

Application Form

GUIDANCE

This Application Form is designed for institutional investors only.

Forms for retail investors are available at www.columbiathreadneedle.com. Terms used in the Prospectus have the same meaning assigned to them on this form.

This form and the terms of the Prospectus apply to any investments you place from time to time in one of our funds as contemplated by this form, but if there is any conflict between this form and the Prospectus, the latter will prevail. The Terms and Conditions also apply to your orders (with any modifications necessary in the circumstances to take account of the legal form of the relevant investor).

Anti-money laundering and investor identification

We have a legal obligation to help prevent money laundering and terrorist financing by conducting client identification and verification checks.

You will need to complete all sections of this Application Form before we can process your application.

How to contact us

Our Transfer Agent Client Services Team will assist you with the purchase, switch/conversion or sale of shares or units in Threadneedle Funds and general administrative queries about dealing.

Notices, letters or other documents you want to send to the Transfer Agent Client Services Team must be sent to:

Postal address: Threadneedle Investment Services Limited, PO Box 10033, Chelmsford, Essex, CM99 2AL

Pension Clients

Telephone (enquiries): 0330 123 3779

Email (enquiries): ColumbiaThreadneedle.ICS@uk.dstsystems.com

Intermediary Clients

Telephone (enquiries): +44 203 975 3976

Overseas (enquiries): 0370 7070073

Email (enquiries): DCS@uk.dstsystems.com (non-dealing related)

Urgent (enquiries): Visit www.dstdistributorportal.com for Live Chat

Please send your signed and completed form and supporting documents to our Transfer Agent to the postal addresses set out above. Once all documentation is processed we will contact you to confirm your Client Account Number and details for dealing.

SECTION 1

INVESTOR DETAILS	
Investor name	
Registered address	
Registered company number	
Correspondence address (If different to above)	
Contact person	
Telephone number	
Designation (if applicable to differentiate between multiple accounts)	

[illegible]

CONTROLLER AND BENEFICIAL OWNER GUIDELINES

Except in relation to UK/EU regulated firms, nominees majority owned by an UK/EU regulated firm or listed on a recognised exchange, we are required under the UK Anti-Money Laundering legislation to obtain details of beneficial owners or controllers who own or control more than 25% of the voting rights or are entitled to more than 25% of the company's profits. We are also required to establish the identity of any directors, trustees or other controllers that may not be named on the application.

For applicants who are body corporates or partnerships please provide details below of any natural person(s) that directly own or control more than 25% of the voting rights in the body or partnership or who own or are entitled to more than 25% of its capital or profits.

Should the applicant not be directly owned by a natural person(s), please send details of the ownership structure to us and upon receipt we will advise you of any further information that may be required from you.

For applicants acting as Trustee(s) (or similar), please provide details of all Settlers (even if deceased), any further trustees or others (including Protectors) that have any control over the management of the trust or arrangement, and any named individuals or classes that have a potential entitlement to 25% or more of the property of the trust assets (even where discretion exists).

Beneficial Owner and Controller Details			
Name of account holder(s)		Unitholder number (if known)	
Name & Title	Permanent residential address	Date of birth	Capacity*
		dd / mm / yyyy	
		dd / mm / yyyy	
		dd / mm / yyyy	
		dd / mm / yyyy	

*e.g. trustee, settlor, beneficiary, partner, shareholder etc

Please also provide below details of any other Directors or Controllers who exercise control over the management of the corporate body, partnership or trust who are not beneficial owners:-

Name & Title	Permanent residential address	Date of birth
		dd / mm / yyyy
		dd / mm / yyyy
		dd / mm / yyyy
		dd / mm / yyyy

Declaration	
All beneficial owners and other associated parties are known to me/us and I/we undertake to make those named above aware that they may be subjected to the same data protection and money laundering verification provisions as outlined in the terms and conditions.	
Applicant's Signature Date: dd / mm / yyyy	Applicant's Signature Date: dd / mm / yyyy

Tax regulations

Tax Regulations¹ require us to collect certain information about each investor's tax residency and tax classifications. In certain circumstances (including if we do not receive a valid self-certification from you) we may be obliged to share information on your account with HMRC. Please complete all sections below as directed. If you have any questions about your organisation's classifications, please see instructions or contact your tax adviser. Please see on page 9 for key definitions. Should any information provided change in the future, please ensure you advise us of the changes promptly.

