

What is CRS?

CRS (Common Reporting Standard), is a global standard for the exchange of financial account information to combat offshore tax evasion and improve tax compliance around the globe. Under CRS, financial institutions including İş Yatırım must collect and analyze certain information in order to determine tax residency of account holders. The information collected may be shared with Turkish Revenue Administration. Turkish Revenue Administration then may report these information to other relevant CRS jurisdictions.

CRS is approved by Organization for Economic Co-operation and Development (OECD) in July 2014. Turkey has begun compliance process as of 1 July 2017 and first exchange will be undertake in 2018.

Which countries are within the scope of CRS?

Below countries are early adopters which will commence reporting in 2017.

Anguilla	Croatia	Germany	Isle of Man	Mexico	Slovakia
United Kingdom	Curaçao	Gibraltar	Italy	Montserrat	Slovenia
Barbados	Cyprus	Greece	Jersey	Holland	South Africa
Belgium	Czech Rep.	Greenland	Latvia	Norway	South Korea
Bermuda	Denmark	Guernsey	Lichtenstein	Poland	Spain
BVI		Hungary	Lithuania	Portugal	Sweden
Bulgaria	Estonia	Iceland	Luxemburg	Romania	Trin. & Tobago
Cayman Islands	Finland	India	Malta	San Marino	Turks & Caicos
Colombia	France	Ireland	Seychelles	Faroe Ad.	Niue
Argentina					

Countries which will commence reporting in 2018 are late adopters and listed below.

Antigua	Canada	Hong Kong	Malaysia	Singapore	Switzerland
Australia	China	Indonesia	New Zealand	St. Kitts	Turkey
Bahamas	Chile	Israel	Panama	St. Lucia	UAE
Bahrain	Costa Rika	Japan	Qatar	St. Vincent	Rusia
Brazil	Grenada	Macao	Saudi Arabia	Nauru	Samoa
Albania	Belize	Brunei	Dominika	Marshall Islands	Sint Maarten
Austria	Ghana	Kuwait	Lebanon	Mauritius	Uruguay
Andorra	Aruba	Cook Islands	Monaco		Vanuatu

What does CRS mean for İş Yatırım?

İş Yatırım is required to collect certain information such as customer's tax residency, taxpayer identification number (TIN), birthdate or birth place of customer under CRS. Alongside with mentioned information account number, account balance or value of the customers identified as tax resident in one of the CRS jurisdictions may be reported to Turkish Revenue Administration. Furthermore, İş Yatırım is required to determine whether the

preexisting accounts of its customers are reportable, and if so, provide this information to Turkish Revenue Administration.

What does CRS mean for you?

CRS introduces new obligations for you.

As a part of account opening process, İş Yatırım must obtain a self-certification form from you which includes tax residency and tax identification number information as of 1 July 2017. Additionally İş Yatırım may request preexisting customers as of 30 June 2017 to fill a self-certification form in order to determine the accuracy of their information under CRS.

What happens if you do not provide the information İş Yatırım requests?

Financial institutions in Turkey must comply with CRS. If you do not respond to the Bank's request for information, and depending on the details on your record, the Bank may need to treat your account as a reportable account.

What is a Taxpayer Identification Number? Do all countries issue such number?

A Taxpayer Identification Number (TIN) is a combination of letters and numbers issued by competent authority to a person. TIN for natural persons in Turkey is National Identification Number.

Some countries do not issue TINs. Instead of TIN, equivalents such as personal identification number, citizenship number, social security number etc. is used for this purpose.

While some countries issue TIN automatically to its residents, application may be required for obtaining a TIN in some countries. Besides, some jurisdictions do not issue TIN to its residents. You may visit OECD's website for more information regarding tax identification numbers.

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/#d.en.347759>

What is reportable information under CRS?

Generally the reportable information includes:

- Name
- Address
- Country (Countries) of tax residency
- Tax Identification Number (TIN)
- Date and place of birth (for natural persons)
- Account number
- Account balance
- Certain payments made into the account.

How do you determine your country of tax residency?

Generally you are tax resident in the country which you are permanently resident. However each jurisdiction has its own laws regarding tax residency. You may visit OECD's website for more information on tax residency.

<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/#d.en.347760>

Please seek your tax consultant or relevant tax authority for your further questions regarding tax residency. None of İş Yatırım employees are able to assist in these matters.

You have previously provided information under the Foreign Account Tax Compliance Act (FATCA). Why is İş Yatırım asking you to provide more information under CRS?

FATCA and CRS are separate regulatory requirements. Both of these regulations aim to prevent offshore tax evasion. While CRS targets offshore tax evasion based on an account holder's country (or countries) of tax residence, FATCA focuses on US persons. Similar information may be requested from you again for CRS purposes.

In addition, as of 1 July 2017 İş Yatırım is required to obtain a self-certification form from all new customers regardless of their tax residency. This is a new form which is different from FATCA self-certification form and must be filled by customers separately.

For more information regarding CRS

Organization for Economic Co-operation and Development (OECD) CRS webpage:

<http://www.oecd.org/tax/automatic-exchange/>