co-operation and Development (OECD).

Further information can be found in Her Majesty's Revenue & Customs (HMRC)'s Quick Guide ["Automatic exchange of information – Account holders"](#) or the UK Government's website at: <https://www.gov.uk/guidance/automatic-exchange-of-information-account-holders>.

If you need advice to determine your entity's tax status and/or have any questions regarding this form or these tax regulations, please contact a professional tax adviser, as by law Tilney is not permitted to give tax advice of this nature.

If you need help to complete this form, please refer to the Guidance Notes (below) and the Further Information and Glossary pages. For the avoidance of doubt, the supporting Guidance Notes and the Further Information and Glossary and Key Terms pages are provided for reference only, they do not constitute tax or legal advice and should not be construed as tax or legal advice.

Guidance on completing this form

Please complete all sections as below:

Section 1 'Entity Details'	Complete Section 1 by providing the name and address of the entity and the country in which the entity is tax resident. If the entity has a tax number issued by Her Majesty's Revenue & Customs (HMRC), please provide this too.
Section 2 'Entity category under FATCA'	To complete Section 2 you will need to determine for yourself under what FATCA category your entity falls. Please <u>tick only one box</u> between the options provided. Please refer to the Guidance Notes below this section and to the Further Information and Glossary pages at the end of this form for further details. <u>For a charity</u> - Under the FATCA UK-US Intergovernmental Agreement (IGA), charities that are "non-profit organisations" (see Glossary definition) are excluded so would not need to register or report under FATCA. This applies to: any entity registered as a charity with the Charity Commission of England and Wales; any entity registered with HMRC for charitable tax purposes; any entity registered as a charity with the Office of the Scottish Charity Regulator; any Community Amateur Sports Club if registered as such with HMRC. A charity that meets the above conditions will be a ' <u>Certified Deemed Compliant Financial Institution</u> ' under the FATCA classification. So please tick this option in this section.
Section 3 'Entity category under CRS'	To complete Section 3 you will need to determine for yourself under what CRS category your entity falls. Please <u>tick only one box</u> between the options provided. Please refer to the Guidance Notes below this section and to the Further Information and Glossary pages at the end of this form for further details. <u>For a charity</u> - Under the CRS, charities are not excluded from reporting so you will need to determine what CRS category applies to your charity and tick the relevant option in this section.
What if I do not know either the FATCA or CRS entity category?	If you get to the end of this document and are still unclear how to establish the entity's FATCA or CRS category, you will need to seek tax advice from a professional tax adviser. Your Tilney Investment Manager or Financial Planner will not be in a position to provide assistance beyond the information contained within the Guidance Notes of each section and the Further Information and Glossary pages due to the complexity of the entity classification rules and Tilney not providing tax advice.
Section 4 'FATCA and CRS Declaration'	Please sign and date the form, print your name and add the position you hold in the entity. You need to be an authorised signatory for the entity to sign this form.
Pages entitled 'Entity Self-Certification on Controlling Persons'	Only complete these pages if you have selected that your entity is a ' Passive Non- Financial Foreign Entity ' in Section 3 or a ' Passive Non-Financial Entity ' or ' Financial Institution - Investment Entity located in a non-CRS jurisdiction ' in section 4.

ENTITY SELF CERTIFICATION FORM

XPLAN reference number (if a Tilney account is already set up for the entity)

OFFICE USE ONLY

IN ORDER FOR THIS FORM TO BE VALID ALL 4 SECTIONS MUST BE COMPLETED

1. Entity Details

1.1 Name of Entity

1.2 Entity's registered address (do not use a P.O. Box or an 'in care of' address):

Postcode

1.3 Mailing address (only if different from above):

Postcode

1.4 Country of incorporation or organisation (or country under whose laws the entity is created, organised, or governed):

1.5 Country in which entity is resident for tax purposes:

1.6 Entity's unique taxpayer reference (UTR) or charity's registration number (as applicable):

Guidance Notes to complete Section 1: Please complete with the entity's details and the country of tax residence. If the entity has a tax number issued by Her Majesty's Revenue & Customs (HMRC), please provide this.

A company will generally be tax resident in the country where it is incorporated or the country from which it is centrally managed and controlled.

For a trust:

- The residence status of a trust will depend on where the trustees and settlor are tax resident when the trust is set up and when later funds are added. If all the trustees are resident in the UK for tax purposes then the trust is UK resident. Where some of the trustees, but not all, are UK tax resident then the trust is to be treated as UK tax resident if the settlor is both resident and domiciled in the UK for tax purposes.
- A trust will not have a tax reference number unless it has registered with HMRC to report income or chargeable gains.

For a charity, please provide the HMRC's Charity Registration number (if available).

2. Entity classification under FATCA

If you require assistance in determining your entity's FATCA category, please refer to a professional tax or legal adviser. Tilney, by law, cannot give tax advice of this nature.

