

CRS Definitions

“Account Holder” means the person listed or identified as the holder of a Financial Account by the Financial Institution that maintains the account.: A person, other than a Financial Institution, holding a Financial Account for the benefit or account of another person as agent, custodian, nominee, signatory, investment advisor, or intermediary, other than a third person acting as an intermediary, is not treated as holding the account for purposes of the CRS, and such other person is treated as holding the account.

In the case of a Cash Value Insurance Contract or an Annuity Contract, the Account Holder is any person entitled to access the Cash Value or change the beneficiary of the contract.

If no person can access the Cash Value or change the beneficiary, the Account Holder is any person named as the owner in the contract and any person with a vested entitlement to payment under the terms of the contract. Upon the maturity of a Cash Value Insurance Contract or an Annuity Contract, each person entitled to receive a payment under the contract is treated as an Account Holder;

“Active NFE” An NFE is an Active NFE if it meets any of the criteria listed below. In summary, those criteria refer to:

- active NFEs by reason of income and assets;
- publicly traded NFEs;
- Governmental Entities, International Organisations, Central Banks, or their wholly owned Entities;
- holding NFEs that are members of a nonfinancial group;
- start-up NFEs;
- NFEs that are liquidating or emerging from bankruptcy;
- treasury centres that are members of a nonfinancial group; or
- non-profit NFEs.

An entity will be classified as Active NFE if it meets any of the following criteria:

- a) less than 50% of the NFE’s gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50% of the assets held by the NFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- b) the stock of the NFE is regularly traded on an established securities market or the NFE is a Related Entity of an Entity the stock of which is regularly traded on an established securities market;
- c) the NFE is a Governmental Entity, an International Organisation, a Central Bank, or an Entity wholly owned by one or more of the foregoing;
- d) substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an Entity does not qualify for this status if the Entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
- e) the NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE does not qualify for this exception after the date that is 24 months after the date of the initial organisation of the NFE;

- f) the NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- g) the NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution; or
- h) the NFE meets all of the following requirements:
 - i) it is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional 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;
 - ii) it is exempt from income tax in its jurisdiction of residence;
 - iii) it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
 - iv) the applicable laws of the NFE's jurisdiction of residence or the NFE's formation documents do not permit any income or assets of the NFE 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 NFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFE has purchased; and
 - v) the applicable laws of the NFE's jurisdiction of residence or the NFE's formation documents require that, upon the NFE'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 NFE's jurisdiction of residence or any political subdivision.

Note: Certain entities (such as US Territory NFFEs) may qualify for Active NFFE status under FATCA but not Active NFE status under the CRS.

“Control” over an Entity is generally exercised by the natural person(s) who ultimately has a controlling ownership interest (typically on the basis of a certain percentage (e.g. 25%)) in the Entity. Where no natural person(s) exercises control through ownership interests, the Controlling Person(s) of the Entity will be the natural person(s) who exercises control of the Entity through other means. Where no natural person(s) is/are identified as exercising control of the Entity through ownership interests, then under the CRS the Reportable Person is deemed to be the natural person who hold the position of senior managing official.

“Controlling persons” means:

(a) For companies and cooperative societies the ultimate beneficial owner, which is the natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership;

Control through direct or indirect ownership is achieved where:

- (i) The natural person owns more than 25% of the voting rights in the company;
- (ii) The natural person exercises control through the right of appointing the Members of the Board, the right of exercising significant influence or controlling more than 25% of the legal entity, the right of exercising dominant influence of another legal entity which exercises significant influence of more than 25% over the company.

Where no natural person(s) is identified as exercising control of the Entity, the Controlling Person(s) of the Entity will be natural persons(s) who holds the position of senior managing official except for entities that are (or are majority owned subsidiaries of) an entity that is listed on a stock exchange and is subject to market regulation and disclosure requirements to ensure adequate transparency of beneficial ownership.

(b) For Unions, Administrative Committees, Foundations, Clubs, Associations and Fund Raising Committees, means the members of the Board of Directors/Committee and administrators of accounts.

(c) For trusts accounts the Settlor(s), trustee(s), the protector(s) (if any), the beneficiary(ies) or classes of beneficiaries and any other natural person(s) exercising ultimate effective control over the trust.

