

Inter-Governmental Agreement declaration to confirm your tax status under FATCA

Version September 2017

Bank use only

Customer name (according to TIN/ Act of incorporation):	Customer number:
Complete Residence Address:	
Country of Tax Residence:	
Country of Incorporation:	Tax Identification Number (TIN):

FATCA ENTITY CLASSIFICATION STATUS

In relation to the inter-governmental agreement to facilitate compliance with the "Foreign Account Tax Compliance Act" or FATCA executed by and between the Government of Mexico and the Government of the United States of America, I/We make the following certifications in relation to the entity listed above:

1. I/We hereby certify that the entity is NOT:

A corporation or partnership incorporated, created or organised in the United States of America or under the law of the United States of America or of any of the States thereof;

A trust in respect of which a court within the United States of America is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust; or

An estate of a decedent that is a citizen or resident of the United States of America.

2. The entity is not acting as agent, intermediary or nominee of another person or organization.

3. The entity is not a financial institution.

Please read the following information carefully to provide confirmation of your status under FATCA. Once you have made your selection, please complete the box and sign on page 5 of this form. You will find more information on some of the terms used within this declaration within the associated notes.

If you have any questions in relation to your FATCA status or are unsure whether the entity listed above satisfies any of the criteria stated in this Declaration, please contact a tax advisor. HSBC cannot provide tax advice in relation to completing this declaration or any other FATCA documentation.

If you are unable to sign this declaration, please provide an IRS tax form, which can be obtained here: <http://www.irs.gov/Forms-&Pubs>.

Please select one of the entity types:

Active Non-Financial Foreign Entity

The entity satisfies the following criteria:

- Less than 50% of the entity's gross income for the preceding calendar year or other appropriate reporting period is passive income (*see notes*)

and

- Less than 50% of the assets held by the entity during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income AND

- The entity is engaged in the following active trade or business other than that of a financial institution (*see notes*):

Please describe your principal business activity

Start Up Non-Financial Foreign Entity

The entity satisfies the following criteria:

- The entity is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a financial institution (*see notes*)

- The entity was formed on:

Please state day, month and year

This certification will expire 24 months from the date of the initial organization of the entity

Non US Government Entity

The entity satisfies the following criteria:

- The entity is a non-U.S. government entity, a political subdivision of such government (which includes a state, province, county, or municipality), or a public body performing a function of such government or a political subdivision thereof, a government entity of a U.S. Territory, an international organization, a non-U.S. central bank of issue, or an entity wholly owned by one or more of the foregoing.

Publicly Traded Non-Financial Foreign Entity or Related Entity of a Publicly Traded Entity (Affiliates)

The entity satisfies the following criteria:

- The entity is a non-financial foreign entity and its stock is regularly traded on an established securities market (*see notes*) or

- The NFFE is a Related Entity (*see notes*) of an entity the stock of which is regularly traded on an established securities market (*see notes*). The name of the entity which is traded on an established securities market is:

Please list all relevant securities markets that apply

Non-Financial Group Company

The entity satisfies the following criteria:

EITHER:

- Substantially all of the entity's activities consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a financial institution (*see notes*);
- The entity does not operate (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

OR

- The entity engages primarily in financing and hedging transactions with, or for, Related Entities (see notes) that are not financial institutions, and does not provide financing or hedging services to any entity that is not a Related Entity; and
- The group of any such Related Entities (see notes) is primarily engaged in a business other than that of a financial institution (*see notes*).

Charitable or Non-Profit Organization

The entity satisfies the following criteria:

- The entity is established and operated in its country of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;
- The entity is exempt from income tax in its country of residence;
- The entity has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- The applicable laws of the entity's country of residence or the entity's formation documents do not permit any income or assets to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the entity has purchased; and
- The applicable laws of the entity's country of residence or its formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or transferred to the government of the entity's country of residence or any political subdivision thereof.

Please indicate the type of Organization (For example, Chamber of Commerce, Trade unions)

US Territory Entity

The entity satisfies the following criteria:

- The entity is organized in a U.S. Territory (American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico or the U.S. Virgin Islands) and all of the owners of the entity are bona fide residents of that U.S. Territory.

Non-Financial Foreign Entity In Liquidation

The entity satisfies the following criteria:

- The entity was not a financial institution (see notes) in the past five years, and is in the process of liquidating its assets or reorganizing with the intent to continue or recommence operations in a business other than that of a financial institution (see notes).

Passive Non-Financial Foreign Entity

- The entity is not a foreign financial institution and not within any of the other above categories

The entity has no Controlling Persons that are Specified US Persons (see notes).