Please tick only one box to identify the FATCA category applicable to your entity:

2.1 Financial Institution (an entity that is 'professionally managed' and that has more than 50% of its gross income from investing, reinvesting and trading in 'Financial Assets' – see definitions on page 3; e.g. any type of trust investing in portfolio of investments that has appointed a discretionary investment manager to look after the investments of the trust - i.e. the investment manager has discretion over these investments).	<input type="checkbox"/>
2.2 Passive Non-Financial Foreign Entity (an entity that is not a Financial Institution; e.g. any type of trust looked after on an advisory basis, where the financial planner or investment manager has no discretionary authority over the trust's investments; a trust set up on an Execution-only basis; a trust set up via an onshore or offshore investment bond; a Partnership or other entity which is not 'professionally managed' – see definition on page 3).	<input type="checkbox"/>
2.3 Certified Deemed Compliant Foreign Financial Institution (other than Trustee Documented Trust) (e.g. a charitable trust; a Non-Profit Organisation; an Investment Trust Company; a Venture Capital Trust)	<input type="checkbox"/>
2.4 Exempt Beneficial Owner (certain retirement funds or other tax favoured products; e.g. a Small Self-Administered Scheme)	<input type="checkbox"/>
2.5 Trustee Documented Trust (e.g. a trust that has appointed a corporate trustee that is a Financial Institution, as above)	<input type="checkbox"/>
2.6 Active Non-Financial Foreign Entity (e.g. a publicly traded corporation such as a Limited Company that engages in active business.)	<input type="checkbox"/>

If you have ticked **2.1** above, please provide the entity's **Global Intermediary Identification Number (GIIN)** (please see Guidance Notes below for details on this), then go to section 3:

□□□□□□□ • □□□□□□□ • □□ • □□□□

If you have ticked **2.3, 2.4, 2.5** or **2.6** please go straight to section 3.

If you have ticked **2.2**, please complete section 3 and 4 and then also complete the '**Entity Self-Certification on Controlling Persons Form**' (pages 5-7).

Guidance Notes to complete Section 2:

- Under FATCA, a '**Financial Institution**' is defined as an entity that has more than 50% of its gross income attributable to investing, reinvesting and trading in '**Financial Assets**' (i.e. funds, shares, managed portfolios, etc.) **and** the entity is '**professionally managed**'.
- An entity is '**professionally managed**' if it has appointed another Financial Institution which has discretionary authority to manage the entity's financial assets (either in whole or part). UK Guidance suggests that with regard to **trusts**, 'professionally managed' would typically be where the trust has appointed a discretionary fund manager to manage the trust's assets.
- If your entity is a '**Financial Institution**', FATCA regulations require that you register your entity with the United States (**US**) Internal Revenue Service (**IRS**) to obtain a **Global Intermediary Identification Number (GIIN)** regardless of whether or not the entity has a connection with the US. The GIIN is a 19 character number (including three dots) assigned by the US IRS to each financial institution when it registers for FATCA compliance. You will need to add the GIIN you obtain from the IRS in the box provided. You may also have reporting responsibilities to HMRC. You should refer to a professional tax adviser if you need advice on this.
Your Tilney Investment Manager or Financial Planner can provide a guide on how to register with the US IRS to obtain a GIIN, however Tilney cannot register your entity on your behalf and will not be in a position to provide assistance beyond the information provided in Tilney's GIIN guide.
- If your entity is a '**Passive Non-Financial Foreign Entity**' under FATCA, you will need to provide details of your entity's '**Controlling Persons**' (see definition on page 5) and also complete and sign the **Entity Self-Certification on Controlling Persons** (pages 5, 6 and 7 of the form).

3. Entity classification under CRS

If you require assistance in determining your entity's CRS category, please refer to a professional tax or legal adviser. Tilney, by law, cannot give tax advice of this nature.

Please tick **only one box** to identify the CRS category applicable to your entity:

3.1 Financial Institution - Investment Entity (an entity that is ' professionally managed ' and that has more than 50% of its gross income from investing, reinvesting and trading in ' Financial Assets ' – see definitions on page 3; e.g. any type of trust investing in portfolio of investments that has appointed a discretionary investment manager to look after the investments of the trust - i.e. the investment manager has discretion over these investments).	<input type="checkbox"/>
3.2 Passive Non-Financial Entity (an entity that is not a Financial Institution; e.g. a trust set up on an advisory basis with no discretionary management agreement; a trust set up on an Execution-only basis; a trust set up via an onshore or offshore investment bond; an execution only trust; a Partnership or other entity which is not ' professionally managed ' – see definition above)	<input type="checkbox"/>
3.3 Financial Institution - Investment Entity in a non-CRS jurisdiction* (a ' professionally managed ' entity in a country that has not signed up to CRS regime) * If not on the list of CRS jurisdictions (available at http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/crs-by-jurisdiction), a country will be a non-CRS jurisdiction.	<input type="checkbox"/>
3.4 Non-Reporting Financial Institution (e.g. a Pension scheme, a Small Self-Administered Scheme; a Trustee Documented Trust)	<input type="checkbox"/>
3.5 Active Non-Financial Entity (an entity that is not a Financial Institution; e.g. a publicly traded corporation or affiliate such as a Limited Company that engages in active business; a UK non-profit organisation established exclusively for religious, charitable, scientific, artistic, cultural, athletic or educational purposes).	<input type="checkbox"/>