“Custodial Institution” means any Entity that holds, as a substantial portion of its business, Financial Assets for the account of others. An Entity holds Financial Assets for the account of others as a substantial portion of its business if the Entity’s gross income attributable to the holding of Financial Assets and related financial services equals or exceeds 20% of the Entity’s gross income during the shorter of:

- (a) the three-year period that ends on 31 December (or the final day of a non-calendar year accounting period) prior to the year in which the determination is being made; or
- (b) the period during which the Entity has been in existence.

“Depository Institution” The term “Depository Institution” means any Entity that accepts deposits in the ordinary course of a banking or similar business.

“FATCA” FATCA stands for the Foreign Account Tax Compliance provisions, which were enacted into US law as part of the Hiring Incentives to Restore Employment (HIRE) Act on March 18, 2010. FATCA creates a new information reporting and withholding regime for payments made to certain non-US financial institutions and other non-US entities.

“Entity” The term “Entity” means a legal person or a legal arrangement, such as a corporation, organisation, partnership, trust or foundation. This term covers any person other than an individual (i.e. a natural person).

“Financial Institution” The term “Financial Institution” means a “Custodial Institution”, a “Depository Institution”, an “Investment Entity”, or a “Specified Insurance Company”.

“Investment Entity” means any Entity:

- (a) that primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:
 - i) trading in money market instruments, foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - ii) individual and collective portfolio management; or
 - iii) otherwise investing, administering, or managing Financial Assets or money on behalf of other persons; or
- (b) the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or an Investment Entity:

An Entity is treated as primarily conducting as a business one or more of the activities described in subparagraph (a) above, or an Entity’s gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets for purposes of the current subparagraph, if the Entity’s gross income attributable to the relevant activities equals or exceeds 50% of the Entity’s gross income during the shorter of:

- i) the three-year period ending on 31 December of the year preceding the year in which the determination is made; or
- ii) the period during which the Entity has been in existence.

(c) The term “Investment Entity” does not include an Entity that is an Active NFE according to the subparagraphs (d)-(g).

“NFE” is any Entity that is not a Financial Institution.

“Non-Reporting Cyprus Financial Institution” means any Financial Institution that 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 Specific 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 subparagraphs (a) and (b) above of the decree, and is defined in domestic law as a Non Reporting Financial Institution, provided that the status of such Entity as a Non reporting Financial Institution does not frustrate the purposes of the Common Reporting Standard;

(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 pursuant to section 1 of the MCAA with respect to all Reportable Accounts of the trust.

“Participating Jurisdiction” A Participating Jurisdiction means a jurisdiction (EU country or a third country) which has committed itself to apply the standard for the automatic exchange of financial account information.

“Participating Jurisdiction Financial Institution” means

(a) any Financial Institution that is Resident in a Participating Jurisdiction but excludes any branch of that Financial Institution that is located outside such Participating Jurisdiction, and

(b) any branch of a Financial Institution that is not Resident in a Participating Jurisdiction if that branch is located in such Participating Jurisdiction.

“Passive NFE” Under the CRS a “Passive NFE” means any:

- (i) NFE that is not an Active NFE; and
- (ii) an Investment Entity as described under the definition of Investment Entity, paragraph (b) that is not a Participating Jurisdiction Financial Institution.

“Related Entity” An Entity is a “Related Entity” of another Entity if: (i) either Entity controls the other Entity, or (ii) the two Entities are under common control or (iii) the two Entities are Investment Entities and the gross income of both is primarily attributable to investing, reinvesting, or trading in financial assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or another Investment Entity. For this purpose control includes direct or indirect ownership of more than 50% of the vote and value in an Entity.

“Reportable Account” The term “Reportable Account” means an account held by one or more Reportable Persons or by a Passive NFE with one or more Controlling Persons that is a Reportable Person.

“Reportable Jurisdiction” A Reportable Jurisdiction means a jurisdiction:

- (a) with which an agreement is in place pursuant to which there is an obligation in place to exchange information
- (b) which is identified in the Participating Jurisdictions Published List.

“Reportable Jurisdiction Person” The term “Reportable Jurisdiction Person” means an individual or Entity that is resident in a Reportable Jurisdiction under the tax laws of such jurisdiction, or an estate of a decedent that was a resident of a Reportable Jurisdiction. For this purpose, an Entity such as a partnership, limited liability partnership or similar legal arrangement that has no residence for tax purposes shall be treated as resident in the jurisdiction in which its place of effective management is situated.

“Reportable Person (for entities)” A “Reportable Person” is defined as a “Reportable Jurisdiction Person”, other than:

- (a) a corporation the stock of which is regularly traded on one or more established securities markets;
- (b) any corporation that is a Related Entity of a corporation described in clause (a);
- (c) a Governmental Entity;
- (d) an International Organisation;
- (e) a Central Bank; or
- (f) a Financial Institution.

