What is FATCA?

FATCA invites Foreign Financial Institutions to identify report and (in some cases) withhold funds from American people.

What is the aim of FATCA?

The aim is to detect and prevent tax evasion investments abroad by American residents and citizens. Financial institutions outside the United States have an important incentive to fulfill with this law, since it is the only way to avoid the 30% withholding tax on any payment received from American sources subject to withholding.

Who impact the FATCA?

FATCA is a broad regime and can impact any individual or legal, American or foreign, as far as that person is involved in the making or receiving of payments that fit within the scope of FATCA.

The FFIs must meet with FATCA in any of the following ways:

1. In countries with Intergovernmental Agreements (IGA) Model 1, the FFIs must meet under local regulation and report its tax authority, who will exchange information with the IRS.
2. In countries with IGA Model 2, the FFIs must comply with local regulations to enter into a FATCA agreement with the IRS and report directly to the IRS. The requirements for compliance with this law are set out in the IGA signed by the country.
3. In countries that have not signed an IGA, FFIs must enter the FATCA agreement with the IRS and report directly to this organization.

What is the position of Omega Bursatil S.A.?

Omega Bursatil S.A. has agreed to participate in FATCA and meet the requirements and obligations of this law so we can continue to provide quality financial services to our customers.

How FATCA impacts to Omega Bursatil SA?

We have signed an agreement with the IRS, under which we obtain and verify certain information from our customers, to report to the IRS certain information to American customers and eventually make deductions FATCA requires us to review our existing processes customer acceptance and processes of withholding and that we adjust depending on the regulations, as appropriate.

When the FATCA withholding start?

Withholding FATCA income American source such as interest, dividends, premiums, annuities, will start from 1 July 2014. The withholding tax on gross income from the sale or redemption of assets that generate dividends or interest, will start from 1 January 2017. In addition, withholding taxes on payments "pass through" foreigners not begin before 1 January 2017. It should be noted that the deductions be made only on those customers who, being identified as American people, do not accept supply tax documentation required and non-participating financial institutions.

What does it mean for customers?

According to the established by the IRS, FATCA will take effect on July 1, 2014. This law requires that we determine the FATCA status of new clients from that date, before accept them as clients. For existing customers should also determine the FATCA status, which ask them (to the extent this is necessary) information to document their status in the coming months.

The report of the American people accounts to the IRS is scheduled to begin in March 2015 for the year 2014.

Please contact your tax advisor if you have specific questions about American tax or visit [www.irs.gov](http://www.irs.gov) for more information.