



FATCA INDUSTRY BRIEFING



CLEARING BANKS ASSOCIATION

Purpose of the Guidance Notes

- ▶ High level interpretation of the Inter-governmental Agreement (IGA) between The Bahamas and The United States.
- ▶ Assist Bahamas Financial Institutions to better understand the requirements of FATCA industry.
- ▶ The Guidance Notes are there to convey principles that can be applied to various situations and circumstances.



The Guidance Notes:

Are not designed to provide answers to all situations

Are not regulations or legislation

Are NOT legal advice



Future Changes to the Reporting Landscape

- ▶ The Guidance Notes may be amended from time to time to add further guidance as needed for the following reasons:
 - ▶ To address particular issues in reporting and the industry
 - ▶ If changes are made to existing regulation
 - ▶ If necessary to improve compliance
- ▶ Common Reporting Standards (CRS) Implementation



Overview of the Guidance Notes

- ▶ Total pages: 130+
- ▶ Discusses US IGA and US FATCA Regulations in detail
- ▶ Consistent with other IGA countries as applicable
- ▶ Highlights key definitions, industries, particular entities, and procedures



Assist Entities in Answering the Following Questions

- ▶ Am I a Financial Institution?
- ▶ Do I maintain Financial Accounts?
- ▶ Do I need to Register with the IRS and if so, by when and how?
- ▶ Do I need to report any information and if so, what information, when, and how?
- ▶ I maintain a Financial Account for an NFFE. What are my obligations?



Key Areas Defined

- ▶ Background
 - ▶ IGA, Interaction with US FATCA Regulations, Bahamas Competent Authority
- ▶ Financial Institutions
 - ▶ Custodial Institutions
 - ▶ Depository Institutions
 - ▶ Investment Entities
- ▶ Non-Reporting Financial Institutions
 - ▶ Registered Deemed Compliant
 - ▶ Certified Deemed Compliant



Industry/Entity Discussion

- ▶ Trusts
- ▶ Insurance Companies (Captives)
- ▶ Asset Management Companies
- ▶ Specific Vehicles
 - ▶ Securitization and structured finance, capital raising subsidiaries, etc.



Procedural Discussion

Registration

Due Diligence Requirements

Reporting Obligations

Compliance



Closing Points

Next Steps