If you have ticked **3.1, 3.4** or **3.5**, please go straight to section 4.

If you have ticked **3.2** or **3.3** please complete section 4 and then also complete the '**Entity Self-Certification on Controlling Persons Form**' (pages 5, 6 and 7 of the form).

Guidance Notes to complete Section 3:

- If your entity is a 'Financial Institution' under CRS you may have reporting responsibilities to HMRC. You should refer to a professional tax adviser if you need advice on this.
- If your entity is a 'Passive Non-Financial Entity' under CRS or a 'Financial Institution - Investment Entity located in a non-CRS jurisdiction', you will need to provide details of your entity's 'Controlling Persons' and also complete and sign the **Entity Self-Certification on Controlling Persons** (pages 5, 6 and 7).

4. Declaration for FATCA and CRS

I declare that the information provided on this form is to the best of my knowledge and belief, accurate and complete. I agree to notify Tilney within 30 days of any changes to the information provided in the Entity Self-Certification Form and provide a suitably updated Entity Self-Certification Form within 90 days of such a change (including any changes to the entity's Controlling Persons or their details).

I certify that I am authorised to sign on behalf of the entity to which this form relates to.

Signature:	
Name:	
Date:	
Position:	

If more than one person is required to sign on behalf of the entity, they should sign below.

Signature:	
Name:	
Date:	
Position:	

Guidance Notes to complete Section 4:

This form should be signed by a person who has authority to sign on behalf of the entity for which a Tilney account is being opened or has been opened, as detailed below:

- For a company – an authorised signatory.
- For a trust – one or more appointed trustees, based on what the Trust Deed says.
- For a partnership – one or more partners, based on the Partnership agreement.
- For any other organisation – any person that has authority to sign for the organisation.

Please also indicate the capacity in which you are signing the form, e.g. trustee or settlor (i.e. the donor of the trust).

If your entity is not:

a '**Passive Non-Financial Foreign Entity**' under FATCA; or

a '**Passive Non-Financial Entity**' or a '**Financial Institution - Investment Entity in a non-CRS jurisdiction**' under CRS;

there is no need to complete pages 5 to 7. The form is complete and can be returned to your Tilney Investment Manager or Financial Planner.

Entity Self-Certification on Controlling Persons

Please complete only if you have selected that your entity is a '**Passive Non-Financial Foreign Entity**' under the FATCA classification or a '**Passive Non-Financial Entity**' or professionally managed '**Financial Institution - Investment Entity in a non-CRS jurisdiction**' under the CRS classification.

If you are required to complete this form, please provide details of ALL 'Controlling Persons' of your entity.

Name of Entity:

Total number of controlling persons in your entity:

Guidance Notes to complete the "Entity Self-Certification on Controlling Persons" pages:

Please complete with details of all of your entity's 'Controlling Persons', including their **Tax Identification Number (TIN)**. For UK residents, this will be their National Insurance Number.

Please sign and date the Declaration on page 8 and return to us via your Tilney Financial Planner or Investment Manager.

***Controlling Persons** are the individuals who exercise ultimate control over your entity.

For a trust, 'Controlling Persons' means: the settlor, all trustees, the protector (if one exists) and all named beneficiaries. These must always be treated as Controlling Persons of a trust, regardless of whether or not any of them exercises control over the trust. Where the settlor or trustee of a trust is a reporting Financial Institutions (e.g. a corporate trustee), it must also identify the Controlling Person(s) of the settlor/trustee and report them as Controlling Person(s) of the trust.

For a Company, 'Controlling Persons' means: any natural person who holds (directly or indirectly) 25% of the voting shares or voting rights of the entity as a beneficial owner, or anyone who exercises control over the management of the entity, e.g. a director.

