



**FATCA One™**

# FATCA One for Financial Institutions Solutions Summary



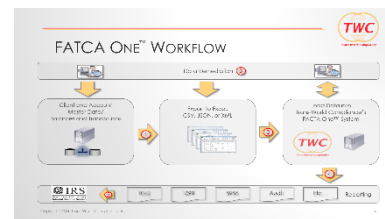
*Trans-World Compliance*

**THE GRC SOLUTIONS COMPANY**  
COMPLIANCE SIMPLIFIED.

## FATCA One for Financial Institutions™ Solutions Summary

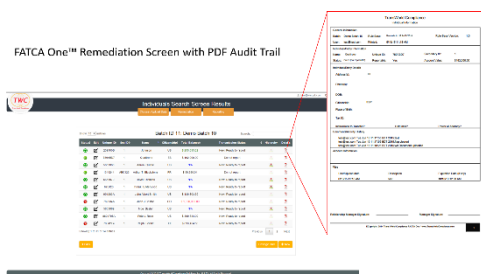
### Process Summary

1. Export your existing client data from your core accounting system on Dec 31st. This can be done through SQL, screen scraping, or through export or reporting capabilities. The only fields required are a unique ID (usually a client ID or account ID, but you can create your own if your core software doesn't provide one) and a name (either an entity name or individual last name). Separate your individuals from your entities.



2. Load the data into the FATCA One system. At this time Rule Base is applied to raise Red Flags (major deficiencies) and Yellow Flags (minor deficiencies). A Rule Base encapsulates the type of FATCA (US, UK, or CRS), customization, and how to report to the tax authorities. Data can be run through different Rule Bases to satisfy different reporting regimes.

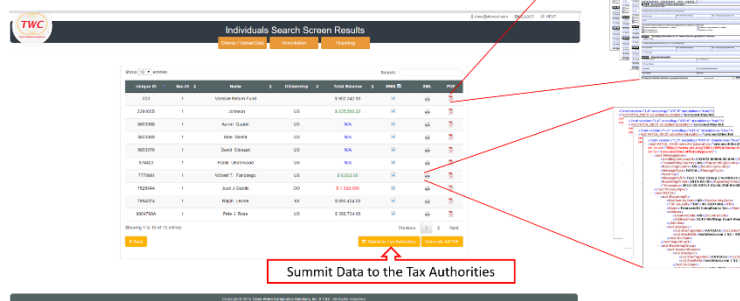
3. Flags are raised for any missing data fields required to determine reportability, any fields required for reporting, and for those records that require user action. Of course, flags are raised in an intelligent manner – for example, de minimis values are checked before raising flags for missing data. A full audit trail is available for auditors, regulators, management approval, or paper files.



4. The data is moved to a staging area for final PDF FATCA form review, approval, and XML is can be examined for completeness. Records can be removed for further review or forwarded to the tax authorities.



5. Approved records are sent the appropriate tax authorities. FATCA One handles reporting individuals, Passive NFFEs with substantial owners, ODFFI, NP-FFI reporting, and recalcitrant reporting – in short all required reporting. TWC's FATCAOne supports Model 1 IGAs, Model 2 IGAs, non-IGA US reporting countries, and the Common Reporting Standard.

FATCA One™ Tax Authority Reporting Staging Screen Review PDF, XML, and submit directly to tax authorities



## Feature Summary

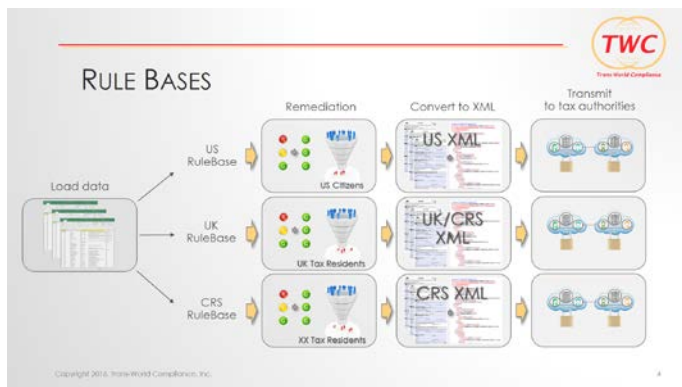
Feature	TWC	Comments
Rules bases		TWC uses a concept of “Rule Bases” to codify the flagging rules including indicia, country codes to be searched, type of XML to be generated, default currency, reporting year, and user customization fields.
Identify US, UK, and CRS Indicia	✓	Applies different indicia rules and raises Red and Yellow flags for major and minor deficiencies.
Provides customization to account for local law discrepancies	✓	Includes customizable fields for local law implementations of IGA countries.
Provides customization to account for FI risk tolerance	✓	Provides customizable fields. For example, de minimis values can be lowered or raised.
Generates US, UK, or CRS XML	✓	Generates the targeted XML schema including version 1 and 2 of UK and US XML Schemas
Defines the submission year and country to search	✓	User definable search by country code(s). For example, search for US citizens, CDOT countries, wave 1 CRS country residents, all CRS participating country residents, or any subset thereof.
Provides customization for delivery to local tax jurisdictions	✓	Support different delivery mechanism including producing XML, encrypted XML, or direct submission to the IRS.
Customized hierarchy		Flexible system setup mirrors how your organization works.
Institution, Groups, Login Users, and Data Batches	✓	Allows FATCA One to be setup to represent your company hierarchy. Can group users and data based on product line, geography, branch, or any other desired criteria.
Allow sharing or firewall data between users	✓	Allows data to be shared between users or firewalled between users.
Supports sponsored relationships	✓	Supports sponsored relationships for US FATCA.
Data Entry		Multiple data entry formats.
Spreadsheet	✓	Allows input of data via spreadsheets.
Manual entry	✓	Allows for one-off manual entry of data.
XML data entry	✓	Allows entry of data from existing XML.
Support for IGA Model 1, IGA Model 2, and non-IGA countries for the US and CRS for the 101 CRS signatories		Supports CRS, IGAs, and countries without an IGA.
Direct connectivity to the IRS	✓	Provides direct connectivity to the IRS including all encryption, uploading, and processing of results. For IGA Model 2 countries, Model 1 Option 2 countries, and non-IGA countries.
Supports multiple TA reporting systems	✓	Supports XML generation (for uploading to local tax jurisdiction data), direct IRS connectivity, and encrypted XML.
Supports local IGA specific rules	✓	Includes customization for specific differences in local law implementations of IGAs.

