

As of 1<sup>st</sup> July 2014 the new US tax legislation known as FATCA - Foreign Account Tax Compliance Act – is in force. The FATCA legislation is intended to tackle tax evasion namely foreign revenues and profits generated by **US citizens\*** and it has been recognized by the government of Italy on 10<sup>th</sup> January 2014 by signing the intergovernmental bilateral agreement known as IGA model 1, then ratified by Law No. 95/2015 and enacted by D.M. of 28<sup>th</sup> December 2015.

The intergovernmental approach is informed to the principle of reciprocity and allows the **automatic exchange of information to and from the United States**. As per the said agreement, financial intermediaries operating in Italy are required to report to the American tax authorities (IRS - Internal Revenues Service), through the national Tax Authority (Agenzia delle Entrate), the personal and financial data pertaining to the customers for whom there the **proof of evidence, or even just the suspicion, that they are citizens of the United States**.

On the other hand, in case of non-compliance with the FATCA provisions, recalcitrant clients and non-participating institutions shall be applied, in case of certain types of payments having their origin in the United States, a 30 % withholding tax. As for individual customers presenting *indicia*, in case the Bank is unable to obtain a valid self-certification/document attesting the status of *Non US Person* declared, the account shall be reported to the competent US authorities.

Banca UBAE SpA has registered with the US tax authorities as **Reporting Model 1 FFI** and has acquired the following **GIIN (Global Intermediary Identification Number): EH5XW2.00010.ME.380**

Please note that for FATCA purposes, Banca UBAE SpA is member of the Expanded Affiliate Group (EAG) led by the major shareholder Libyan Foreign Bank (67.55%).

Banca UBAE's **FATCA Responsible Officer** is **Mr. Fabio Fatuzzo**.

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## NEWS TO CUSTOMERS

Italian Financial Institutions are required to:

- Correctly identify customers, both individuals and legal entities, that open relationships relevant to FATCA purposes, by means of adapting procedures and **customer certification processes in order to identify those having U.S. citizenship**;
- Exercise specific due diligence activities with reference to new customers who are recorded, in addition to current anti-money laundering and due diligence laws, also on the basis of further **certification of US citizenship and residence for tax purposes (FATCA/CRS due diligence questionnaire)**;
- Apply **enhanced due diligence** controls to clients having assets equal to or higher than \$ 1,000,000.00 (**High Value Account**);
- Clients, in order to be correctly identified, may be contacted by the Bank so that they can confirm or disprove the **indicia** detected (specific set of information stored in the Bank's database) and state their citizenship.

\*In general, for FATCA purposes US taxpayers are (*indicia*): US citizens; persons possessing a permanent residence permit (i.e. Green Card) or those who have resided in the USA for a period of time deemed sufficient to be declared US taxpayer; entities established in the US.