



December 2016

Frequently Asked Questions: FATCA Yearend Impact - TTS Offshore Cash or Current Accounts

Table of Contents

FATCA	4
1) What is FATCA?	4
2) How am I impacted by FATCA?	4
FATCA Withholding	5
1) Why did TTS withhold 30% of the interest paid to my account?	5
2) Will the 30% FATCA withholding cease when I submit a valid IRS Form W-8/W-9, and if so, when?	5
3) Am I able to receive a refund of the 30% FATCA tax withheld from the interest payment?	5
4) What is an Affidavit of Unchanged Status?	5
5) What if I am unable to provide an Affidavit of Unchanged Status?	6
6) Will my refund be posted to my account automatically or do I need to request it?	6
7) How do I request a refund on the 30% FATCA interest withheld?	6
8) Are refunds retroactive?	6
9) Will interest be paid on the withheld amount?	6
10) What is the impact if the withholding occurred on a non U.S. Dollar denominated account?	6
11) What if the FX rate changed?	7
12) Will I receive a confirmation when my refund is credited to my account?	7
13) I have other TTS accounts for which I didn't submit a tax form. Why wasn't the 30% FATCA withholding amount withheld?	7
FATCA Interest Payment Stoppage	8
1) Why did TTS stop paying interest on my account?	8
2) Will interest be reinstated when I submit a valid U.S. Tax Form W-8/W-9 and if so, when?	8
3) After the required U.S. tax documentation is provided to TTS, am I able to receive a payment of interest that would have accrued during the period interest was not paid on my account?	8
4) How do I request a credit of catch-up interest?	8
5) Will I receive a confirmation when the prior period interest is credited to my account?	8
FATCA Tax Documentation	9
1) Where can I download copies of all of the required FATCA documents?	9
2) What is the Country Consent Form?	9
3) How do I submit the IRS Tax Forms to TTS?	9
4) Will I receive an email confirmation when my IRS Tax Form and supporting documentation have been validated?	9
5) Where can I find additional FATCA information?	9

Table of Contents, Continued

FATCA Additional Information	10
1) What other implications exist if my account did not have a valid IRS Tax Form on file as of December 31, 2016?	10
2) Do the IRS Tax Forms W-8 or W-9 expire?	10
3) Where can I find more information on FATCA?	10

Confidentiality Statement

The information provided by Citi to [] (“[]”) in this proposal (and any additional information provided subsequently in connection with this proposal) is confidential to Citi and is intended solely for the use of [] and its employees. This information may not be disclosed outside of [], other than to professional advisers engaged specifically by [] to evaluate the proposal, and shall not be duplicated, used or disclosed in whole or in part for any purpose other than to evaluate this proposal. If [] discloses any information to such professional advisers it shall ensure that such persons maintain the confidential nature of this proposal.

Notwithstanding the above or any other provisions of this proposal, [] and Citi hereby agree that each party (and each employee, representative, or other agent of each party) may disclose to any and all persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure of the transaction or arrangements and all materials of any kind (including opinions or other tax analyses) that are provided to each party relating to such U.S. tax treatment and U.S. tax structure, other than any information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws.

Subject to Contract/Disclaimer

This proposal is provided for information purposes only and is neither a contract nor an offer to contract. However, if this response is satisfactory to [], one or more companies within Citi would like to enter into mutually agreeable terms and conditions with [].

The information contained in this proposal is believed to be accurate, but Citi makes no representation or warranty with regard to the accuracy or completeness of any information contained herein.

Citi is not acting in any advisory role in relation to legal, tax or accounting issues relating to this proposal or otherwise. You should obtain your own legal, tax or accounting advice in relation to your evaluation of this proposal.

Citi

For the purposes of this proposal “Citi” means Citigroup Inc. and its immediate and subsequent subsidiaries and affiliates.

FATCA

1) What is FATCA?

