

# Form W-8 – Attachment X (Written Explanations of U.S. Connections)

For completion by account holders and payees of HSBC U.S. entities

**INSTRUCTIONS:** Current U.S. tax law, including rules issued by the U.S. Treasury and Internal Revenue Service under the Foreign Account Tax Compliance Act (“FATCA”), requires financial institutions, such as HSBC, to classify account holders and other payees as U.S. or non-U.S. persons. To comply with these rules and in order to validate the non-U.S. tax status claimed on your Form W-8, HSBC is required to review and has reviewed the information it holds in respect of your account(s) for U.S. ‘indicia’ and U.S. ‘connections’. As a result, we have identified information which requires your further written explanation to address U.S. indicia or connections noted within your Form W-8, your account application and/or other file data.

**Each non-U.S. person who has provided a Form W-8 and who has U.S. indicia or connections must complete their own Attachment X (Written Explanation of U.S. Connections).**

If you are a non-U.S. Person, please complete the sections indicated in the “**Instructions for Completion of Written Explanations**” below to provide an explanation for the U.S. connection(s) identified for your account. If alternatively you determine that you are a U.S. person (i.e., U.S. citizen, U.S. resident or a U.S. entity), please do not complete this form and instead, contact HSBC to provide you with an IRS **Form W-9**, Request for Taxpayer Identification Number and Certification. Please consult your tax adviser if you have questions about your U.S. or non-U.S. tax status.

<b>Account holder / payee name</b>	
------------------------------------	--

## Instructions for Completion of Written Explanations

**Please complete as required below:**

The information listed in the table below has been found for your account(s) and indicates connection(s) with the United States.

In order to confirm your non-U.S. status as reflected on your IRS Form W-8, you must provide HSBC with an explanation for the U.S. connections we have identified.

**Please complete Sections D and E and the sections of this form related to the U.S. connections indicated below.**

<b>Section A</b> U.S. Mailing address(es)	<b>Section B</b> U.S. Residence Address	<b>Section C</b> Only U.S. telephone numbers have been provided

**IMPORTANT: You must also complete Sections D and E along with Section A, B and/or C (see above).**

## Section A

### Explanation of U.S. Mailing Address(es)

A U.S. Mailing address(es) has (have) been found related to your account. Please provide an explanation for the U.S. address(es) (please check the appropriate box)

- The U.S. address is a secondary residence (e.g., a vacation home)
- The U.S. address is that of a business that I own
- The U.S. address is that of my financial or legal advisor
- The address is that of a U.S. addressee that forwards mail to my non-U.S. address to ensure more reliable/secure delivery
- Other (please specify below)

---

---

---

**Please go to the next section identified in the Completion Instructions on page 1; if none, complete Sections D and E.**

## Section B

### Explanation of U.S. Residence Address

As I have certified on my Form W-8, I am not a citizen or resident of the United States or other U.S. person for purposes of U.S. tax law. I also certify that I am not a U.S. person under the Substantial Presence Test which I have completed in Section D of this form. However, I have a residence address in the United States because I certify that I am (please check the appropriate box):

- A student at a U.S. educational institution temporarily present in the U.S. under an "F", "J", "M", or "Q" visa
- A teacher, trainee or intern at a U.S. educational institution or a participant in an educational or cultural exchange visitor program temporarily present in the U.S. under a "J" or "Q" visa
- A foreign individual assigned to a diplomatic post or position at a consulate or embassy; or a full-time employee of an international organization temporarily present in the U.S.:
- A spouse, or an unmarried child under the age of 21 years, of a student, teacher, trainee, intern, diplomat or international organization employee described above
- Other (see Appendix 2 for other applicable exceptions, e.g., certain professional athletes) (please specify below)

---

---

---

I have provided, or will provide, HSBC with any other documentation requested by you to support my claim of non-U.S. status (including a copy of my visa, diplomatic credentials or other evidence of my non-U.S. status, including but not limited to, a copy of IRS Form 8843 filed with the IRS by a student, teacher/trainee, professional athlete or individual with medical condition or medical problem) and will refresh such documentation upon your request.