OR

Information on the entity's Controlling Persons that are Specified US Persons (see notes) is listed below;

Full name	<input type="text"/>	Full name	<input type="text"/>
Country and Complete Address	<input type="text"/>	Country and Complete Address	<input type="text"/>
US Tax Identification Number (TIN)	<input type="text"/>	US Tax Identification Number (TIN)	<input type="text"/>
Country of Tax Residence	<input type="text"/>	Country of Tax Residence	<input type="text"/>
Citizenship(s)	<input type="text"/>	Citizenship(s)	<input type="text"/>
Nationality(ies)	<input type="text"/>	Nationality(ies)	<input type="text"/>
Country of Birth	<input type="text"/>	Country of Birth	<input type="text"/>
State of Birth	<input type="text"/>	State of Birth	<input type="text"/>
Date of Birth	<input type="text"/>	Date of Birth	<input type="text"/>

Please provide details of any additional Controlling Persons on the Additional Controlling Persons Insert

Please ensure you sign this declaration on the next page.

I/We declare that:

- Under oath I/We certify all information stated in this declaration is, to the best of my knowledge and belief, correct and complete, and that I/We am/are the Accountholder or its Legal Representative.
- Should any of the information we have provided in this declaration become incorrect, I/we will inform HSBC within 30 days.

Signature	<input type="text"/>
Full Name	<input type="text"/>
Official Position	<input type="text"/>

Signature	<input type="text"/>
Full Name	<input type="text"/>
Official Position	<input type="text"/>

Signature	<input type="text"/>
Full Name	<input type="text"/>
Official Position	<input type="text"/>

Signature	<input type="text"/>
Full Name	<input type="text"/>
Official Position	<input type="text"/>

Date:(dd/mm/yyyy)_____

(Signed in accordance with the mandate)

Please use the Additional Signature Insert , **if needed**, for more **names** to sign in accordance with your mandate

Foreign Account Tax Compliance Act (FATCA)

Notes for the correct completing and signing of the Self-Certification Declaration to confirm the Legal Entity's status under the Inter-Governmental Agreement executed by and between the Government of Mexico and the Government of the United States.

IMPORTANT – The “Disclaimer” section forms part of this document. Therefore, it must be read by the customer.

BACKGROUND

In November 2012 the Government of the United Mexican States entered into the Model 1 Inter-Governmental Agreement (IGA) with the US Government in order to facilitate an effective implementation of FATCA in Mexico. This agreement and the related Mexican domestic legislation (published in the Federal Official Gazette on August 21, 2014 as “Schedule 25 of the 2014 Tax Resolution”) establishes an obligation on Mexican Financial Institutions to identify financial products owned by US citizens and US residents and report information on such persons to the local tax authorities. The main purpose of FATCA is to ensure that such persons do not avoid US taxes on their investments outside the US.

How does FATCA affect HSBC and our clients?

Every year Banks and other Financial Organizations will be required to report information on financial accounts held directly or indirectly by US Persons.

In order to do so, we will need to obtain additional information from our clients to identify US citizens and US residents (US Persons). There may also be other persons who we have to identify for this purpose.

Where we are not able to obtain the required information or documentation from our clients, we may have the obligation to report information on such clients to the relevant Tax Authorities and, if applicable, may be required to apply US withholding taxes in respect of certain types of payments we make to our clients or our clients' accounts in the future. We may also decide to end client relationships.

In order to identify the clients where reporting under FATCA may apply, we need to match our customer base against certain categories set out in the FATCA legislation.

Does this apply to your organization?

In order to make sure that we are able to match our clients against the FATCA categories, we are asking our clients to provide confirmation of their FATCA status.

HSBC is not able to provide tax advice in respect of this process or for FATCA classification purposes.

Who do we need to report under FATCA?

We are required to report certain information on accounts held by Specified US Persons. This includes accounts held by US citizens and US residents, certain corporations or partnerships created or organized in the United States, as well as accounts held by certain entities whose income is mainly represented by passive income (e.g. interest, dividends, gains over financial instruments, yields, etc.) with shareholders holding an interest of 25% or more over such entity and that are considered US Persons. We will also be required to report certain information on customers or financial counterparties who do not provide us with documentation to establish a status under FATCA.

Who is a United States Person (US Person)?

The term 'US Person' includes:

- A citizen or resident of the United States;
- A corporation or partnership created or organized in the United States or under the law of the United States or of any State of the United States;
- Any estate of a decedent that is a citizen or resident of the United States;
- Any trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust, and (ii) one or more US Persons have the authority to control all substantial decisions of the trust.

What is a Non-Financial Foreign Entity (NFFE)?