- FATCA stands for the Foreign Account Tax Compliance Act and is U.S. tax legislation enacted on March 18, 2010. The primary objective of the law is to reduce U.S. tax evasion by U.S. taxpayers who invest directly in non-U.S. accounts or indirectly through the ownership of non-U.S. entities. Among other things, FATCA requires Citi to adopt enhanced account onboarding procedures to determine whether an account is a U.S. account or a foreign account, conduct a due diligence review of certain pre-existing accounts, impose FATCA withholding on actual or presumed nonparticipating foreign financial institutions when required, and, where necessary, report information directly or indirectly via local tax authorities to the U.S. Internal Revenue Service (the “IRS”)

2) How am I impacted by FATCA?

- For deposit accounts opened before January 1, 2015 (or July 1, 2014 for accounts maintained in the United Kingdom), the IRS provided for a due diligence period for financial institutions to review existing entity accounts and document their FATCA status. This is known as Pre-existing Account Due Diligence (“PADD”)
- If for bank deposit accounts maintained with Citi Treasury and Trade Solutions (“TTS”) outside the United States, we do not receive a valid IRS Tax Form W-8 or W-9 before December 31st 2016, we may have to apply a 30% FATCA withholding from U.S. source interest credited to those accounts after that date. Additionally, in countries where FATCA withholding is prohibited by local law, we may have to set the account to non-interest bearing, close the account, or transfer or block the account to satisfy both U.S. and local laws

FATCA Withholding

1) Why did TTS withhold 30% of the interest paid to my account?

- FATCA expanded the meaning of U.S. source income to include interest paid by branches of a U.S. bank located outside the United States. For TTS, interest paid by our Citibank North America (“CBNA”) branches is now considered U.S. source income. FATCA offered transition relief from FATCA withholding when payments were made outside the U.S. before January 1, 2017. Thereafter, FATCA withholding may need to be applied in the absence of a valid IRS Tax Form W-8 or W-9
- If 30% was withheld from your interest payment and your account statements show a withholding debit after December 31, 2016, it is due to the fact that we do not have a valid IRS Tax Form W-8 or W-9 on file. Withholding occurs when interest is paid, and will continue to be withheld as interest is paid in the future until TTS has received the documentation required to comply with FATCA

2) Will the 30% FATCA withholding cease when I submit a valid IRS Form W-8/W-9, and if so, when?

- Yes, withholding will cease once you have provided the necessary form and any supporting documentation, and TTS has had an opportunity to validate the tax documentation

3) Am I able to receive a refund of the 30% FATCA tax withheld from the interest payment?

- If a valid **IRS Form W-9** certifying to U.S. status is furnished after FATCA withholding has occurred, TTS generally may not refund the tax withheld. Nevertheless, a U.S. entity, as a U.S. taxpayer, can claim a credit for the FATCA withholding against its federal income tax liability on its tax return. If the credit results in an overpayment of federal income tax, the IRS will refund the overwithheld tax
- On the other hand, if a valid **IRS Form W-8** certifying to foreign status is furnished after FATCA withholding has occurred, TTS can return the withheld funds to your account if we receive the necessary documentation in the same calendar year as the withholding occurs. The necessary documentation may include the following
 - A valid U.S. Tax Form W-8
 - An Affidavit of Unchanged Status
 - If necessary, a signed Country Consent Form

4) What is an Affidavit of Unchanged Status?

- An IRS Tax Form W-8 is effective as of the signature date. An Affidavit of Unchanged Status <https://citi.com/tts/sa/taxinitiatives/docs/Affidavit-of-Unchanged-Status.pdf> is a certification that your FATCA status applies retroactively to the date the U.S. source interest bearing portion of your account was impacted.
- To ensure that you receive a full refund for any lost interest during 2017, for a pre-existing account, you will need to certify to your FATCA status retroactively to January 1, 2017 using this form.

5) What if I am unable to provide an Affidavit of Unchanged Status?

- TTS will only be able to refund interest starting the first day of the month the IRS Tax Form W-8 was validated.

6) Will my refund be posted to my account automatically or do I need to request it?

- TTS will start to process refunds in February 2017. If you submitted valid tax forms prior to January 1, 2017, your refund will be processed automatically within the first two weeks of February. For tax forms submitted after January 1, 2017, you must submit a request for a refund. Provided TTS receives all necessary documentation as noted above, your refund will generally be processed within 1 to 2 weeks of your request.