**Please go to the next section as identified in the Completion Instructions on page 1; if none, complete sections D and E. If you are not able to complete this Section B, you must complete Sections D and E or provide an IRS Form W-9.**

## Section C

### Explanation of Only U.S. Telephone Number(s) Provided

Only a U.S. telephone number (and no non-U.S. telephone number) was provided with respect to your account. Please provide an explanation for the U.S. telephone number(s) (please check the appropriate box)

- The U.S. telephone number(s) is (are) for a secondary residence (e.g., a vacation home)
- The U.S. telephone number(s) is (are) that of a business that I own
- The U.S. telephone number(s) is (are) that of my financial or legal advisor
- The U.S. telephone number is a VOIP (Voice Over Internet Protocol) number and the country and area code does not necessarily indicate the location where calls are placed or received
- Other (please specify below)

---

---

---

**Please complete Sections D and E.**

## Section D

### Substantial Presence Test

One factor that must be considered when determining a person's U.S. tax status is the number of days that person has been present in the United States. Therefore, if it is possible that you may spend or have spent significant time in the U.S., you may be considered a U.S. person.

Please answer both questions:

1. Have you been or do you plan to be in the U.S. for at least 122 days in the current calendar year?

- Yes
- No

2. Were you in the U.S. for at least 122 days in EITHER of the preceding two calendar years?

- Yes
- No

If your answer to **either** of the above questions is "Yes", please continue and complete this Section D (Substantial Presence Test).

If your answer to **both** questions is "No", please skip the rest of this section and proceed to Section E (Declaration of non-U.S. Status).

**U.S. tax regulations require that you provide information to demonstrate that you have not spent significant time in the U.S. by asking if you meet the "Substantial Presence Test" described below.**

Subject to certain exceptions described in Appendix 2, a person is considered to be substantially present in the U.S. if he or she is:

1. Physically present in the U.S. for at least 31 days during the current calendar year, and
2. Physically present in the U.S. for at least 183 days during the 3 year period that includes the current calendar year and the 2 years immediately before that, counting:
  - a. all the days the individual was present in the U.S. in the current year, and
  - b. 1/3 of the days the individual was present in the U.S. in the 1st year before the current year, and
  - c. 1/6 of the days the individual was present in the U.S. in the 2nd year before the current year.

**PLEASE COMPLETE THE FOLLOWING TABLE BASED ON YOUR DAYS OF PRESENCE IN THE U.S.**  
(See Instructions and Example in Appendix 1 below)

Full Name:	
------------	--

Year	Total Days (A)	Calculation (B)	Days to be counted (C)
Current year		(If Total Days are less than 31, enter 0 in Box D below, skip the rest of this section and sign Section E)	
Year before the current year		(Divide Total Days by 3)	
Second year before the current year		(Divide Total Days by 6)	
Total Days of presence		<b>(Box D)</b>	

**If Total Days in Box D is 183 days or more, skip the rest of this form and provide an IRS Form W-9.**

**Section E**  
**Declaration of non-U.S. status**

Under penalties of perjury, I certify that although I have the connection(s) indicated above with the United States, for the reason(s) indicated on this form, I am not a U.S. Person for U.S. tax purposes. If I am signing on behalf of the account holder/payee identified on page 1 of this form, I further certify that I am authorized to sign for that person.

I agree to provide HSBC with any document requested by HSBC to support my status as non-U.S. Person for U.S. tax purposes. I acknowledge that I must inform HSBC within 30 days in the event of a change in circumstance impacting my status as a non-U.S. Person. If my status changes to that of a U.S. person, I agree to provide HSBC within 30 days of that change an IRS Form W-9 and any other document requested by HSBC relating to that status.

**By signing this form, I also acknowledge and agree that HSBC has no liability in respect of any of my tax obligations and/or any legal and/or tax advice provided to me by third parties.**

Please print name, sign and date below:

Print Name	Signature	Date (MM//DD/YYYY)

**Capacity in which acting (if form is not signed by account holder/payee)**

---

## APPENDIX 1 (SECTION D INSTRUCTIONS)

1. Please complete the table below by adding the number of days you were present in the U.S. in each of the years and inserting the Total Days in Column A
2. Apply the calculation shown in Column B
3. Record the number of days to be counted for each year in Column C
4. Calculate the sum of values in Column C and record the Total Days of presence in Box D

