

Foreign Accounts Tax Compliance Act (FATCA)

1. You stated reporting starts as of January 2015. Is that for the 2014 or 2015 fiscal year?

The required reporting for U.S. persons commences on 31st March 2015 for the calendar years 2013 and 2014 once The Foreign Accounts Tax Compliance Act (FATCA) becomes law in the Republic of Trinidad and Tobago.

2. What is the maximum amount allowed in the account to be EXEMPT from reporting?

There is no statement that specifies exemption. Individual and entity accounts opened by U.S. persons before July 1, 2014 are reportable if the aggregate balance is at least **US\$50K** and **US\$250K**, respectively.

3. You stated that account holders must complete a W8 and W9 form. Why am I required to complete a W8?

FATCA stipulates that US persons who are account holders must complete either a W8 or W9 Form. U.S. persons are required to complete a W-9 form. An individual who is not a U.S. person but who has an account with U.S. indicia has to complete a W-8BEN. Similarly, an entity with an account with U.S. indicia is required to complete a W-8BEN-E.

4. W-9's contains EXTREMELY sensitive information. How secure is this information seeing that identity theft is a MAJOR issue in the US?

The IRS has provided the specific guidelines and formats in order to address the safeguarding of information.

5. What safeguards has TTUTC put into place to ENSURE the safety of its depositor's information? This is EXTREMELY important since it has been proven that MOST security breaches have been 'inside' jobs?

The Trinidad and Tobago Unit Trust Corporation is statutorily bound to safeguard the confidentiality of customer information and has in place robust systems to protect such information.

6. At any time is the PRINCIPAL balance in the account reported to any institution? To do so without cause is a VIOLATION of the depositor's rights to privacy.

TTUTC complies with the reporting requirements as defined by T&T legislation.

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7. How does this change AFFECT beneficiaries? Should it?

This change does not affect beneficiaries since FATCA applies to the account holder.

8. You mention that failure to disclose will result in an AUTOMATIC 30% withholding which will be sent to the IRS. 30% of WHAT? PRINCIPAL or INTEREST?

The 30% withholding will be applicable to U.S. source dividend income that is payable to recalcitrant account holders. A recalcitrant account holder is one who has US indicia but has not submitted a W-8BEN, a W-8BEN-E or a W-9 Form.

9. You stated that this information is on the website. I checked and did not see anything. Where on the website can I find this information?

The information can be accessed by using the following link:

<http://www.ttutc.com/media-centre/?p=1888>

10. What is the NEW protocol for an US citizen who wishes to open a US Money Market Fund?

The requirements for a U.S. citizen opening a U.S. Income Fund shall consist of valid Government issued photo identification documents such as passport, Identification Card or Drivers Permit.

11. How does this NEW change affect TT citizens who own US Money Market Accounts?

Our U.S. Money Market Account is the U.S. Income Fund and it is open to all investors. TT citizens with dual citizenship with the U.S. will be classified as a U.S. person and therefore will be subject to the FATCA legislation. TT citizens without dual citizenship with the U.S, but with U.S. indicia will be required to sign a W-8BEN. TT citizens without dual citizenship and without U.S. indicia will not be affected.

12. What is the current rate of INTEREST that is being paid on this account?

The rate of interest fluctuates; however, the current rate of interest for the US. Income Fund is **.81%**.

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13. If there is a balance of LESS than the EXEMPT MAXIMUM, Is the account holder STILL required to complete the W8 and/or W9?

Once a person with US indicia seeks to open a new account, a W8 or W9 Form must be completed regardless of the balance in the account.

14. Are "LOCAL" accounts affected by this change?

The critical factor is whether the account holder or the potential account holder has US indicia, regardless of the type of account.

The answers provided are for information purposes only and are in no way designed or intended to assist anyone in evading or not complying with the provisions of FATCA.

Notwithstanding the information provided herein, you are encouraged to seek legal or other advice.

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