

FATCA FAQs FOR SECURITISATION ISSUERS



PERPETUAL CORPORATE TRUST

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WHAT IS FATCA?

The Foreign Account Tax Compliance Act (FATCA) is United States (US) legislation, enacted to improve compliance with US tax laws.

Under FATCA, financial institutions are required to identify clients that are US persons or entities with substantial US owners. Information about these clients will be reported to the US Internal Revenue Service (IRS) via local tax agencies (such as the ATO).

More information can be found on the [IRS website](#).

Why does this US legislation apply to Australians?

The Australian government signed an intergovernmental agreement (IGA) with the US to implement FATCA on 28 April 2014. This agreement was enacted into Australian law under the Tax Laws Amendment (Implementation of the FATCA Agreement) Bill 2014 on 30 June 2014.

Under this agreement and legislation, all Australian financial institutions are required to comply with FATCA.

Will Perpetual register for FATCA and obtain a GIIN?

Yes. Perpetual is required to comply with the Australian FATCA intergovernmental agreement and enabling legislation.

Perpetual entities that are considered to be financial institutions will therefore register with the IRS and comply with FATCA. As Australian Financial Institutions (subject to an IGA), these entities are to be treated as Deemed Compliant Financial Institutions and must register with the IRS and obtain a Global Intermediary Identification Number (GIIN) by 31 December 2014.

How does this impact Perpetual's Securitisation Trusts?

Securitisation trusts will generally be Investment Entities under FATCA.

As a result, the Trustee of these trusts will be Reporting Australian Financial Institutions and will report all relevant information required to be reported with respect to all US reportable accounts of these trusts.

What does Perpetual require from unitholders?

Perpetual will contact unitholders to request they complete a self-certification of their FATCA status.

All units issued by securitisation trusts will be financial accounts of the trust. Perpetual, as trustee, will be required to perform due diligence on these unitholders and determine whether they are US reportable accounts (US persons or entities with substantial US owners).

What does Perpetual require from noteholders?

Perpetual will contact noteholders to request they complete a self-certification of their FATCA status.

All notes and bonds issued by the trust will also be financial accounts of the trust. Perpetual, as trustee, will be required to perform due diligence on these noteholders and determine whether they are US reportable accounts (US persons or entities with substantial US owners).

What if the notes issued by the trust are cleared through Austraclear and the noteholders cannot be identified?

Austraclear is an Australian Financial Institution under FATCA as it holds financial assets on behalf of others in its role as a central securities depository (a Custodial Institution). As a result, Austraclear has registered with the IRS and obtained a GIIN (GIIN IPRD0Z.99999.SL.036).

To the extent that notes are issued through Austraclear, Perpetual will identify Austraclear as the relevant noteholder. As Austraclear is a financial institution, Perpetual is not required to look through and determine on whose behalf these notes are held.

When do FATCA due diligence obligations commence?

Due diligence obligations for new financial accounts commenced on 1 July 2014. The IRS provided a 6 month extension for due diligence obligations in respect of financial accounts that are entities (under IRS Notice 2014-33). Perpetual securitisation trusts will generally seek to apply this 6 month extension, with the effect that due diligence obligations for new financial accounts commenced on 1 July 2014 for individuals and will commence on 1 January 2015 for entities. From these dates new unitholders and noteholders will be required to complete a self-certification of their FATCA status to assist Perpetual in meeting its FATCA obligations.

What due diligence obligations apply to existing financial accounts?

As the majority of securitisation trust financial accounts are entities, Perpetual will be required to identify whether these pre-existing financial accounts are US reportable accounts by 30 June 2016. Perpetual will contact pre-existing unitholders and noteholders in 2015 to request that they complete a self-certification of their FATCA status to assist Perpetual in meeting its FATCA obligations.

What happens if unitholders/noteholders do not provide the requested FATCA information?

If unitholders/noteholders do not provide the requested tax information, we are obliged to treat them as a US taxpayer and report their details to the ATO.

Perpetual may request the assistance and co-operation from Trust Managers to ensure FATCA due-diligence responses are received from account holders in a timely manner.

What are FATCA's key dates?

28 April 2014	Australian IGA executed
30 June 2014	Australian FATCA legislation received royal assent
1 July 2014	New Client Due Diligence Obligations commence for individuals
31 December 2014	Final date for Australian financial institutions to register with IRS
1 January 2015	New Client Due Diligence Obligations commence for entities (as per IRS Notice 2014-33)
31 July 2015	1st ATO report due.
30 June 2016	Pre-existing Client reviews to be completed (for entities)