7) How do I request a refund on the 30% FATCA interest withheld?

- To ensure your refund is processed timely, email FATCACustomerServ.Inquiries@citi.com with the following details
 - Subject – “U.S. Tax Withholding Refund Request”
 - Full account number subject to withholding
 - Legal entity name that owns the account
 - Country where the account is held
 - If available, the name of Citi legal entity and branch where the withholding occurred
 - If available, the date of the withholding transaction
 - If available, the amount of withholding posted including the currency of the transaction
- You will receive a confirmation that your email was received
- If you are missing any of the above required information, you will receive an email notifying you of the missing information

8) Are refunds retroactive?

- Yes, refunds are retroactive to the first of the year, provided we receive the Affidavit of Unchanged Status along with a valid W-8 and Country Consent Letter when necessary

9) Will interest be paid on the withheld amount?

- No, refunds will be the equivalent of the amount withheld

10) What is the impact if the withholding occurred on a non U.S. Dollar denominated account?

- We are required to remit all withheld funds to the U.S. IRS in U.S. dollars. The spot rate in effect on the date the withholding occurs is used to convert the amount withheld in foreign currency into U.S. dollars for payment to the IRS

11) What if the FX rate changed?

- Citi cannot absorb the impact of foreign exchange rate fluctuations with respect to tax obligations on client accounts. The refund will include any foreign currency gains or losses created by the currency conversion. The exchange rate on the day of the refund transaction will be used to convert the total U.S. dollar amount withheld into the foreign currency amount to pay to your account

12) Will I receive a confirmation when my refund is credited to my account?

- Yes, you will receive an email from the same team that received your request for a refund

13) I have other TTS accounts for which I didn't submit a tax form. Why wasn't the 30% FATCA withholding amount withheld?

- Depending on which country your TTS cash account is held, there may be different consequences for not being properly documented under FATCA. Where withholding is prohibited, TTS may have been required to block interest from being paid to your account or, in certain circumstances, been required to close your account

FATCA Interest Payment Stoppage

1) Why did TTS stop paying interest on my account?

- FATCA expanded the meaning of U.S.-source income to include interest paid by branches of a U.S. bank located outside the United States. For TTS, interest paid by our CBNA branches is now considered U.S. source income. FATCA offered transition relief from FATCA withholding when payments were made outside the U.S. before January 1, 2017. If on or after January 1, 2017 our records indicate that we did not receive a valid IRS Tax Form W-8 or W-9 for your account(s) held at certain offshore branches of CBNA, we may have had to stop paying interest to your account to avoid having to close, transfer or block your account from future transactions
- In certain countries, where U.S. withholding is prohibited, TTS stopped paying interest to your account and thereby avoided an obligation to withhold in the absence of required U.S. tax documentation. In such cases, we will not pay any interest until TTS has possession of the U.S. tax documentation required on your account to prevent FATCA withholding

2) Will interest be reinstated when I submit a valid U.S. Tax Form W-8/W-9 and if so, when?

- Yes, as soon as administratively practicable, once we receive the necessary documentation to comply with FATCA

3) After the required U.S. tax documentation is provided to TTS, am I able to receive a payment of interest that would have accrued during the period interest was not paid on my account?

- Yes, TTS can make payments of “catch-up” interest after the required U.S. tax documentation is provided
- Reference questions under the header “FATCA Withholding” above for documentation requirements

4) How do I request a credit of catch-up interest?

- Email FATCACustomerServ.Inquiries@citi.com with the following details:
 - i. Subject – Request for Catch-Up U.S. Interest
 - ii. The country where account is maintained
 - iii. Legal entity name that owns the account
 - iv. Full account number

5) Will I receive a confirmation when the prior period interest is credited to my account?

- i. You will receive a confirmation that your tax documentation has been validated and that a request has been made to restore the interest rate on your account

FATCA Tax Documentation

1) Where can I download copies of all of the required FATCA documents?