Controlling Person:

Full Name:

Address:

Date of Birth:

<input type="text"/>	Town of Birth	<input type="text"/>	Country of Birth	<input type="text"/>
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Tax Residency/Citizenship Information:

Country	Tax Resident (please tick)	Citizen (please tick)	Local Tax Identification Number (TIN)	TIN Type (e.g. National Insurance Number)
<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>

If no TIN held, specify why not by selecting one of the reasons below:

<input type="checkbox"/>	Reason A: the Country does not issue TINs to its residents.
<input type="checkbox"/>	Reason B: No TIN required (authorities do not require a TIN to be collected)
<input type="checkbox"/>	Reason C: Other (please provide reason why below)

Please answer the following questions:

Does this person hold a valid US Green Card?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Was this person born in the US or a US protectorate (i.e. Puerto Rico, US Virgin Islands, Guam)?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Is or was one or both of this person's parents a US citizen?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Controlling Person:

Full Name:

Address:

Date of Birth:

Town of Birth

Country of Birth

Tax Residency/Citizenship Information:

Country	Tax Resident (please tick)	Citizen (please tick)	Local Tax Identification Number (TIN)	TIN Type (e.g. National Insurance Number)
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		

If no TIN held, specify why not by selecting one of the reasons below:

☐ Reason A: the Country does not issue TINs to its residents.

☐ Reason B: No TIN required (authorities do not require a TIN to be collected)

☐ Reason C: Other (please provide reason why below)

Please answer the following questions:

Does this person hold a valid US Green Card?

Yes☐

No☐

Was this person born in the US or a US protectorate (i.e. Puerto Rico, US Virgin Islands, Guam)?

Yes☐

No☐

Is or was one or both of this person's parents a US citizen?

Yes☐

No☐

Controlling Person:

Full Name:

Address:

Date of Birth:

Town of Birth

Country of Birth

Tax Residency/Citizenship Information:

Country	Tax Resident (please tick)	Citizen (please tick)	Local Tax Identification Number (TIN)	TIN Type (e.g. National Insurance Number)
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		

If no TIN held, specify why not by selecting one of the reasons below:

☐ Reason A: the Country does not issue TINs to its residents.

☐ Reason B: No TIN required (authorities do not require a TIN to be collected)

☐ Reason C: Other (please provide reason why below)

Please answer the following questions:

Does this person hold a valid US Green Card?

Yes☐

No☐

Was this person born in the US or a US protectorate (i.e. Puerto Rico, US Virgin Islands, Guam)?

Yes☐

No☐

Is or was one or both of this person's parents a US citizen?

Yes☐

No☐

Note: if any of the controlling persons are a **US citizen, US tax resident or other US person**, they will need to complete and sign the IRS form “W9- Request for Taxpayer Identification Number and Certification” and enclose with this form. The W9 form can be downloaded from the IRS website.

If there are more Controlling Persons, please print a blank copy of page 6 and attach to the completed form.

Declaration

This form is being submitted on behalf of the above named Controlling Persons.

I declare that the information provided on this form is to the best of my knowledge and belief, accurate and complete on behalf of all Controlling Persons. I agree to notify Tilney within 30 days of any changes to the information provided (including any changes to Controlling Persons or their details) and to provide a suitably updated Entity Self-Certification Form within 90 days of such a change (including any changes to the entity’s Controlling Persons or their details).

I certify that, where I have provided information regarding any other person (such as a Controlling Person to which this form relates to), I will, within 30 days of signing this form, notify those persons that I have provided such information to Tilney, and that such information may be provided to the tax authority of the country in which the entity is tax resident, 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 certify that I am a Controlling Person (or I am authorised to sign for the Controlling Person) of the entity to which this form relates.

Signature:	
Name:	
Date:	
Position:	

If more than one person is required to sign on behalf of the entity, they should sign below.

Signature:	
Name:	
Date:	
Position:	

Guidance Notes on who can sign the “Entity Self-Certification on Controlling Persons” pages:

You need to be an authorised signatory for the entity to sign this Entity Self-Certification on Controlling Persons.

For a trust, you will need to be a trustee or the settlor (please check the trust’s Deed for details of who can sign documents on behalf of the trust); please indicate the capacity in which you are signing the form, e.g. trustee or settlor (i.e. the donor of the trust).

Further Information & Glossary

Further Information

For more information on why we need to ask you to provide certain information about your entity and its tax residence status, please read Her Majesty's Revenue & Customs (HMRC)'s Quick Guide "Automatic exchange of information – Account holders" at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/386413/Automatic_exchange_of_information_-_account_holders.pdf and the UK Government's website link: <https://www.gov.uk/guidance/automatic-exchange-of-information-account-holders>.