Section 1: Tax residency

If your organisation has more than one country of tax residency, please complete one self-certification form for each country.

1.1 Please state the country in which your organisation is resident for tax purposes:

1.2 Please provide us with your organisation's Tax Reference Number:

Section 2A: Organisation's classification under FATCA²

Please tick only one box with reference to the tax residency stated in box 1.1

If your organisation is a Financial Institution⁵, please specify which type:

2.1	UK Financial Institution ⁵ or a Partner Jurisdiction Financial Institution ⁶	<input type="checkbox"/>
2.2	Participating Foreign Financial Institution (in a non-IGA jurisdiction ⁷)	<input type="checkbox"/>
2.3	Non-Participating Foreign Financial Institution ⁸ (in a non-IGA jurisdiction ⁷)	<input type="checkbox"/>
2.4	Financial Institution resident in the USA or in a US Territory ⁹	<input type="checkbox"/>
2.5	Exempt Beneficial Owner ¹⁰	<input type="checkbox"/>
2.6	Deemed Compliant Foreign Financial Institution ¹¹ (besides those listed above)	<input type="checkbox"/>

If your organisation is not a Financial Institution⁵, please specify the entity's FATCA status below:

2.7	Active Non-Financial Foreign Entity ¹²	<input type="checkbox"/>
2.8	Passive Non-Financial Foreign Entity ¹³ (If you tick this box, please include individual self-certification forms for each of your Controlling Persons ⁴)	<input type="checkbox"/>

Section 2B: Complete this *only* if your organisation is US Tax Resident (box 1.1)

Tick this box if your organisation is any of the following and therefore **not** a Specified US Person¹⁶

☐

- A regularly traded corporation on a recognised stock exchange
- Any corporation that is a member of the same expanded affiliated group as a regularly traded corporation on a recognised stock exchange
- A government entity
- Any bank as defined in section 581 of the U.S. Internal Revenue Code
- A retirement plan under section 7701(a)(37), or exempt organization under section 501(a) of the U.S. Internal Revenue Code
- OR any other exclusion listed in Explanatory Note 16

Section 3: Organisation's classification under the Common Reporting Standard (CRS)²

Please tick only one box in this section with reference to the tax residency stated in box 1.1

3.1	Financial Institution ¹⁷ (this includes Non-Reporting Financial Institutions ¹⁸ such as a pension scheme, government entity, international organisation and other entities listed in Explanatory Note 18).	
3.2	A professionally managed Investment Entity ²³ outside of a CRS Participating Jurisdiction ²⁴ (If this box is ticked, please include individual self-certification forms for each of your Controlling Persons ⁴⁾	
3.3	Active Non-Financial Entity ²⁰ which is regularly traded on an established securities market or affiliated thereto, a Governmental Entity or an International Organisation	
3.4	Active Non-Financial Entity ²⁰ (other than those listed in 3.3 above)	
3.5	Passive Non-Financial Entity ²¹ (If you tick this box, please include individual self-certification forms for each of your Controlling Persons ⁴⁾	

SECTION 2

YOUR INVESTMENT INCOME

If you are investing in income shares/units please choose from the following:

☐ Please pay out investment income to the bank details in Section 1.

☐ Please reinvest income by buying more shares/units

Please note:

You may also wish to consider whether an accumulation share class is available for the Threadneedle Fund you have selected.

Additional payment account details for payment of income

Income payments will be paid by electronic transfer to the account detailed in Section 1 unless specified otherwise below.

☐ Tick here if you would like investment income to be paid to the below bank account instead of the bank account in Section 1.

Account holder

Bank or building society
address

Sort code - -

Account no.

Building society
reference number

Please note that:

- If no bank account details or suitable account verification are provided, income will be reinvested, except where your investment represents a top up to an existing holding where income is already being paid.
- If you choose to be paid your income but invest just before the ex-dividend date (the date as detailed in the relevant prospectus on which any income which is available is allocated to your shares), your first payment may be re-invested rather than paid out to you.