Loads IRS results	✓	Loads and interprets IRS results. Two status icons show progress through the security system (IDES) and the XML data processing system (ICMM). Allows drill down into all communication with from the IRS including field level warnings.
Flagging		<p>Raises red and yellow flags for major and minor deficiencies</p> 
Identifies indicia	✓	Raises flags for findings of indicia
Identifies missing information	✓	Raises flags for missing required information including optionally DOB and TINs
Remediation		Red and yellow flags are raised for review by compliance officers.
Requires compliance officer to confirm actions	✓	Provides specific instructions for all flags raised such as the necessity to get curative documentation for indicia, track down missing required information, or provide manual review for large value accounts.
Provides a repository for relevant supporting documentation	✓	Provides the option of storing all relevant documentation such as self-certifications, proof of citizenship, or other documents with the account.
Provides an audit trail of all actions	✓	Provides a permanent audit trail of all compliance activities for review by management, tax authorities, auditors, or other compliance officers.
Auditing		FATCA One for Financial Institutions provides robust audit trail capabilities.
Reporting module provides summary and detail reports	✓	Provides summary and detail data reporting. Stores records for the mandatory six-year timeframe.
Account audit log shows all data about an account	✓	Each account has an Audit Log PDF that shows all the information about an account, any compliance officer actions on the account, and provides for manager or relationship manager sign-off.
Staging area provides a last review before sending data to tax authorities	✓	 <p>Reportable records are staged – allowing compliance officers, managers, and IT personnel to review for PDFs and XMLs for accuracy before submitting to the tax authorities.</p>
PDF and XML version of data available for download or online review	✓	We have adapted the US paper version of the FATCA form (the UK and CRS do not have a paper version) to show all the information about a reportable account. Either this PDF or the XML is available to be downloaded for permanent records or for on-line review.
Tax authority receipt including data batch and individual data record identifiers	✓	Provides a permanent record for to show management, auditors, or regulators proof of submission.

## Benefits

- ▷ TWC is a compliance software solutions specialist focusing on providing the highest quality FATCA and BEPS compliance solutions.
- ▷ FATCA One is a focused solution, built from the ground up to be international by nature and is tailored to address FATCA compliance including IGA specifics.
- ▷ Has multiple Rule Bases to handle additional requirements phased in over time, IGA specific rule differences, and Financial Institution desired customization.
- ▷ Provides automated reporting with the IRS (for Model 2 or non-IGA countries) or local tax authorities (for IGAs Model 1 and Common Reporting Standard)
- ▷ Can be purchased in a Software-as-a-Service (SaaS) cloud version or installed locally.
- ▷ Supports the FATCA rules by supporting US FATCA, UK FATCA, and Common Reporting Standard.
- ▷ Custom FATCA compliance is expensive and FATCA One shares costs for common processes across firms.
- ▷ TWC sells its products on an annual license in a pay-as-you-go scheme which avoids large upfront payments.
- ▷ Trans World Compliance worries about the changing and evolving FATCA landscape with frequent updates.

## Our Solutions



**FATCA One for Financial Institutions** is installed or available via the cloud to assist Financial Institutions with complying with US FATCA, UK FATCA, and Common Reporting Standard (CRS) FATCA standards.

**FATCA One for Tax Authorities** assists Tax Authorities with receiving, reviewing, and exchanging US FATCA, UK FATCA, and Common Reporting Standard (CRS) FATCA data.

**Country-by-Country Reporter** assists Tax Authorities with compliance with the OECD Base Erosion and Profit Shifting (BEPS) Action item 13 Reporting for Multi National Enterprises.

## About Trans-World Compliance, Inc.

## Contacting TWC

Trans World Compliance Inc., (TWC) provides software solutions to simplify the compliance and regulatory requirements for US, Foreign Financial Institutions, tax regulatory bodies and governments.

TWC saves time, lowers overheads and improves accuracy for compliance with international tax regulations and mandates by centralizing data, raising flags, tracking remediation, automated reporting, and providing an independent 3rd party audit of policies and procedures.



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