Further information on international tax regulations enabling the automatic exchange of financial account information between tax authorities of different countries can be found at the following links:

- The Government website pages on automatic exchange of financial account information (AEOI): <https://www.gov.uk/government/publications/foreign-account-tax-compliance-act-registration-guidance-fatca/automatic-exchange-of-information-reporting-guidance#overview>.
- The US-UK agreement on automatic exchange of information: <https://www.gov.uk/government/publications/uk-us-automatic-exchange-of-information-agreement/uk-us-automatic-exchange-of-information-agreement>.
- The Organisation for Economic Co-operation and Development (OECD)'s automatic exchange of information (AEOI) portal: <http://www.oecd.org/tax/transparency/automaticexchangeofinformation.htm>
- HMRC's guidance contained in its International Exchange of Information Manual "Automatic exchange of financial accounts information" at <https://www.gov.uk/hmrc-internal-manuals/international-exchange-of-information/ieim400000>.
- The OECD's CRS-related Frequently Asked Questions (December 2017) at <https://www.oecd.org/tax/exchange-of-tax-information/CRS-related-FAQs.pdf>.
- The FATCA & CRS implementing regulations in the UK: [The International Tax Compliance Regulations 2015 Statutory Instrument 2015/878 \(which came into force on 15th April 2015/878\)](#), as amended by:
 - » [The International Tax Compliance \(Amendment\) Regulations 2015 Statutory Instrument 2015/1839](#), which came into force on 20th November 2015;
 - » [The International Tax Compliance \(Client Notification\) Regulations 2016 Statutory Instrument 2016/899](#), which came into force on 30th September 2016;
 - » [The International Tax Compliance \(Amendment\) Regulations 2017 Statutory Instrument 2017/598](#), which came into force on 17th May 2016.
 - » [The European Directive for Administrative Cooperation \(DAC\)](#)

Important Note

The Entity Self-Certification form, the Guidance Notes at the end of each section and the Further Information and Glossary and Key Terms section have been created based on our interpretation of FATCA, CRS, the intergovernmental agreements entered into by the UK and the HMRC guidance on Automatic Exchange of Information regulations, as at 31st October 2017, which may be subject to change in the future. They are intended solely for the customers of Tilney to whom they are provided and they do not constitute tax or legal advice and should not be construed as tax or legal advice.

Tilney makes no guarantee of the accuracy and completeness of the Guidance Notes, the Further Information and Glossary and Key Terms pages nor shall Tilney be liable for any loss that results from reliance upon this information. Customers should seek legal and/or professional tax advice specific to their own situation.

Third Party Links Disclosure

The Entity Self-Certification Form contains hyperlinks to other websites operated by third parties, such as HMRC, the UK Government, etc. Please note:

- These hyperlinks will take you away from our form. You will be linking to third party websites not operated by Tilney.
- Tilney is not responsible for the content of these third party websites.
- Tilney cannot guarantee that all these hyperlinks will continue to work in the future, as they may be amended with no notice by the third parties that maintain them. Where a hyperlink no longer works, you should be able to find the amended one via searching for the subject on the internet.

Glossary & Key Terms

The Automatic Exchange of Information (AEOI) regulations and guidance introduce a number of new terms and a proliferation of acronyms. Please find below definitions and/or descriptions for some of the most important terms used in the Entity Self-Certification Form. A comprehensive glossary for all of the AEOI terms can be found in the HMRC guidance.

Please note, much of the terminology is written from a US perspective so it is important to be sure of the interpretation of each phrase when applying it to the circumstances under consideration.

Active Non-Financial Foreign Entity (NFFE) / Active Non-Financial Entity (NFE) – An Active NFFE or Active NFE is an entity engaged in a non-financial business that meets one of the following criteria:

- It is active by reason of income and assets. This requires less than 50% of its gross income for the preceding calendar year or other appropriate reporting period to be ‘passive income’ and less than 50% of its assets held in the same period to be assets that produce or are held for the production of ‘passive income’;
- Its stock is regularly traded on an established securities market or it is a Related Entity of such an entity;
- It is a Government Entity, International Organisation, Central Bank or a wholly owned subsidiary of such an entity;
- It is holding company for NFEs that are members of a non-financial group. It will not qualify as an Active NFE where these holdings are part of a business as an investment fund or vehicle whose purpose is to acquire or fund companies and then hold interests as capital assets for investment purposes.
- It is a start-up NFE which is not yet operating a business and has no prior operating history, but is investing capital into assets with the intention of operating a business other than that of a Financial Institution. This category only applies during the first 24 months after the date that the NFE was first formed.
- It is a NFE that has not been a Financial Institution in the last 5 years and which is in the process of liquidating its assets or is reorganising with a view to continuing or recommencing business operations other than as a Financial Institution.
- It is a treasury centre of a non-financial group engaging in financing and hedging transactions with or for Related Entities.
- It is a not for profit organisation set up for religious, charitable, scientific, artistic, cultural, athletic or educational purposes; or it is established and operated as a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league or an organisation operated for the promotion of social welfare. In all cases the organisation must be exempt from income tax and its income and assets cannot be applied other than for the express purposes for which the organisation is established.

An active NFFE/Active NFE includes most trading companies such as building, retail and service companies.