SECTION 3

Authority to Disclose and Interested Parties	
Please confirm the name and role of all third party companies and interested parties with whom we are authorised to disclose your information e.g. consultant, auditor etc.	
Third Party Company or Interested Party	Role
Please note that Investors are responsible for promptly notifying us of any changes to interested parties and their contact details.	

Reporting	
Please provide the email addresses for receipt of the following reports:	
Investment Reports (if applicable)	
Valuation and transaction statements	
Contract Notes	

SECTION 4

CLIENT IDENTIFICATION
<p>a. If there is an existing terms of business or legal agreement in place between Threadneedle Investment Services Limited or another Threadneedle group company and the applicant, please provide a copy.</p> <p>b. If the authorised signatories are signing under a power of attorney, please provide a copy of the power of attorney document.</p>

Professional Investor Certification	
Please indicate the type of institution the applicant constitutes and attach the documentation specified in the table below: Please note that originals or certified documents are requested.	
<input type="checkbox"/> Financial services or credit institutions regulated in an FATF-member country (including the UK or any other countries in the EEA)	<ul style="list-style-type: none"> ■ Name of the Regulator; AND ■ Website address where regulated status may be viewed; OR ■ a certified copy of the regulator's licence, and a list of authorised signatories
<input type="checkbox"/> Company quoted on the stock exchange	<ul style="list-style-type: none"> ■ Name of the stock exchange; AND ■ Evidence of the listing and a list of authorised signatories.
<input type="checkbox"/> Company (other than regulated or quoted)	<ul style="list-style-type: none"> ■ Proof of establishment (e.g. certified copy of certificate of incorporation, certificate of formation, extract from the companies' register or equivalent governance document); AND ■ Evidence of the company's registered address (e.g. headed paper, report and accounts); AND ■ List of directors and shareholders; AND ■ List of authorised signatories.
<input type="checkbox"/> Pension Scheme	<p>Option 1: Information required</p> <ul style="list-style-type: none"> ■ Name of scheme ■ Contact details ■ Name, full address and evidence of the principal employer (where scheme is an occupational pension scheme) ■ Names and contact details of all scheme controllers (trustees, settlors, directors, powers of attorney, etc) ■ Current authorised signatories list, showing those authorised to instruct movement of scheme funds/assets ■ HMRC screen-print showing both (a) the current scheme name and (b) the Pension Scheme Tax Reference (PSTR) number; OR evidence of registration with the Pensions Regulator <p>Option 2: Information required</p> <ul style="list-style-type: none"> ■ Name of scheme ■ Contact details ■ Name, full address and evidence of the principal employer (where scheme is an occupational pension scheme) ■ Names and contact details of all scheme controllers (trustees, settlors, directors, powers of attorney, etc) ■ Current authorised signatories list, showing those authorised to instruct movement of scheme funds/assets ■ Standard evidence of the entity depending on its legal type (e.g. non-regulated and not-quoted company, trust, etc)

<input type="checkbox"/> Public sector or university assets	<input type="checkbox"/> Authorised signatory list <input type="checkbox"/> Extract from the council constitution evidencing authority over Treasury assets <input type="checkbox"/> Full list of directors (or equivalent) and full name and address of entity
<input type="checkbox"/> Charities (UK)	<input type="checkbox"/> Name and address <input type="checkbox"/> Confirmation of the charity's activities <input type="checkbox"/> List of trustees together with ID <input type="checkbox"/> Name or class of beneficiaries <input type="checkbox"/> Confirmation of the Charity Commission (or OSCR in Scotland) register number <input type="checkbox"/> Proof of registered address <input type="checkbox"/> List of settlors [if any] under the list of trustees entry
<input type="checkbox"/> Unclassified	Please contact your Columbia Threadneedle relationship contact for confirmation of the relevant identification documents we require

