

## **Tax Compliance Statement**

**Related to Account Opening Contracts**

### **(Q&A)**

**OTP Bank Romania S.A., a member of the OTP Nyrt Group, is registered on the Internal Revenue Service - U.S.A. with FATCA Reporting Model 1 FFI status and have assigned identification number:**

**GIIN UH5299.00011.ME.642.**

**Starting with January 1 2016, OTP Bank Romania S.A. require to its clients to complete and sign a FATCA / CRS statute (reportable / non-reportable) by obtaining tax compliance information.**

➤ **What is the Tax Compliance Statement ?**

The Tax Compliance Statement is part of the Account Opening Agreement, as mandatory annex. The statement must also be filled in for the Final Beneficiary, if different from the account holder.

➤ **Why the tax compliance statement needs to be completed ?**

The purpose thereof is to identify and report the taxable resident to ANAF (Romanian Fiscal Authority), so that Romania complies with its mandatory periodical reporting obligation.

**The local applicable legislation regarding tax compliance includes the following:**

- Law 207/2015 on the Fiscal Procedure Code which establishes the obligations of the reporting institutions on administrative cooperation in the field of taxation;
- Law 233/2015 on the ratification of the agreement between Romania and the United States of America for the improvement of international tax compliance and FATCA implementation;
- Law 207/2016 to ratify the Multilateral Agreement of Competent Authorities for the Automatic Exchange of Financial Account Information;
- Order of ANAF President no. 1939/2016 on the establishment of financial institutions subject to reporting, the categories of taxpayer identification information as well as the financial information related to the accounts opened and / or closed by them to financial institutions, non-reporting financial institutions in Romania and accounts excluded from, the disclosure requirements, the compliance rules applicable by these institutions to identify the reportable accounts and the procedure for the disclosure of such information and the administrative rules and procedures designed to ensure the implementation and enforcement of the prescribed reporting and due diligence procedures regarding the legal instruments of international law to which Romania has committed itself.

➤ **What is the automatic exchange of information that Romania has committed to?**

Automatic exchange is the systematic communication of predefined information about residents in other Member States to the relevant Member State of residence, without prior request, at pre-established regular intervals.

➤ **What is the purpose of tax exchange agreements which Romania has adhered to?**

The purpose of these international agreements is to ensure transparency of tax collection, to prevent tax avoidance, to improve tax compliance at national level, through mutual exchange of information.

➤ **What are the most important elements to be collected through the statement?**

- tax identification number
- tax residence
- citizenship
- contact information
- phone number.

➤ **What is the information the Bank reports to ANAF, based on its legal obligations?**

- surname and first name, nationality, domicile address of account holder (Fatca/CRS);
- tax residence – for CRS;
- Tax Identification Number for FATCA, respectively NIF for CRS;
- date and place of birth of the Account Holder- for FATCA;
- account number or its functional equivalent in the absence of an account number;
- the balance or the amount of the account at the end of each calendar year;
- for a deposit account: the gross amount of interest paid or credited by account at the end of each reporting year;
- for any account: the total gross amount paid or credited by account, during the calendar year.

➤ **Who is required to fill in the Tax Compliance Statement?**

Any account holder, having signed an Account Opening Agreement.

In case of resident legal persons - the tax compliance statement will be filled in by the legal person representative, together with the information regarding the real beneficiary of the respective legal entity.

In the case of non-resident legal persons – there will be provided the information regarding the legal person holder.

➤ **If I am a Romanian natural or legal person, do I have the obligation to fill in the Tax Compliance Statement?**

Under the above-mentioned international regulations (FATCA / CRS), credit institutions have the legal obligation to collect specific indicia leading to reportable account holders.

That is why OTP Bank Romania S.A. employee assisting the clients in filling in the documents related to the accounts opening has also the obligation to identify such specific indicia, while any client requesting an account opening has the obligation to fill in the tax compliance statement.

➤ **Are there any consequences for a client of OTP BANK Romania S.A. if she/he refuses to fill in the tax compliance statement?**

The identification of the tax residence is done based on the client's own statement, so she/he holds full responsibility for the information provided / not provided to the bank and indirectly to the tax authorities.

Clients tax compliance statements allow OTP Bank Romania S.A. to avoid inaccurate reporting of data or information, as well additional explanations that tax authorities might request to the account holders.

Under applicable law, credit institutions must report any client with FATCA / CRS indicia.

**Considering the Bank's legal obligation to report the data referred to therein, the bank reserves the right to stop initiating / deciding termination of business relationship with clients who refuse to fill in the statements.**

➤ **In case of discrepancies between customers' fiscal compliance statements and indicia identified by the bank, how shall we proceed?**

The customer may present documents showing the real country of residence.

A document issued by the tax authorities from the country of tax residence is decisive in the determination of the tax residency\*.

*\* If the situation of the tax resident is difficult to be determined, the Bank recommends its clients to ask a tax consultant for advice.*

➤ **Periodical updating of the identification data, does it include also the updating of the Fiscal Compliance Statement?**

Yes, updating customer identification data also includes checking the existence or updating of the tax compliance statement.

The customer has the obligation to update the statement if any changes occur in case of her/his residence/fiscal residence.

➤ **Does OTP Bank Romania S.A. request information to customers or have additional requirements towards other credit institutions regarding tax compliance?**

No, OTP Bank Romania S.A. does not have any additional requests towards its clients regarding tax compliance, this requirement being a legal one applied uniformly to all financial institutions in any FATCA / CRS signatory country.

**Law no. 677/2001 regarding the protection of persons with regard to the processing of personal data and the free movement of such data provides your rights to personal data: the right to information, the right of access to data, the right to intervene, the right to object, the right not to be subject to an individual decision, the right to contact the National Supervisory Authority for Personal Data Processing.**

The legislation under which the bank transmits to ANAF the data referred to therein, stipulates that the transfer of personal data does not contravene the provisions of Law no. 677/2001.

The refusal to allow processing of personal data for the purpose mentioned in this document places the Bank in a position to close the accounts and / or the Bank's refusal to open a new account.

Should you need any additional clarifications thereon, then kindly please contact us in writing, either directly to our front office personnel in the network or by email to Compliance & Security Department - Compliance & Security Directorate of OTP Bank Romania S.A. at: [generalcompliance@otpbank.ro](mailto:generalcompliance@otpbank.ro)