Automatic Exchange of Information (AEOI) – agreements made between tax authorities of different countries to exchange financial account information between them with the aim to tackle tax evasion. All references to AEOI include the United States Foreign Account Tax Compliance (FATCA), the Crown Dependencies and Overseas Territories agreements and the Common Reporting Standard (CRS).

AEOI agreements require UK Financial Institutions (such as banks, investment firms, etc.) to review the accounts they maintain and report certain account holders to Her Majesty’s Revenue and Customs (HMRC) every year.

Charities / Charitable Trusts under FATCA and CRS

- Under the FATCA UK-US Intergovernmental Agreement (IGA), charities and charitable trusts that meet the conditions to be ‘non-profit organisations’ (see definition below) are excluded so would not need to register or report under FATCA. This applies to:
 - Any entity registered as a charity with the Charity Commission of England and Wales
 - Any entity registered with HMRC for charitable tax purposes
 - Any entity registered as a charity with the Office of the Scottish Charity Regulator
 - Any Community Amateur Sports Club if registered as such with HMRC.

A charity or charitable trust that meets the above conditions will be a ‘Certified Deemed Compliant Financial Institution’ under the FATCA classification.

Note: the UK Regulations are silent on the issue of charities regulated by the Charity Commission for Northern Ireland.

- Under the CRS, charities and other non-profit organisations are not excluded from reporting. According to the HMRC guidance, a charity or other non-profit organisation that is an “Investment Entity” (see definition below) will be a “Financial Institution” under CRS, and must report any relevant payments it makes to tax residents outside the UK to HMRC. Where the charity or non-profit organisation is not a Financial Institution (so it does not meet the ‘investment entity’ conditions) it will be an Active Non-Financial Entity (NFE) with no reporting requirements.

Please find a link to the HMRC guidance: <https://www.gov.uk/guidance/automatic-exchange-of-information-guidance-for-charities>.

HMRC has also published specific guidance for charities with AEOI reporting obligations at: <https://www.gov.uk/hmrc-internal-manuals/international-exchange-of-information/ieim404700>

Certified Deemed Compliant Foreign Financial Institution other than Trustee Documented Trust – This is a type of “Financial Institution” (see definition below) that is not required to register with the United States (US) Internal Revenue Service (IRS) for FATCA purposes and include:

- a. entities classified as such in Annex II of the UK IGA (at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/226267/8656.pdf) which includes non-profit organisations (see definition below) and financial institutions with a local client base (i.e. Credit Unions; Industrial and Provident Societies; Friendly Societies; Building Societies; Mutual Societies; Community Interest Companies; Investment Trust Companies; Venture Capital Trusts); and
- b. entities which otherwise qualify as such under the FATCA regulations.

Controlling Persons – the natural persons who exercise control over an entity. For a company, “Controlling Persons” means any natural person who holds (directly or indirectly) 25% of the voting shares or voting rights of the entity as a beneficial owner, or anyone who exercises control over the management of the entity, e.g. a director.

In the case of a trust, “Controlling Persons” means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust. Under the CRS, the settlor, the trustees, the protector(s) (if any), and the beneficiaries or classes of beneficiaries, are always treated as “Controlling Persons” of a trust, regardless of whether or not any of them exercises control over the activities of the trust.

Where the settlor of a trust is an Entity, the CRS requires to also identify the “Controlling Persons” of the settlor and, when required, report them as Controlling Persons of the trust.

In the case of a partnership, “Controlling Persons” means any individual who ultimately own or control 25% or more of the capital, or profits, or voting rights in the partnership, or who otherwise exercise control over the management of the partnership.

CRS – The Common Reporting Standard (CRS) was developed and approved by the OECD in July 2014 and calls on over 101 jurisdictions (i.e. countries) to obtain certain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. It sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions. The Standard consists of the following four key parts:

- A model Competent Authority Agreement (CAA), providing the [international legal framework](#) for the automatic exchange of CRS information;
- The [Common Reporting Standard](#);
- The [Commentaries](#) on the CAA and the CRS; and
- The [CRS XML Schema](#) User Guide

The CRS has been adopted in the UK by “The International Tax Compliance Regulations 2015” (as amended by “The International Tax Compliance (Amendment) Regulations 2015”, “The International Tax Compliance (Amendment) Regulations 2017”) and by “The International Tax Compliance (Client Notification) Regulations 2016”.

CRS jurisdiction – a jurisdiction which has an agreement in place to exchange information in accordance with the CRS. Also referred to as a **Participating jurisdiction**. A list of all current CRS jurisdictions can be found at <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/crs-by-jurisdiction/>

‘Entity’ under FATCA and CRS – An ‘entity’ for FATCA and CRS purposes will include a legal arrangement such as a corporation, company, partnership, organisation, trust or foundation. This term covers any person other than an individual (i.e. a natural person). Whilst trusts are not considered as separate entities under general UK law, they are considered as such under the reporting standards for FATCA and CRS.

