

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) Definitions

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

- 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;
- 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;
- the NFFE is organised in a U.S. Territory and all of the owners of the payee are bona fide residents of that U.S. Territory;
- the NFFE is a government (other than the U.S. government), a political subdivision of such government, or a public body performing a function of such government or a political subdivision thereof, a government of a U.S. Territory, an international organisation, a non-U.S. central bank of issue, or an entity wholly owned by one or more of the foregoing;
- 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;
- 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 organisation of the NFFE;
- 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;
- 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;
- the NFFE is an "excepted NFFE" as described in relevant U.S. Treasury Regulations; or
- the NFFE meets all of the following requirements:
 - 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;
 - it is exempt from income tax in its jurisdiction of residence;
 - it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
 - 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

- 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 organisation, or escheat to the government of the NFFE's jurisdiction of residence or any political subdivision thereof.

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

Controlling Person means 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. This term is interpreted consistently with the Financial Action Task Force Recommendations.

Deemed-compliant Foreign Financial Institution means a Financial Institution that qualifies for such status based on the relevant U.S. Treasury Regulations or is treated as such under the Intergovernmental Agreement.

Exempt Beneficial Owner means entities that qualify for that status based on the relevant U.S. Treasury Regulations or is treated as such under the Intergovernmental Agreement.

Financial Institution means:

- a **Custodial Institution** – which is 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;
- a **Depository Institution** – which is any entity that accepts deposits in the ordinary course of a banking or similar business;
- an **Investment Entity** – which is 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: (i) 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; (ii) individual and collective portfolio management; or (iii) otherwise investing, administering, or managing funds or money on behalf of other persons; or
- a **Specified Insurance Company** – which is 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** – which broadly is an insurance contract (other than an indemnity reinsurance contract between two insurance companies) that has a cash value greater than US\$50,000; or
- an **Annuity Contract** – which broadly is a contract under which the issuer agrees to make payments for a period of time determined in whole or in part by reference to the life expectancy of one or more individuals.

NFFE means any non-U.S. entity that is not treated as a Financial Institution. Please refer to the Intergovernmental Agreement for the full definition.

Non-Participating Foreign Financial Institution means a non-participating FFI, as that term is defined in the relevant US Treasury Regulations but does not include an Australian Financial Institution or other Partner Jurisdiction Financial Institution other than a Financial Institution treated as a Nonparticipating Financial Institution by the U.S. Internal Revenue Service or relevant tax authority of a Partner Jurisdiction.

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 Entity means any NFFE that is not an Active Non-Financial Entity or a withholding foreign partnership or withholding foreign trust pursuant to relevant U.S. 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. Subject to certain requirements being met, a specific exception may apply to treat an entity as not a **Related Entity** of another entity.

U.S. Company means a U.S. corporation organized in the United States or under the laws of the United States or any State thereof

US Trust means a U.S. 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 U.S. 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 Person means a U.S. 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. Most U.S. Persons are also **Specified U.S. Persons**, unless an exemption applies.