

Common Reporting Standards (CRS) - Frequently Ask Questions (FAQ's)

What is CRS?

The Common Reporting Standard (CRS) is an international agreement for the automatic exchange of financial accounts information.

What is the purpose of CRS?

It pursues the automatic exchange of financial information for tax matters among participating jurisdictions to help counter tax evasion by its residents.

Is this required by law?

Yes. It is endorsed by the Organization for Economic Co-operation and Development. Each participating jurisdiction that executed the agreement, was required to enact a CRS implementation law. In the case of the British Virgin Islands (BVI), the Mutual Legal Assistance Act was enacted effective January 1, 2016, to incorporate CRS into domestic law and establish reporting requirements for financial institutions.

Are all banks required to comply?

As a participating jurisdiction, the BVI requires that all banks and other financial institutions holding financial accounts (deposits) in the BVI comply with CRS.

What is required from Banco Popular to comply?

BPPR is required, on an annual basis, to report information on financial accounts held directly or indirectly by persons residents of participating or Reportable Jurisdictions, other than BVI ("Reportable Persons"). As part of the due diligence standards, Banco Popular must obtain a self-certification from its account holders, including business entities, and controlling persons of certain passive entities, attesting as to their place of residence for tax purposes.

What countries are Participating Jurisdictions?

The BVI International Tax Authority issue a list of Reportable Jurisdictions by Gazette, which can be found at:

http://www.bvi.gov.vg/sites/default/files/bvi_list_of_participating_jurisdictions_for_crs.pdf

Why is Banco Popular requesting a self-certification form?

The law requires that a self-certification is completed by individuals, legal entities and certain entity's controlling persons for each account opened on or after January 1st, 2016.

Is the self-certification form the only requirement on my part?

Not necessarily. We will be reviewing our existing BVI customer base to confirm their residence for tax purposes and where necessary, we may have to contact our customers for further information or obtain documentary evidence related to their residence.

Is CRS applicable to individual or business customers?

CRS impacts both individual and business customers who hold a financial account with BPPR in the BVI.

What happens with joint accounts where only one holder meets the CRS reporting criteria?

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A joint account that has one CRS Reportable Person will be treated as a reportable account and therefore the entire account is subject to the CRS requirements.

How frequently will I have to provide information for CRS purposes?

CRS is an ongoing process. If your account information changes, you may be required to provide a new self-certification. Specifically, if the change affects or renders inaccurate any of the declarations already made under a self-certification, you are required to submit a new self-certification within thirty (30) days of the change in circumstances. We may also be required to contact you to obtain additional information or documentary evidence to update your account classification under CRS.

What information will BPPR report to the BVI tax authority?

The information reported to the BVI Tax Authority will depend on the customer's CRS status and includes both personal and financial information. We will typically report the name, address, and taxpayer and identification number, in addition to account number, account balance, and interest amounts paid into the account.

Does CRS replace the existing tax rules that I already follow?

CRS does not replace the existing tax rules that you follow. It may however add more requirements to your tax compliance process. If you need advice on your tax status and process, you should contact a professional tax advisor.

Under what circumstances would BPPR need to report information about my account to the BVI tax authority?

The purpose of CRS is to prevent Reportable Persons from using banks and other financial institutions outside their jurisdiction of tax residency to avoid taxation on their total income and assets. BPPR will therefore report information to the BVI tax authority on all accounts held directly or indirectly by Reportable Persons, which will share such information with the corresponding participating jurisdiction. In addition, based on information available, BPPR may also need to report information about customers who do not provide the required documentation to us.

Will BPPR supply me all the forms I need to complete?

Yes. BPPR will provide its customers access to the forms.

When do I have to provide the requested information and/or documentation for CRS?

You should submit all requested documentation and information by the date contained within the communication sent by BPPR to address the request.

How do I submit the requested information and/or documentation for CRS?

You may deliver the requested documentation and information to any of our branches, mail it to PO Box 67, Road Town, Tortola, VG1110, British Virgin Islands or send it via email to CRS.Certification@popular.com. You may have received an invitation to complete the form digitally thru DocuSign to the email you have provided the bank. If you have not received a digital copy or wish to receive one, please send a request to CRS.Certification@popular.com

What happens if I do not provide the information required under CRS?

BPPR will not open new accounts or offer additional products and services to customers who choose not to comply with its requests for documentation to establish a customer's status under CRS. BPPR may

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also terminate its relationship with customers who decide not to provide the necessary information or documentary evidence within the regulatory timeframe.

Where can I find more information?

For information on how to determine your country of tax residency, please refer to the rules of each national tax authority. You can also find information at the OECD Automatic Exchange of Information (AEOI) Portal.