Exempt Beneficial Owner – The term “exempt beneficial owner” means:

- a. a UK Governmental Organisation;
- b. an international organisation (examples of which include The International Monetary Fund, The World Bank, The International Bank for Reconstruction and Development and The European Community – for a full list please see the relevant guidance issued by HMRC, or the IRS);
- c. a central bank; or
- d. A UK registered pension scheme, or non-UK pension scheme falling within the definition of exempt beneficial owner for the purpose of FATCA.

“Exempt Beneficial Owners” are not required to register with the US IRS for FATCA purposes.

FATCA - FATCA stands for the ‘Foreign Account Tax Compliance Act’ and is part of a larger piece of legislation which was introduced in the United States (US) as part of the ‘Hiring Incentives to Restore Employment (HIRE) Act’ in March 2010 to ensure that US citizens are fully disclosing their worldwide income to the Internal Revenue Service (IRS). FATCA regulations are contained in sections 1471 to 1474 of the US Internal Revenue code and the Treasury regulations and official guidance issued thereunder, as amended from time to time.

FATCA requires Foreign Financial Institutions (i.e. those outside of the US) to identify and report US citizens who hold accounts and/or investments outside of the US to the US Internal Revenue Service (IRS). Numerous countries around the world have entered into agreements with the US, and passed local legislation to enable and mandate compliance with FATCA.

As a result of a UK-US intergovernmental agreement (IGA), the legislation is now part of UK law through s222 of the Finance Act 2013 and the regulations issued under that section. All UK entities are subject to the FATCA legislation and must comply with this, **regardless of whether or not they have a US connection.**

Financial Assets – includes securities and financial instruments held in an account maintained by a financial institution but excludes non-debt direct interests in real property.

Financial Institution - is a defined term and can include companies, trusts, or partnerships, but not individuals. The term “Financial Institution” in this context means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company. Please see the AEOI HMRC guidance and the CRS regulations for further classification definitions that apply to Financial Institutions.

Form W9 “Request for Taxpayer Identification Number and Certification” – a form identifying a ‘US person’ and disclosing their US taxpayer identification number (TIN). It can be downloaded from the US IRS website.

Global Intermediary Identification Number (GIIN) – A GIIN is a 19 character number (including three dots) assigned by the US IRS to “Financial Institutions” (see definition above) when they register with the IRS and becomes FATCA compliant, regardless of whether or not the “Financial Institution” has a connection with the US. It is used as a reference for all FATCA reporting and will need to be disclosed on FATCA documentation.

Investment entity - any entity either trading in financial assets or ‘otherwise investing administering or managing money or funds on behalf of other persons’ (50% or more of gross income) or acting as an investment adviser. In addition entities managed by a “Financial Institution” (see definition above) or whose assets are managed by “Financial Institutions” may be Investment Entities. Some family trusts and some trust companies will fall into this category.

The term “Investment Entity” does not include an entity that is an “Active NFE/ Active NFFE” (see definition above).

An entity that an “Investment Entity” will be classed as a “Financial Institution” for FATCA and CRS purposes.

IGA – intergovernmental agreement - This is a treaty negotiated between the US and other countries to apply the US FATCA rules globally. There are two formats of the agreement:

1. **Model 1** in which domestic law is enacted and under which reporting is undertaken to the domestic authority. The UK has a Model 1 agreement so that these regulations are UK law and reporting will be through HMRC. The only interaction with the US Internal Revenue Service (IRS) will be the initial registration and obtaining of a GIIN;
2. **Model 2** in which the country concerned agrees to the principles of FATCA but the governing law and reporting is directly to the USA. Reporting is enabled irrespective of any data protection or bank secrecy laws in the jurisdiction concerned. Switzerland and Japan for example, have Model 2 IGAs.

Non-CRS jurisdiction – a jurisdiction which does not have an agreement in place to exchange information in accordance with the CRS. Also referred to as a **Non-Participating jurisdiction**. A list of all current CRS jurisdictions can be found at <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/crs-by-jurisdiction/>.

Non-Financial Entity (NFE) / Non-Financial Foreign Entity (NFFE) - a NFE or NFFE is any entity which is not a Financial Institution. There are two forms of NFFE: active and passive. The Passive NFE / Passive NFFE category is effectively a default category, any NFE / NFFE that does not meet the criteria to be an Active NFE /Active NFFE will be a Passive NFE /Passive NFFE.

The most common way a NFE/NFFE will be an **Active NFE/ Active NFFE** category is if less than 50% of its gross income for the preceding year is “passive income” AND less than 50% of its assets are held for the production of “passive income”. See definitions for **Active NFE/Active NFFE; Passive NFE/Passive NFFE** and “passive income”.

