



TURKS & CAICOS ISLANDS FINANCIAL SERVICES COMMISSION

FOR IMMEDIATE RELEASE

Providenciales- 8 April 2014

FSC sponsors Foreign Account Tax Compliance Act (FATCA) readiness assessment for Banks in the TCI

The Financial Services Commission has announced today that it has retained the international accounting firm of Deloitte to conduct a Foreign Account Tax Compliance Act (FATCA) Preparedness Survey of the Banking Sector in TCI. In essence this survey will evaluate if banks in the TCI are ready for FATCA, the potential implications on their respective businesses, if any, and prepare their operating businesses as appropriate.

The Foreign Account Tax Compliance Act (FATCA), enacted in 2010 as part of the Hiring Incentives to Restore Employment (HIRE) Act, is an important development in U.S. efforts to combat tax evasion by U.S. persons holding investments in offshore accounts. Since FATCA was signed into law in 2010, the Financial Services Commission facilitated a number of seminars, training and information sharing sessions to provide TCI Financial Services Industry with a comprehensive introduction and critical update on FATCA.

Recognising that implementing FATCA Compliance mechanisms was a major undertaking for financial institutions in the TCI, FSC Managing Director Kevin Higgins said: *"Implementing FATCA requires significant organisational changes as it impacts compliance, operations and systems. As FATCA comes into effect this year, the Commission is seeking to gain a perspective on the scope and challenges impacting the banks' ability to meet full requirements of the act."*

He further added: "At this stage, the readiness assessment will permit banks in our jurisdiction to gain an accurate perspective on implementation challenges they may face based on their existing operational data and Know Your Customer procedures."

Banks taking part in the survey to determine FATCA readiness are: Bordier Bank (TCI) Ltd, British Caribbean Bank Limited, CIBC FirstCaribbean International Bank (Bahamas) Ltd -Turks & Caicos Branch, Hemisphere Bank Inc., Ltd, RBC Royal (Bahamas) Limited-Turks & Caicos Branch, Scotiabank (Turks & Caicos) Limited and Turks & Caicos Banking Company Limited.

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