Threadneedle Investment Services Limited, Authorised Corporate Director and Unit Trust Manager, Registered No. 3701768. Registered in England and Wales. Registered Office: Cannon Place, 78 Cannon Street, London EC4N 6AG. Authorised and regulated by the Financial Conduct Authority. Columbia Threadneedle Investments (Columbia Threadneedle) is the global brand name of the Columbia and Threadneedle group of companies

SECTION 5

DECLARATIONS		
<ol style="list-style-type: none"> I (the applicant) confirm that I have read the Terms and Conditions and the current Prospectus of the funds I propose to invest in via this form and agree with the provisions stated therein. I have read the Target Market for the Threadneedle Funds I am investing in. I am aware that the subscription for shares is subject to the application form Terms and Conditions attached to this form and the Prospectus. I have read and agree with the Terms and Conditions. In particular, this includes the terms data protection, read as if they applied to any data you may hold in relation for to my employees, agents and officers. I am aware that the shares in the Threadneedle Funds are not available for offer or sale in the US, or to any person who is a resident of or is incorporated in this jurisdiction. I am aware that telephone calls to or from Threadneedle Investment Services Limited may be recorded and I agree to this on behalf of myself and my employees, agents and officers. I understand that the Terms and Conditions and the Prospectus also apply to subsequent investments and redemption/switching orders. I will make sure my employees, agents and officers consent to these terms, where relevant to them. I declare that the information provided on this form is, to the best of my knowledge and belief, accurate and complete. 		
Signed for on behalf of the applicant by:		
Authorised Signature	Title	dd / mm / yyyy Date
Authorised Signature	Title	dd / mm / yyyy Date

Privacy
<p>We are committed to maintaining the personal data that you provide to us in line with data protection and data privacy legislation. The Privacy Statement contained in our Terms and Conditions gives more information about this and sets out the purposes for which your data may be used.</p> <p>We and other companies in our group may use your personal information to keep you informed about investment products and services that you be interested in from time to time.</p> <p>Please select if you would like to receive marketing communications by</p> <p>Telephone/SMS YES/NO</p> <p>Email YES/NO</p> <p>Post YES/NO</p> <p>You have the right to change your marketing preferences at any time, please refer to the "How to contact us" section of this Form.</p> <p>Note also that telephone calls from or to us may be recorded for monitoring or training purposes.</p>

Explanatory Notes

The following explanatory notes are based on Tax Regulations as implemented in the UK. If you have any questions about your organisation's classification, please contact your tax adviser.

Definitions common to FATCA and CRS

¹Tax Regulations

The term "tax regulations" refers to regulations created to enable automatic exchange of information and include Foreign Account Tax Compliance Act (FATCA) and the OECD Common Reporting Standard (CRS) for Automatic Exchange of Financial Account Information².

²FATCA and CRS

FATCA

FATCA regulations in sections 1471 to 1474 of the US Internal Revenue Code and the Treasury regulations and official guidance issued thereunder, as amended from time to time. FATCA regulations have been adopted in the UK by The International Tax Compliance Regulations 2015.

CRS

The OECD Common Reporting Standard (CRS) which has been adopted in the UK by The International Tax Compliance Regulations 2015.

³Non-Profit Organisation

An entity that meets ALL of the following criteria:

- (i) it is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league or an organisation operated exclusively for the promotion of social welfare;
- (ii) it is exempt from income tax in its country of residence;
- (iii) it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- (iv) the applicable laws of the entity's country of residence or the entity's formation documents do not permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the entity has purchased; and
- (v) the applicable laws of the entity's country of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organisation, or escheat to the government of the entity's country of residence or any political subdivision thereof.

⁴Controlling Persons

The term "Controlling Persons" means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

"Control" over an Entity is generally exercised by the natural person(s) who ultimately has a controlling ownership interest in the Entity. A "control ownership interest" depends on the ownership

structure of the legal person and is usually identified on the basis of a threshold applying a risk-based approach (e.g. any person(s) owning more than a certain percentage of the legal person, such as 25%). Where no natural person(s) exercises control through ownership interests, the Controlling Person(s) of the Entity will be the natural person(s) who exercises control of the Entity through other means. Where no natural person(s) is identified as exercising control of the Entity, the Controlling Person(s) of the Entity will be the natural person(s) who holds the position of senior managing official.

