

## FATCA - Foreign Account Tax Compliance Act

*Designed to prevent tax evasion by US citizens and residents through use of offshore accounts.*

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### FATCA Challenges

FATCA (Foreign Account Tax Compliance Act) requires that foreign financial institutions (FFIs) enter into reporting agreements with the Internal Revenue Service (IRS) to conduct extensive client data assessment across various core systems and organizations, and regularly file reports to maintain FATCA compliance. The definition of FFI is broad as it includes a variety financial institution such as Hedge Funds, Mutual Fund Managers, Private Equity, Insurers, etc., in addition to traditional banks and Prime Brokers into the IRS's reporting net.

The key challenge for financial institutions lies in the complexity of implementing a process for on-going identification of US citizens and residents as well as monitoring that appropriate information is obtained to confirm tax status within a stringent timeframe. AxiomSL's FATCA solution ensures that financial institutions can merge the information from any data source to successfully deliver a centralized FATCA identification and monitoring process.

### FATCA Compliant Solution: Dynamic Data Warehouse

AxiomSL, global leader in regulatory compliance and risk management solutions for over 20 years, provides a data-driven platform, which empowers financial institutions to meet FATCA's regulations. AxiomSL's data management framework assesses clients' records creating a centralized client data repository to enrich clients' data records, monitor internal data procedures, streamline controls & processes and provides the foundations for preparing for future regulations. This integrated solution addresses FATCA's requirements in the area of traceability and tax administration and filing.

The centralization of data on a single platform and the automation of the compliance process deliver a simple, cost effective and scalable solution, which collects, analyzes, monitors, audits and validates data from thousands of client records. AxiomSL's integrated solution, fast and easy to install at the core of your system without any data conversion, allows financial institutions to readily become FATCA compliant with a full audit trail ensuring traceability of every process.

A close-up photograph of a wooden gavel resting on a wooden surface, symbolizing legal or regulatory compliance.

#### Key benefits for clients:

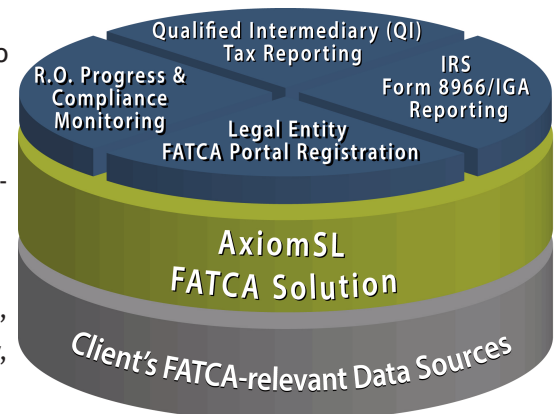
- Empowers clients with the Identification Compliance Process to lay out a clear foundation for implementing the full scope of FATCA and ensuring ongoing compliance
- Provides clients with a framework to identify, collect, enrich customer records and maintain proper documentation
- Interfaces with clients' business systems and processes ensuring complete transparency with an audit trail
- Delivers a single global platform which centralizes all client records and adapts to constantly changing regulations

## Single Data Platform Configured for Changing Regulations

AxiomSL integrated platform:

- ◆ Centralizes all client records, from multiple systems on a single data repository, which enables FFIs to monitor client information on single platform;
- ◆ Identifies and gathers all necessary information to determine which account is a U.S. account to comply with verification and due diligence procedures required by the Treasury;
- ◆ Delivers dynamic data management with robust data modeling and full interoperability with clients' infrastructure;
- ◆ Allows visual business rules to be applied to data to identify US Accounts ensuring successful monitoring and compliance process;
- ◆ Allows FFI to monitor the data collection process of the US account holders FATCA and ensures that key compliance processes are met;
- ◆ Integrates easily in complex environments, sits at the heart of financial institutions' "Customer Identification compliance process", eliminating the need for expensive customized programming;
- ◆ Enables financial institutions to automate the process in order to become FATCA compliant and adapt to new emerging regulations;
- ◆ Enables financial institutions to report to the IRS from a centralized FATCA system;
- ◆ Integrates all regulatory reporting processes on a single platform, therefore removing manual workarounds, vendor dependency, redundant activities and reducing operational cost;
- ◆ Allows for analytical, exception & ad-hoc Reporting. ■

**Expertise in Reporting  
across 30 jurisdictions,  
50 regulators with  
one complete solution  
(US-IRS, SEC, FSA, IFRS, etc.)**



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