

In the past years, the goal of the international community, led by the Organization for Economic Cooperation and Development (OECD), has been to improve tax transparency. Over 100 countries have signed the OECD's multilateral agreement on the introduction of the automatic exchange of tax information (AEOI) and have thus committed to implementing AEOI in order to reach this goal. Like all major financial places, Switzerland has signed the agreement and made this commitment.

You may consult the Automatic Exchange of Information (AEOI) portal of the OECD to get a more comprehensive overview of the work of the OECD and of the Global Forum on Transparency and Exchange of Information for Tax Purposes, in particular with respect to the Common Reporting Standard at: <http://www.oecd.org/tax/automatic-exchange/>.

Switzerland has introduced the automatic exchange of information with a number of key partner countries. On 1st January 2017, **the Swiss Federal Act on International Automatic Exchange of Information on Tax Matters ("AEOI Act")**, which is the legal basis for implementing the AEOI standard in Switzerland, entered into force.

Therefore, as of 1st January 2017 all Swiss financial institutions, including **Banque De Commerce Et De Placements S.A. ("BCP" or "the Bank")**, have started to collect data that will be exchanged for the first time in 2018 with countries with which Switzerland has an agreement in place (i.e. reportable jurisdictions).

As new countries are regularly added to the list of reportable jurisdictions, we advise you to consult the list, which is kept up to date at all times, via the following link: <https://www.bcp.bank/aeoi>.

This document is intended to inform you as required under Article 14 of the AEOI Act and provides you with general information regarding AEOI and how it works. If you have questions about your tax obligations and statute please consult your legal or tax advisor. BCP does not provide legal or tax advice.

a) What is AEOI?

AEOI is an international standard that governs how tax authorities in the participating countries exchange data relating to the bank and safekeeping accounts of taxpayers. The goal is to make tax evasion impossible. The member countries of the G20, the OECD and other important financial centres, which total over 100 jurisdictions, have committed to implementing AEOI. The US, which is implementing its own standard (FATCA), is an exception.

b) How does AEOI work?

For countries that have agreed to the AEOI with Switzerland, the AEOI requires reporting Swiss financial institutions to identify reportable accounts and report them to the **Federal Tax Administration ("FTA")**. As a result, BCP must determine the tax residence(s) of all its clients.

Reportable accounts are accounts held by natural persons as well as accounts held by entities. If an account is held in a fiduciary capacity by a natural person or an entity that is not a financial institution on behalf of or for the account of a third party, that third party or the beneficial owner is deemed to be the account holder for the purposes of AEOI. In the case of accounts held by entities, the requirement to identify and report may concern under certain circumstances also the controlling person(s). For more detailed information on the terms "account holder" or "controlling person" please consult OECD's common reporting standard as well as the legal implementing provisions or ask your Relationship Manager.

Only accounts where the holder or controlling person is a reportable person are reportable accounts. A reportable person is a natural person or an entity resident for tax purposes in a country with which Switzerland has agreed to the AEOI (partner jurisdictions).

Reporting Swiss financial institutions are required to report information on reportable accounts held by reportable persons annually to the FTA. After receiving this information, the FTA exchanges it with the tax administration of the reportable person's country of tax residence. Information is only exchanged with partner jurisdictions.



c) What information will be exchanged?

The reportable information includes personal data and information concerning the reportable account. Personal data include the name, address, country of residence for tax purposes, tax identification number and date of birth of the account holder or of the beneficial owner or the controlling person. In addition, the account number, the total gross amount of dividends, interest and other income, the total gross proceeds from the sale or redemption of financial assets, and the aggregate balance or value of the account at the end of each calendar year are reported, or the last balance at the closing of the relationship during the year. Moreover, the name and identification number (where available) of the Bank are also reported.

d) For what purposes will this information be used?

Generally, the information exchanged may only be made available to tax authorities of a partner jurisdiction in which the reportable person is resident and may only be used for tax purposes. In principle, it is prohibited for the receiving partner jurisdiction to forward the received information to another jurisdiction, and it must treat the information as confidential. Generally, the receiving partner jurisdiction may only make the information exchanged available to persons and authorities responsible for handling or supervising taxation in that country.

e) How might AEOI affect you?

As from 1st January 2017 all new clients have to confirm their tax residence(s) and their **Taxpayer Identification Number(s) ("TIN")** during the account opening process.

If you are an existing client (i.e. where the banking relationship was opened before 1st January 2017 or if you have a change in circumstances, i.e. future change of your tax residence) you are impacted if information in your files with BCP indicates that you might have a tax residence in a reportable jurisdiction (i.e. "AEOI indicia"). Each of the following indications of a reportable jurisdiction available in your file with the Bank is deemed to be an AEOI indicium and must be considered to determine potential reporting obligations:

- tax residence information if already provided for purposes other than AEOI;
- residence address;
- correspondence address;
- telephone country code;
- standing order(s).

For that reason, it is of the utmost importance for the Bank to have updated data in its files and we kindly request you to confirm your tax residence and TIN to us by completing, signing and returning as soon as you can the AEOI Self-certification Form enclosed, except if already done, and to provide any required supporting documents BCP might request. If you do not provide the AEOI Self-certification Form, BCP must analyze its reporting obligations and, as the case may be, report you (or the relevant person(s)) to the respective reportable jurisdictions based on the indications that are available in the Bank's file.

If, in the capacity as contracting partner of BCP, you are not the account holder for the purpose of AEOI (see "How does AEOI work?") or if you are an entity for which BCP is required to identify and report one or more controlling persons, we kindly ask you to forward copies of this document to all relevant persons.

Please also remember that AEOI reporting through financial institutions like BCP does not replace your duty to file tax returns with the tax authorities in your countries of tax residence.



f) Does AEOI affect other regulations?

AEOI replaces the bilateral tax agreements between Switzerland and Austria and between Switzerland and the UK. It also replaces the EU Savings Tax Directive.

g) What rights do you have?

You have the following rights under the AEOI Act and the Federal Act on Data Protection (FADP):

1. Vis-à-vis BCP

You are entitled to the full extent of legal protection offered by the FADP vis-à-vis BCP. In particular, you have the right to request what information has been collected about you and will be reported to the FTA.

BCP must provide you with a copy of its report to the FTA on request. In this regard, it must be noted that the information about you that is collected and reported may differ from your tax-relevant information. Moreover, you are also entitled to request that incorrect data in the Bank's file and/or systems be corrected.

2. Vis-à-vis the Federal Tax Administration

Your only rights vis-à-vis the FTA is the right to access information and to request that incorrect data resulting from errors in the exchange process be corrected.

If the exchange of information would result in disadvantages for you that are not permissible due to a lack of constitutional guarantees, your rights are set out in Article 25a of the Swiss Federal Act on Administrative Procedure.