Non-Profit Organisation – An entity that meets ALL of the following criteria:

- a. 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 organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league or an organisation operated exclusively for the promotion of social welfare;
- b. it is exempt from income tax in its country of residence;
- c. it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- d. 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
- e. the applicable laws of the entity's country of residence or the entity's formation documents 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.

Non-Reporting Financial Institution - means any financial institution which is:

- a. a Governmental entity, international organisation or central bank, other than with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a specified insurance company, custodial institution, or depository institution;
- b. a broad participation retirement fund; a narrow participation retirement fund; a pension fund of a Governmental entity, international organisation or central bank; or a qualified credit card issuer;
- c. any other entity that presents a low risk of being used to evade tax, has substantially similar characteristics to any of the entities described in (a) or (b) above, and is included in the list of non-reporting financial institutions provided to the European Commission by the UK;
- d. an exempt collective investment vehicle; or
- e. a trust to the extent that the trustee of the trust is a reporting "Financial Institution" and reports all information required to be reported with respect to all reportable accounts of the trust.

OECD – The Organisation for Economic Co-operation and Development is an international organisation composed of [34 democratic countries](#) with market-based economies which work with each other, as well as with more than 70 non-member economies to promote economic growth, prosperity, and sustainable development. Find a link to the OECD website at <http://www.oecd.org/about/>

Passive Income - derived from investing in assets rather than from activities carried on in the normal course of a trade or business. 'Passive income' includes the portion of income that consists of: dividends and other distributions of income; interest; income equivalent to interest; rents and royalties, other than rents and royalties derived in the active conduct of a trade or business conducted, at least in part, by employees of the NFFE / NFE (see definition below); annuities; the excess of gains over losses from the sale or exchange of property that gives rise to passive income described previously; the excess of gains over losses from transactions (including futures, forwards, options and similar transactions) in any Financial Assets; the excess of foreign currency gains over foreign currency losses; net income from swaps; amounts received under Cash Value Insurance Contracts.

Passive Non-Financial Entity (NFE) / Passive Non-Financial Foreign Entity (NFFE): A passive NFE/ passive NFFE is any non-financial entity that is not an Active NFFE. Very broadly, a passive NFE/passive NFFE is an entity that does not fall under any of the other FATCA or CSR categories, that primarily earns passive income (for example, dividends, interest, rent, patent royalties) and whose assets are mainly assets that generate such income. An entity primarily earns passive income if more than 50% of its gross income over the last three-year period is passive income. These entities are not engaged in a business and will usually be required to identify their Controlling Persons to the financial institutions with which they have a relationship (e.g. investment firm, bank, custodian, etc.).

Professionally managed - the US Regulations (§1.1471-5(e)(4)(v) Example 5) indicate that any Financial Institution undertaking the activities of an "Investment Entity" (see definition above) on behalf of another "Investment Entity", typically as a discretionary fund manager, will be deemed to be a manager of the entity in this context.

HMRC's guidance suggests that, with regard to trusts, "professionally managed" would typically be where the trustees have appointed a discretionary fund manager to manage the trust's assets. Further details can be found at the following link: <https://www.gov.uk/hmrc-internal-manuals/international-exchange-of-information/ieim400820>

Related Entity: An entity is a related entity of another entity if either entity controls the other entity, or the two entities are under common control. For this purpose, control includes director in direct ownership of more than 50 percent of the vote or value in an entity.

Trustee Documented Trust – a trust with a corporate or professional trustee which is, itself, registered as a “Financial Institution” (see definition above) with the US IRS. In this case the corporate trustee undertakes the FATCA compliance and the trust itself need not register for a GIIN.

Trusts under FATCA – A trust can be either a Financial Institution or a Passive Non-Financial Foreign Entity.

All trusts are caught by FATCA irrespective of whether or not they have US Persons as settlors, trustees or beneficiaries, or US assets or any US connections. The fact that a trust has a US-connected settlor or trustee or beneficiary does not alter the categorisation for FATCA purposes. It may, however, alter the reporting requirements and in the case of a US trustee, there may be more of a question over the residence of the trust.

US Person – any person including individuals who are United States (US) citizens by birth or naturalisation including dual citizens; any lawful permanent US resident; any green card holder; any resident US passport holder; any individual born in the US who has not renounced their citizenship; any individual with a “substantial presence test” in the US as defined in US tax law; any US corporation or partnership or trust organised in the US or subject to the jurisdiction of the US courts; any non-US entity which is controlled by US Persons.

To assist in identifying US Persons, financial institutions are required to have regard to US indicators (defined in the US legislation as ‘US indicia’) which include: US place of birth; citizenship; a green card; US address or telephone number; standing instructions to correspond with the US such as a power of attorney or mail collection address; regular payments to or from a US bank account.