- U.S. Tax Forms – https://www.citi.com/tts/sa/taxinitiatives/docs/choosing_right_tax_form.pdf
- Citi Country Consent Forms – <https://www.citi.com/tts/sa/taxinitiatives/consent.html>
- Affidavit of Unchanged Status – <https://citi.com/tts/sa/taxinitiatives/docs/Affidavit-of-Unchanged-Status.pdf>

2) What is the Country Consent Form?

- Certain local laws require not only the collection of an IRS Form W-8 or W-9, but also require TTS to obtain a consent letter from clients that allow us to use the form to classify your account, and if necessary, report information to the appropriate tax authorities. These consent letters only apply to pre-existing accounts and not to any new accounts opened with TTS globally after the FATCA effective date since you signed a Master Account and Service Terms (“MAST”) agreement up opening
- If you have recently opened a new account with TTS and signed a MAST agreement with TTS, then we may be able to apply that MAST to legacy accounts as well. TTS would need you to either work with your relationship manager to ensure the MAST is applied to legacy accounts, or simply sign and return the consent letter

3) How do I submit the IRS Tax Forms to TTS?

- To process your forms quickly, please email your completed and signed IRS Form W-8/W-9, and any required supporting documentation, to the address indicated on our Citi FATCA Site at <https://www.citi.com/tts/sa/taxinitiatives/consent.html> for the country in which your account is located
- All IRS Tax Forms may be transmitted electronically; there is no need to provide original forms. If you are going to include personally Identifiable Information (PII) and/or have any concerns with providing your IRS Tax Form and tax information via email, please email FATCACustomerServ.Inquiries@citi.com in advance of sending the Form and we will provide you a secure email process to utilize. Citi cannot be held responsible for the consequences should you choose to send information of any nature via unsecured channels over the internet.

4) Will I receive an email confirmation when my IRS Tax Form and supporting documentation have been validated?

- Yes, you will receive an email confirmation once your documentation has been validated

5) Where can I find additional FATCA information?

- For additional information on FATCA, please see our earlier FAQ document: https://www.citi.com/tts/sa/taxinitiatives/docs/FAQs_FATCA_Oct2015.pdf

FATCA Additional Information

1) What other implications exist if my account did not have a valid IRS Tax Form on file as of December 31, 2016?

- Regardless of where your account is maintained, we may be required to report financial information to the appropriate tax authorities

2) Do the IRS Tax Forms W-8 or W-9 expire?

- IRS Tax Forms W-9 do not expire unless the U.S. tax status of the entity changes
- IRS Tax Forms W-8 generally expire at the end of the third calendar year after it was signed or earlier, if circumstances change that cause any of the information or representations made on the form to become incorrect or incomplete. Well in advance of the expiration of IRS Tax Forms W-8, you will receive communications from TTS requesting the renewal of the IRS Tax Form W-8. We urge you to respond to such a request as soon as practical to avoid the onset of FATCA withholding on future payments of U.S. source interest income

3) Where can I find more information on FATCA?

- Citi FATCA Website and FAQs: <https://www.citi.com/tts/sa/taxinitiatives/index.html>
- Online tool to assist in completing the appropriate form(s): <https://ew802.fatcacompliance.com/EW8LiteCiti1> (Registration Code: UD9\$5K)
- Comprehensive list of Citi FATCA country details including country Consent Letter downloads, IRS Tax Form and Consent letter submission addresses: <https://www.citi.com/tts/sa/taxinitiatives/consent.html>
- Citi FATCA Customer Service: FATCACustomerServ.Inquiries@citi.com
- Description and download of IRS Tax Forms: https://www.citi.com/tts/sa/taxinitiatives/docs/choosing_right_tax_form.pdf

Treasury and Trade Solutions www.citibank.com/tts

© 2016 Citibank N.A. All rights reserved. Citi and the Citi and Arc Design are trademarks and service marks of Citigroup Inc. or its affiliates and are used and registered throughout the world. Citibank, N.A. is incorporated with limited liability under the National Bank Act of the USA and has its principal business office at 399 Park Avenue, New York, NY 10043, USA.

Citibank, N.A. London branch is registered in the U.K. at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB under No.BR001018 and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. VAT No. GB 429 6256 29. Ultimately owned by Citigroup Inc., New York, USA.