“Specified Insurance Company” means any Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.

“TIN (including “functional equivalent”)” The term “TIN” means Taxpayer Identification Number or a functional equivalent in the absence of a TIN. A TIN is a unique combination of letters or numbers assigned by a jurisdiction to an individual or an Entity and used to identify the individual or Entity for the purposes of administering the tax laws of such jurisdiction.

Further details of acceptable TINs can be found at the OECD automatic exchange of information portal at <http://www.oecd.org/tax/automatic-exchange/>.

Some jurisdictions do not issue a TIN in a strict sense, however, these jurisdictions often use some other high integrity number with an equivalent level of identification (a “functional equivalent”). Examples of that type of number include, for Entities, a Business/company registration code/number.

FATCA Definitions

Active Non-Financial Foreign Entity means any NFFE that meets any one of the following criteria:

- (a) Less than 50 percent of the NFFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 percent of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- (b) The stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity of an Entity the stock of which is regularly traded on an established securities market;
- (c) The NFFE is organized in a US Territory and all of the owners of the payee are bona fide residents of that US Territory;
- (d) The NFFE is a government (other than the US government), a political subdivision of such government (which, for the avoidance of doubt, includes a state, province, county, or municipality), or a public body performing a function of such government or a political subdivision thereof, a government of a US Territory, an international organization, a non-US central bank of issue, or an Entity wholly owned by one or more of the foregoing;
- (e) Substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an entity shall not qualify for NFFE status if the entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
- (f) The NFFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE;
- (g) The NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- (h) The NFFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution;
- (i) The NFFE is an "excepted NFFE" as described in relevant US Treasury Regulations; or
- (j) The NFFE meets all of the following requirements:
 - 1. It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;
 - 2. It is exempt from income tax in its jurisdiction of residence;
 - 3. It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
 - 4. The applicable laws of the NFFE's jurisdiction of residence or the NFFE's formation documents do not permit any income or assets of the NFFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFFE has purchased; and
 - 5. The applicable laws of the NFFE's jurisdiction of residence or the NFFE's formation documents require that, upon the NFFE's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFFE's jurisdiction of residence or any political subdivision thereof.

Controlling Persons means the natural persons who exercise control over an Entity. In the case of a trust, such term 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, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions.

Custodial Institution means any Entity that holds, as a substantial portion of its business, financial assets for the account of others. An entity holds financial assets for the account of others as a substantial portion of its business if the entity's gross income attributable to the holding of financial assets and related financial services equals or exceeds 20 percent of the entity's gross income during the shorter of: (i) the three-year period that ends on December 31 (or the final day of a non-calendar year accounting period) prior to the year in which the determination is being made; or (ii) the period during which the entity has been in existence.

Cyprus Financial Institution means (i) any Financial Institution resident in Cyprus, but excluding any branch of such Financial Institution that is located outside Cyprus, and (ii) any branch of a Financial Institution not resident in Cyprus, if such branch is located in Cyprus.

Deemed-Compliant FFIs are those specified in Annex II of the Intergovernmental Agreement between the Republic of Cyprus and the United States. A Registered Deemed-Compliant FFI needs to obtain a Global Intermediary Identification Number (GIIN) from the IRS and submit annual returns to the Cyprus Tax Department. A Certified Deemed-Compliant FFI is not required to register with the IRS and obtain a GIIN.

Depository Institution means any Entity that accepts deposits in the ordinary course of a banking or similar business.

Entity means a legal person or a legal arrangement such as a trust.

Exempt Beneficial Owners are those specified in Annex II of the Intergovernmental Agreement between the Republic of Cyprus and the United States.

Financial Institution (FI) means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company.

Foreign Financial Institution (FFI) means a Financial Institution that is not a U.S Entity.

Investment Entity means any Entity that conducts as a business (or is managed by an entity that conducts as a business) one or more of the following activities or operations for or on behalf of a customer:

- (1) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
- (2) individual and collective portfolio management; or
- (3) otherwise investing, administering, or managing funds or money on behalf of other persons.

Non-Financial Foreign Entity (NFFE) means any Non-US Entity that is not a Foreign Financial Institution as defined in relevant US Treasury Regulations or is an Entity which meets the requirements specified below, and also includes any Non-US Entity that is established in Cyprus or another Partner Jurisdiction and that is not a Financial Institution.

