

Dear Customers!

We hereby inform you that the **Foreign Account Tax Compliance Act (hereinafter – FATCA)** will come into force on July 1, 2014. Currently the Republic of Kazakhstan carries out works on signing an Intergovernmental Agreement with the UNS regarding the FATCA requirements.

FATCA is aimed at combating tax evasion by American taxpayers possessing bank accounts opened in foreign financial institutions (except for US financial institutions).

FATCA requires financial institutions – non-residents of the USA (i.e. all banks except the American ones) to identify **American taxpayers (USA Persons)**¹ directly or indirectly possessing certain financial accounts and to transfer the appropriate information to the USA Internal Revenue Service (IRS).

Control objects within the FATCA frameworks are bank accounts opened by American taxpayers (individuals and legal entities) – **USA Persons**.

Eurasian Bank JSC has registered through the website of the USA IRS as a financial institution, which will meet the FATCA requirements. Within the framework of the FATCA requirements fulfilment, the Bank shall conduct checks of all customers opening bank accounts and in case of revealing such persons, submit information on such persons and their accounts to the address of the USA Internal Revenue Service.

When servicing customers, the Bank shall determine a USA Person by the following criteria:

- Availability of the USA citizenship;
- Birthplace within the USA territory;
- Address of residence, registration within the USA territory;
- Telephone number registered in the USA;
- Availability of a customer's order for transfer money to accounts opened in financial institutions of the USA;
- Signature right provided to an individual living within the USA territory;
- The only address for an account – “for transfer” or “on demand”.

Within the framework of fulfilling the FATCA requirements, in the following cases, the Bank shall obligatory withhold a tax in favour of the USA Internal Revenue Service in the amount of 30% of the following payments/transfers that are received as income from sources of payment in the USA:

1) a payment/transfer (income from payment sources in the USA (interest, dividends, royalties, rent, proceeds from sale of American assets, including securities) **directed to an account opened in a non-participating financial institution**²;

2) the aforesaid payments of a person refused to report its residential status (citizenship, fiscal residence, end beneficiary owners of a legal entity possessing 10 or more per cent of a share in the authorized capital, other signs evidencing / not evidencing the status of an USA Person).

¹ **USA Person** (Certain Person of the USA) – individual that is a citizen or resident of the USA, including individuals having Lawful Permanent Residence in the USA, a partnership or corporation registered in the United States or under laws of the United States or one of the states; or a trust, if: 1) it is within the jurisdiction of courts of the United States 2) one or more USA Persons have authorities to control all key decisions of this trust, or property of a deceased person that was a citizen or resident of the United States, except for corporations provided by the Tax Code of the USA.

² **Non-participating financial institution** – a financial institution of the Republic of Kazakhstan (for example, a professional participant of the securities market, including a bank or insurance company) that did not register through the website of the USA IRS (as Participating FFI) and did not receive a global identification number (GIIN) and/or evading disclosure of information on having signs of American accounts (i.e. a financial institution that does not meet the FATCA requirements).