

## CRS and disclosure of information Leaflet – Entity customers and counterparties (excluding sole proprietorships)

The Common Reporting Standard (CRS) is a global standard for the automatic exchange of financial account information. It was developed by the Organization for Economic Cooperation and Development (OECD) and has been designed to prevent offshore tax evasion.

The Kingdom of Saudi Arabia (KSA) has committed to comply with the OECD's CRS with reporting by KSA Financial Institutions (FIs) that includes banks, asset managers, certain insurance companies and Authorized Persons, to the General Authority for Zakat and Tax (GAZT) expected to commence in 2018.

All KSA FIs and KSA branches of foreign financial institutions, including Emirates NBD (hereinafter “we”, “our”, “us”) – are required to be compliant with the CRS and to collect certain additional information from our customers (hereinafter “you”, “your”) to determine your tax residency status.

### Will you be impacted by CRS?

Accounts opened by you in the name of non-individuals (Entity); such as a company, branch of a foreign company, partnership or trust etc. are typically referred to as **“Entity Accounts”**.

Entities are required to identify their status under the CRS, their tax residency status and in certain circumstances based on the type of entity, details of **\*“Controlling Persons”**.

\*Controlling persons are individuals who are natural person(s) who exercise control over the Entity i.e. generally person(s) with a controlling ownership interest in the Entity, depending on the legal structure of the Entity. A ‘control ownership interest’ depends on the ownership structure of entity and is usually identified on the basis of a threshold applying a risk-based approach (e.g. any person(s) owning more than a certain percentage of the entity, as defined under local law). In the case of a trust, the term “Controlling Person” means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust. If no such natural person exists, details of any natural person that otherwise exercises control over the management of the Entity e.g., the senior managing official of the company.

FIs are then required to report certain information to the local tax authority (GAZT in the case of Saudi Arabia) who will exchange information with the tax authorities in participating countries.

If we do not have this information on file, we may contact you to provide additional documentation.

As of date, more than a 100 countries are participating in CRS and have committed to exchange information. For a complete and up to date list of participating countries, please refer to the relevant OECD link in the **‘Useful Links’** section at the end of this document.

Depending on the information we already hold, we **may** contact you to provide a self-certification of your CRS status including information on Controlling Persons of your entity, as applicable per CRS. In addition, if necessary additional documentation will be requested to support your status.

## What is the impact for you as a customer?

CRS documentation is a mandatory requirement as part of establishing a new customer relationship or update of details for existing customer relationships and forms part of the account opening and know-your-customer (KYC) process. If you open a new bank account, invest in new financial products or if there is a change in the entity's circumstances, then you would be required to provide relevant updates about you. This process may be completed by obtaining a **"self-certification form"** and additional documentary evidence of your status. This self-certification form also facilitates establishing the reasonableness of information provided by you in the self-certification form vis-à-vis information obtained from you as part of KYC.

If you receive communication from us requesting additional information as part of the self-certification, you are required to provide the requested such self-certification including any additional supporting documented requested, within **90 days** from the date when such request was made.

Failure to provide the required documentation may lead to your new account (or policy) to not be activated, or your existing accounts (or policies) to be classified as **"undocumented"** - i.e. where a required self-certification form has been requested by us but not provided by you in the stipulated period - and reported to GAZT as per related laws and regulations.

Please note, if you have multiple relationships with us, you may receive more than one request for additional documentation or information. It is important that you respond to all requests, even if you have provided the required information for a different account or financial product.

## What type of information is expected to be provided by you for CRS purposes?

As per CRS requirements, we will request you to provide information as part of the self-certification (which includes, but may not necessarily be limited to the following):

- Name of entity
- Address of entity
- Country(ies)/jurisdiction(s) of tax residence
- Taxpayer identification number(s) (TIN)\*, as applicable
- Place of registration/incorporation for the entity
- Entity Type
- Controlling Person (s) for certain Entity Types (each Controlling Person should also then provide their details in the [appendix to the self-certification]).

*\* If a TIN is unavailable you will be required to provide an appropriate reason (choosing from one of 3 applicable 'reason' choices which will be outlined in the self-certification form)*

You may be requested to furnish documents or additional information to substantiate the information enlisted above. We will be required to provide to GAZT, details about the accounts and products you have with us, including but not limited to the aggregate account balance or value and the total amounts of interest or payments credited, as on the reporting date.

We are required to establish the tax residency status of all new and existing customers, even if they are tax resident in the same country where they hold their account. However, typically their details will not be reportable to the tax authorities for CRS purposes.

If you are a tax resident in more than one jurisdiction, we will be required to report the statuses of all your tax residencies, to GAZT.

### **Further information**

For further information on CRS and how it impacts you please visit the OECD, Saudi Arabian Monetary Authority (SAMA), Capital Markets Authority (CMA) and/ or GAZT websites via the links outlined in the section below.

### **Useful links:**

OECD	<a href="http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/">http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/</a> <a href="http://www.oecd.org/tax/automatic-exchange/commitment-and-monitoring-process/">http://www.oecd.org/tax/automatic-exchange/commitment-and-monitoring-process/</a>
SAMA	<a href="http://www.sama.gov.sa/">http://www.sama.gov.sa/</a>
CMA	<a href="https://www.cma.org.sa">https://www.cma.org.sa</a>
GAZT	<a href="https://gazt.gov.sa">https://gazt.gov.sa</a>

Please note we will be unable to provide tax advice. If you require tax advice, please contact a authorized tax advisor.