The NFFE meets all of the following requirements:

- (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 organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;
- (b) It is exempt from income tax in its jurisdiction 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 NFFE's jurisdiction of residence or the NFFE's formation documents do not permit any income or assets of the NFFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFFE has purchased; and
- (e) The applicable laws of the NFFE's jurisdiction of residence or the NFFE's formation documents require that, upon the NFFE's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFFE's jurisdiction of residence or any political subdivision thereof.

Non-participating Financial Institution means a non-participating FFI, as that term is defined in relevant US Treasury Regulations, but does not include a Cyprus Financial Institution or other Partner Jurisdiction Financial Institution other than a Financial Institution treated as a Non-participating Financial Institution pursuant to subparagraph 2(b) of Article 5 of the Intergovernmental Agreement between the Republic of Cyprus and the United States or the corresponding provision in an agreement between the United States and a Partner Jurisdiction.

Pursuant to subparagraph 2(b) of Article 5 of the Intergovernmental Agreement between the Republic of Cyprus and the United States, if, in the case of a Reporting Cyprus Financial Institution, such enforcement actions do not resolve the non-compliance within a period of 18 months after notification of significant non-compliance is first provided, the United States shall treat the Reporting Cyprus Financial Institution as a Nonparticipating Financial Institution pursuant to this subparagraph 2(b).

Non-Reporting Cyprus Financial Institution means any Cyprus Financial Institution, or other Entity resident in Cyprus, that is described in Annex II of the Intergovernmental Agreement between the Republic of Cyprus and the United States as a Non-Reporting Cyprus Financial Institution or that otherwise qualifies as a deemed-compliant FFI or an exempt beneficial owner under relevant US Treasury Regulations in effect on the date of signature of the above Agreement.

Non-US Entity means an Entity that is not a US Person.

Participating FFI means a Financial Institution that has agreed to comply with the requirements of an FFI Agreement (which is an agreement that sets forth the requirements for a Financial Institution to be treated as complying with the requirements of section 1471(b) of the US Internal Revenue Code).

Partner Jurisdiction means a jurisdiction that has in effect an agreement with the United States to facilitate the implementation of FATCA.

Partner Jurisdiction Financial Institution means (i) any Financial Institution established in a Partner Jurisdiction, but excluding any branch of such Financial Institution that is located outside the Partner Jurisdiction, and (ii) any branch of a Financial Institution not established in the Partner Jurisdiction, if such branch is located in the Partner Jurisdiction.

Passive Non-Financial Foreign Entity (Passive NFFE) means any NFFE that is not (i) an Active NFFE or (ii) a withholding foreign partnership or withholding foreign trust pursuant to relevant US Treasury Regulations.

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 direct or indirect ownership of more than 50 percent of the vote or value in an Entity. Notwithstanding the foregoing, Cyprus may treat an Entity as not a Related Entity of another Entity if the two Entities are not members of the same expanded affiliated group as defined in section 1471(e)(2) of the US Internal Revenue Code.

Reporting Cyprus Financial Institution means any Cyprus Financial Institution that is not a Non-Reporting Cyprus Financial Institution.

Specified Insurance Company means any Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.

Specified US Person means a US Person, other than:

- (i) a corporation the stock of which is regularly traded on one or more established securities markets;
- (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the US Internal Revenue Code, as a corporation described in clause (i);
- (iii) the United States or any wholly owned agency or instrumentality thereof;
- (iv) any State of the United States, any US Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;
- (v) any organization exempt from taxation under section 501(a) of the US Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the US Internal Revenue Code;
- (vi) any bank as defined in section 581 of the US Internal Revenue Code;
- (vii) any real estate investment trust as defined in section 856 of the US Internal Revenue Code;
- (viii) any regulated investment company as defined in section 851 of the US Internal Revenue Code or any entity registered with the US Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64);
- (ix) any common trust fund as defined in section 584(a) of the US Internal Revenue Code;
- (x) any trust that is exempt from tax under section 664(c) of the US Internal Revenue Code or that is described in section 4947(a)(1) of the US Internal Revenue Code;
- (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;
- (xii) a broker as defined in section 6045(c) of the US Internal Revenue Code; or
- (xiii) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the US Internal Revenue Code.

US Person means a US citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof, a trust if (i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States.

US Territory means American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico, or the US Virgin Islands.

US TIN means a US federal taxpayer identification number.

For any other terms and definitions, please refer to the Intergovernmental Agreement between the Republic of Cyprus and the United States.