The term “Non-Financial Foreign Entity” (NFFE) generally refers to a non-US entity that is not a financial institution, as defined for the purpose of FATCA. There are several different sub-categories and these are shown on the self-certification declaration for you to review and confirm whether you satisfy the criteria of any of these categories and provide your status certification.

HSBC is unable to provide advice about our clients' classification. If you are unable to select any of the classifications, you should seek advice from a tax professional.

What is meant by the term "Financial Institution" under FATCA?

The term "financial institution" is broadly defined under FATCA and generally includes all banks, entities with custody of financial assets, certain types of insurance companies and certain investment funds or investment vehicles.

What is meant by the terms "Passive Non-Financial Foreign Entity" (Passive NFFE) under FATCA and "Controlling Persons"?

Very broadly, Passive NFFEs are defined under FATCA as non-US entities, organizations or companies whose passive income represents 50% or more of their income, or the passive assets that they hold represents 50% or more of their total assets with the purpose of earning such profits and do not fall under any of the other FATCA classifications. These entities do not carry on a business of a financial institution. HSBC needs to understand the ownership of such entities to determine whether they are owned by a US Controlling Person.

Generally, Controlling Persons are the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" shall be interpreted in a manner consistent with the Financial Action Task Force Recommendations (FATF).

Control shall mean the capacity of one person or group of persons, through securities ownership, by executing agreements or carrying out legal acts, to (i) impose, directly or indirectly, decisions at a general shareholders' or partners' meeting or any other meeting of such equivalent management body of a legal entity; (ii) designate or revoke the majority of the board members, managers or equivalent officers of a legal entity; (iii) hold rights that entitle to, directly or indirectly, cast a vote in respect of more than 50% of the voting stock of a legal entity, or (iv) determine, directly or indirectly, the management, strategy or main policies of a legal entity.

Additionally, it shall be deemed that a legal entity is Controlled by any natural person, legal entity or Trust that acquires 25% or more of the stock/share capital of such legal entity.

If you are a Passive NFFE and have Controlling Persons that are US Persons, please provide the relevant details on the declaration in the specified section.

What is meant by passive income?

The term "Passive Income" includes:

- Interest, including foreign currency exchange gains and debt derivatives transactions gains
- Gains obtained from any sale of trust interests issued under an investment real estate trust and/or traded on a securities market;
- Gains obtained from any sale of trust interests issued under a trust created for the acquisition or construction of real properties and/or traded on a securities market;
- Dividends;
- Stock/share sale gains;
- Annual cumulative inflation adjustment;
- Lease and sublease income and in general any income derived from granting the right to use and enjoy real properties.
- Equity derivatives transactions gains
- For further detail please refer to the general rule 3.1.15. of the 2016 Tax Miscelaneous Rules issued by the Mexican Tax Authorities (Resolución Miscelánea Fiscal para 2016)

What is a Related Entity?

An entity is a Related Entity of another if either entity controls the other entity, or the two entities are under common control. For this purpose the term "control" includes direct or indirect ownership of more than 50 percent of the vote or value in an Entity.

What is meant by “regularly traded on an established securities market”?

1. The term “established securities market” generally refers to the following: a foreign stock exchange officially recognized, authorized and supervised by a governmental authority in which the market is located (or prior stock exchange) that has an annual value of shares traded on the stock exchange of more than \$1 billion dollars during each of the 3 calendar years immediately preceding the calendar year in which it is determined;
2. A stock exchange registered with the Securities and Exchange Commission;
3. Any stock exchange designated pursuant to the article relating to the Benefit Limitation under a double taxation treaty that the US maintains in force.
4. Any other stock exchange designated by the Secretary and introduced in the legislation.

Stock of a corporation is “regularly traded on one or more established securities markets” for a calendar year if:

1. One or more classes of shares represent in the aggregate more than 50% of the total voting shares and are traded on such securities market or markets during the preceding calendar year; and
2. With respect to each class of shares based on the aforementioned 50% requirement:
 - a. The Transactions related to each of such classes are carried out, other than de minimis amounts, in such securities market or markets at least during 60 days of the preceding calendar year; and
 - b. The total number of shares in each of these classes that are traded on such securities market or markets, represents at least 10% of the average of such class’ outstanding shares during the preceding calendar year.

DISCLAIMER

This document is intended solely for the customers of HSBC to whom it is provided and not for any other person. It is a summary for information purposes only and general in nature. It should not be considered as tax or legal advice. HSBC makes no guarantee of its accuracy and completeness and is not responsible for any errors, nor shall HSBC be liable for any loss that results from reliance upon this information. Customers should seek professional legal and tax advice specific to their own situation.