**Before completing the table, please refer to the guidance in the Appendix 2 for information about the days on which you would NOT be considered present in the United States (potential excluded days).**

<b>Account Holder Name:</b>	
-----------------------------	--

Year	Total Days (A)	Calculation (B)	Days to be counted (C)
Current year	$A_1$	(If Total Days are less than 31, enter 0 in Box D below, skip the rest of this section and sign Section E)	$A_1 = C_1$
Year before the current year	$A_2$	(Divide Total Days by 3)	$A_2 \div 3 = C_2$
Second year before the current year	$A_3$	(Divide Total Days by 6)	$A_3 \div 6 = C_3$
<b>Total Days of presence</b>		<b>(Box D)</b>	$D = C_1 + C_2 + C_3$

**EXAMPLE** (Substantial Presence Test calculation)

If John X. Smith were physically present in the United States for 120 days in this year and in each of the two years that preceded it, to determine if he met the Substantial Presence Test for this year, count:

- all 120 days of presence in this year,
- 40 days for the year before the current year (1/3 of 120), and,
- 20 days in the second year before the current year (1/6 of 120)

In this example, because the countable total days for the 3-year period is 180 (120 + 40 + 20) days, Mr. Smith would not be considered a U.S. resident under the Substantial Presence Test for this year.

<b>Account Holder Name:</b>	John X Smith
-----------------------------	--------------

Year	Total days (A)	Calculation (B)	Days to be counted (C)
Current year	120		120
Year before the current year	120	120 / 3	40
Second year before the current year	120	120 / 6	20
<b>Total Days of presence</b>		<b>(Box D)</b>	<b>180</b>

**Disclaimer: The details provided in Section D are for informational purposes only. You should not rely upon it as a statement of applicable law. HSBC does not provide legal or tax advice and no parts of this form (including the Appendices hereto) should be construed or considered as advice. You should seek guidance from an independent legal and/or tax adviser regarding your personal tax situation.**

## APPENDIX 2

### Days of Presence in the United States:

You are treated as present in the United States on any day you were physically present in the country, at any point during the day. However there are exceptions to this rule. Do not count the following as days of presence in the United States for the purposes of the Substantial Presence Test:

- Days you commute to work in the U.S from a residence in Canada or Mexico, if you regularly commute from Canada or Mexico
- Days you are in the U.S. for less than 24 hours, when you are in transit between two places outside the U.S.
- Days you are in the U.S. as a crew member of a foreign vessel
- Days you are unable to leave the U.S. because of a medical condition that develops while you are in the U.S.
- Days you are temporarily in the U.S. as a professional athlete to compete in a charitable sports event
- Days you are an exempt individual (see below)

### Exempt Individual:

Do not count days for which you are an exempt individual. The term "exempt individual" does not refer to someone exempt from U.S. tax, but to anyone in the following categories who is exempt from counting days of presence in the U.S.:

1. Foreign Government Related Individual or International Organization Employee present in U.S.
  - Employee of Foreign Government;
  - Employee of International Organization;
  - Usually in U.S. on "A" or "G" visa;
  - Exempt Individual status applies also to immediate family members (i.e., spouse and unmarried children under age 21 years residing in the home).
2. Teacher, Professor, Trainee, Researcher in U.S. on "J" or "Q" visa
  - Does NOT include students on "J" or "Q" visas;
  - Does include any alien on a "J" or "Q" visa who is not a student (physicians, au pairs, summer camp workers, etc.);
  - If you were a teacher, professor, trainee or researcher in a year prior to the current year, see IRS Publication 519 regarding how you should apply the Substantial Presence Test
  - Exempt Individual status applies also to immediate family members with "J-2" or "Q-3" visa.
3. Student in U.S. on "F", "J", "M" or "Q" visa
  - If you were a student in a year prior to the current year, see IRS Publication 519 regarding how you should apply the Substantial Presence Test
  - Exempt Individual status applies also to spouse and child on "F-2", "J-2", "M-2", or "Q-3" visa.

**For details on days excluded from the Substantial Presence Test (including for exempt individuals) described above, please refer to IRS Publication 519, U.S. Tax Guide for Aliens, or information about the Substantial Presence Test on the IRS website at <http://www.irs.gov/Individuals/International-Taxpayers/Substantial-Presence-Test>.**