

CRITERIA FOR CLASSIFYING CUSTOMERS AS FOREIGN TAXPAYERS

Criteria for Customers – individuals and individual entrepreneurs who are US taxpayers:

- are US citizens;
- have permanent residence in the US (Form I-551 (Green Card));
- born in the US and has not officially renounced US citizenship
- has been in the US for at least 31 days during the current calendar year and at least 183 days during the past three years, including the current year and the two preceding years. The number of days during which the individual was present in the United States in the current year and the two preceding years is multiplied by a set coefficient:
 - ✓ the coefficient for the current year is 1 (i.e., all days spent in the United States in the current year are counted);
 - ✓ the coefficient for the previous year is equal to 1/3, and
 - ✓ the coefficient for the year before last is equal to 1/6.

In addition, when analyzing customers for their classification as US taxpayers, the Bank uses additional criteria that directly or indirectly indicate that the customer **is classified as a US taxpayer**:

- A physical/mailling address in the US;
- Place of birth of the individual in the US;
- A phone number (country code +1) registered in the US;
- A long-term payment order for transferring funds to a bank account in the US;
- a power of attorney or signing authority granted to a person residing in the United States (or a power of attorney issued in the United States);
- the sole address for sending statements for accounts opened with the Bank, as well as other correspondence relating to this person, is indicated as “for transfer” or “on demand.”

Criteria for customers that are legal entities classified as US taxpayers:

- Registration/establishment of a legal entity in the US (partnership, company);
- Legal entity (not a financial institution for FATCA purposes) with more than 50% (separately or collectively) of its total income for the previous year consisting of “passive income,” and more than 50% (separately or collectively) of the weighted average value of the legal entity's assets (at the end of the quarter) consists of assets that generate such income, belongs to a US tax resident — this is a foreign (in relation to the US) legal entity that is substantially owned by a US tax resident (the presence of US taxpayers among the beneficial owners of the legal entity).

For FATCA purposes, beneficial owners who directly or indirectly own more than 25% of an organization include one of the following:

- ✓ individuals who are U.S. taxpayers;
- ✓ legal entities registered/incorporated in the United States that do not fall into the category of legal entities excluded from the list of specifically designated US tax residents.
- The legal entity is a foreign financial institution.

In addition, when analyzing customers for their classification as US taxpayers, the Bank uses additional criteria that directly or indirectly indicate that the customer **is classified as a US taxpayer**:

- ✓ Postal or actual address, including the head office, management body, or management structure in the US.
- ✓ A telephone number (fax) registered in the US (country code +1).