Classifications under FATCA

⁵Financial Institution

The term "Financial Institution" means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company as defined for the purposes of FATCA². Please see the relevant Tax Regulations for the classification definitions that apply to Financial Institutions.

⁶Partner Jurisdiction Financial Institution

A Partner Jurisdiction Financial Institution includes (a) any Financial Institution resident in the UK, but excluding any branches of such Financial Institution that are located outside the UK and (b) any UK branch of a Financial Institution not resident in the UK. For these purposes, "Partner Jurisdiction" means any jurisdiction that has in effect an agreement with the US to facilitate the implementation of FATCA.

⁷Non-IGA jurisdiction

A non-IGA jurisdiction is one where there is no Model 1 or 2 Intergovernmental Agreement in place with the US in respect of FATCA².

⁸Non-Participating Foreign Financial Institution (NPFFI) The term "Non-participating Foreign Financial Institution" means a non-participating FFI, as that term is defined in relevant U.S. Treasury Regulations, but does not include a United Kingdom Financial Institution or other Partner Jurisdiction Financial Institution other than a Financial Institution identified as a Non-participating Financial Institution pursuant to a determination by IRS or HMRC that there is significant non-compliance with FATCA obligations.

⁹US Territory

This term means American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico or the US Virgin Islands.

¹⁰Exempt Beneficial Owner

The term "Exempt Beneficial Owner" means

- (i) a UK Governmental Organisation;
- (ii) an International Organisation (examples of which include The International Monetary Fund, The World Bank, The International Bank for Reconstruction and Development and The European Community – for a full list please see the relevant guidance issued by HMRC, or the IRS);
- (iii) a Central Bank; or
- (iv) a UK registered pension scheme, or non-UK pension scheme falling within the definition of Exempt Beneficial Owner for the purpose of FATCA.

¹¹Deemed Compliant Foreign Financial Institution

The term "Deemed Compliant Foreign Financial Institution" means

- (i) Those entities classified as such in Annex II of the UK IGA, which includes Non-profit Organisations³ and Financial Institutions⁵ with a Local Client Base, or
- (ii) Entities which otherwise qualify as such under the FATCA Regulations.

¹²Active Non-Financial Foreign Entity (NFFE)

An Active NFFE is any Non-Financial Foreign Entity¹⁴ that meets one of the following criteria:

- a) Less than 50% of the NFFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50% of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- b) The stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity¹⁵ of an Entity the stock of which is traded on an established securities market;
- c) The NFFE is organized in a U.S. Territory and all of the owners of the payee are bona fide residents of that U.S. Territory;
- d) The NFFE is a non-U.S. government, a government of a U.S. Territory, an international organization, a non-U.S. central bank of issue, or an Entity wholly owned by one or more of the foregoing;
- e) Substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, and providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an NFFE shall not qualify for this status if the NFFE functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes. In these circumstances, the Entity will be a Passive NFFE¹³
- f) The NFFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution; provided, that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE;
- g) The NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- h) The NFFE primarily engages in financing and hedging transactions with or for Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity¹⁵ provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution; or
- i) The Entity is a Non-Profit organisation³
- j) The NFFE is an "Excepted NFFE" as described in relevant U.S. Treasury Regulations.

¹³Passive Non-Financial Foreign Entity (PNFFE)

A Passive NFFE is any Non-Financial Foreign Entity¹⁴ that is not an Active NFFE¹².

¹⁴Non-Financial Foreign Entity (NFFE)

The term "NFFE" means any non-US Entity that is not treated as a Financial Institution⁵.

¹⁵Related Entity

An entity is a Related Entity of another entity if either entity controls the other entity, or the two entities are under common control. For this purpose control includes direct or indirect ownership of more than 50% of the vote or value in an entity.

¹⁶Specified US Person

The term "Specified U.S. Person" means a U.S. Person, other than:

- (i) a corporation the stock of which is regularly traded on one or more established securities markets;
- (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i);
- (iii) the United States or any wholly owned agency or instrumentality thereof;
- (iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;
- (v) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;
- (vi) any bank as defined in section 581 of the U.S. Internal Revenue Code;
- (vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code;
- (viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64);
- (ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code;
- (x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code;
- (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or
- (xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code.

Classifications under CRS

¹⁷Financial Institution

The term "Financial Institution" means a Custodial Institution, a Depository Institution, an Investment Entity²³, or a Specified Insurance Company.

¹⁸Non-Reporting Financial Institution

The term "Non-Reporting Financial Institution" means any Financial Institution which is:

- (a) a Governmental Entity, International Organisation or Central Bank, other than with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a Specified Insurance Company, Custodial Institution, or Depository Institution;
- (b) a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; a Pension Fund of a Governmental Entity, International Organisation or Central Bank; or a Qualified Credit Card Issuer;
- (c) any other Entity that presents a low risk of being used to evade tax, has substantially similar characteristics to any of the Entities described in (a) or (b) above, and is included in the list of Non-Reporting Financial Institutions provided to the European Commission by the UK;
- (d) an Exempt Collective Investment Vehicle; or
- (e) a trust to the extent that the trustee of the trust is a Reporting Financial Institution and reports all information required to be reported pursuant to Section I with respect to all Reportable Accounts of the trust.

¹⁹Related Entity

An Entity is a "Related Entity" of another Entity if (i) either Entity controls the other Entity; (ii) the two Entities are under common control; or (iii) the two Entities are Investment Entities, are under common management, and such management fulfils the due diligence obligations of such Investment Entities. For this purpose control includes direct or indirect ownership of more than 50% of the vote and value in an Entity.

²⁰Active Non-Financial Entity (NFE)

The term "Active NFE" means any NFE ²² that meets any of the following criteria:

- (a) less than 50% of the NFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50% of the assets held by the NFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- (b) the stock of the NFE is regularly traded on an established securities market or the NFE is a Related Entity¹⁹ of an Entity the stock of which is regularly traded on an established securities market;
- (c) the NFE is a Governmental Entity, an International Organisation, a Central Bank, or an Entity wholly owned by one or more of the foregoing;
- (d) substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an Entity does not qualify for this status if the Entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes. In these circumstances, the Entity will be a Passive NFE²¹
- (e) the NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE does not qualify for this exception after the date that is 24 months after the date of the initial organisation of the NFE;
- (f) the NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- (g) the NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution, or
- (h) the Entity is a non-profit organisation³.

²¹Passive Non-Financial Entity (PNFE)

A Passive NFE is any Non-Financial Entity²² that is not an Active NFE, or an Investment Entity²³ that is not a Participating Jurisdiction²⁴ Financial Institution.

²²Non-Financial Entity (NFE)

The term "NFE" means any Entity that is not a Financial Institution¹⁷.

²³Investment Entity

The term "Investment Entity" means any Entity:

- (a) which primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:
 - (i) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - (ii) individual and collective portfolio management; or
 - (iii) otherwise investing, administering, or managing Financial Assets or money on behalf of other persons; or
- b) the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or an Investment Entity described in subparagraph A(6)(a) of the EU Directive on Administrative Co-operation 2014/107/EU. An Entity is treated as primarily conducting as a business one or more of the activities described in subparagraph A(6)(a), or an Entity's gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets for the purposes of subparagraph A(6)(b), if the Entity's gross income attributable to the relevant activities equals or exceeds 50% of the Entity's gross income during the shorter of:
 - (i) the three-year period ending on 31 December of the year preceding the year in which the determination is made; or
 - (ii) the period during which the Entity has been in existence.

The term "Investment Entity" does not include an Entity that is an Active NFE because that Entity meets any of the criteria in subparagraphs D(8)(d) through (g) of the EU Directive on Administrative Co-operation 2014/107/EU.

This paragraph shall be interpreted in a manner consistent with similar language set forth in the definition of "financial institution" in the Financial Action Task Force Recommendations.

²⁴Participating Jurisdiction

The term "Participating Jurisdiction" means a jurisdiction which has an agreement in place to exchange information in accordance with the OECD Common Reporting Standard.

