

IRS Releases Preliminary Guidance on the Implementation of the FATCA Provisions, Seeks Additional Public Input

September 3, 2010

On August 27, 2010, the Internal Revenue Service (“IRS”) issued Notice 2010-60 (the “Notice”), providing preliminary guidance on the implementation of the provisions of the Foreign Account Tax Compliance Act (“FATCA”) as incorporated into the Hiring Incentives to Restore Employment Act of 2010 (the “HIRE Act”), which was enacted in March 2010. As we have previously reported,¹ the FATCA provisions, which are reflected as new sections 1471-1474 of the Internal Revenue Code, create a new reporting and withholding regime aimed at curbing the use of foreign financial institutions, foreign trusts, and foreign corporations by US individuals to evade US taxes. The FATCA provisions generally impose a new 30 percent withholding regime on “withholdable payments” to foreign financial institutions (“FFIs”) and non-financial foreign entities (“NFFEs”) unless the affected entities successfully overcomes substantial tax administrative requirements. For an FFI, it can escape withholding if it (1) enters into an agreement (“FFI Agreement”) with the IRS to undertake certain due diligence, reporting and withholding responsibilities with respect to “US accounts” or (2) elects to be treated as a US financial institution for tax reporting purposes. For an NFFE, it can escape withholding if it (1) certifies to the withholding agent that it does not have substantial US owners or (2) identifies those substantial US owners.

In recognition of the incredible new burdens imposed on FFIs and, to a lesser degree, NFFEs, Congress delayed the effective date of the FATCA provisions until January 1, 2013. In addition, the FATCA provisions do not apply to payments under any “obligations” outstanding

¹ See Todd Y. McArthur et. al., “Recent US Tax Bill Targets Offshore Tax Abuse,” Journal of International Taxation, Apr. 2010, available at http://174.143.32.92/en/Ideas/InTheNews/2010/04/20100413_RecentUSTaxBillsTargetOffshoreTaxAbuse.aspx; Julio A. Castro, et. al., “HIRE Act Introduces Significant US Tax Law Changes,” Derivatives Financial Products Report, April 2010, available at http://www.deweyleboeuf.com/~media/Files/clientalerts/2010/20100322_HIREAct.ashx; “President Signs HIRE Act Including Provisions of Foreign Account Tax Compliance Act,” Focus on Tax Controversy and Litigation, March 2010, at 2, available at http://www.deweyleboeuf.com/~media/Files/newsletters/TaxControversy/20100325_TaxControversy.ashx; “New Offshore Tax Abuse Bill Seeks Increased Transparency, Enhanced Reporting, and Stronger Penalties,” Focus on Tax Controversy and Litigation, November 2009, at 2, available at http://www.deweyleboeuf.com/~media/Files/newsletters/TaxControversy/20091117_TaxControversy.ashx.

on March 18, 2012 (or from the gross proceeds from any disposition of such obligations). In the interim, the IRS and the US Department of the Treasury (“Treasury”) have been under pressure to provide guidance to ensure that affected persons have time to adopt systems and processes necessary to comply with the new obligations.

Indeed, external stakeholders such as the American Bar Association Section of Taxation, the Securities Industry and Financial Markets Association, the Association of British Insurers, and the CEA (the European insurance and reinsurance federation) have submitted comments to the IRS and Treasury, expressing concern and uncertainty over the broad scope of the FATCA provisions and the costs potentially associated with its implementation.² Stakeholders have requested, for example, the IRS and Treasury to clarify the scope of the FFI definition, including excluding from the definition property and casualty insurer and reinsurers (and limiting the application of the FATCA provisions with respect to life insurers), widely held collective investment vehicles, existing securitization vehicles, pure holding companies and personal investment companies and other small investment vehicles (*i.e.*, entities posing a low risk of tax evasion). They have recommended an exclusion from the withholdable payment definition payments that entail a low risk of tax avoidance, such as those pursuant to short-term debt, and safe harbors for FFIs to use in determining whether an account is a US account. Stakeholders also have suggested that the IRS and Treasury clarify the “grandfather rule” for existing obligations, the reporting requirements for FFIs and issues related to payments to recalcitrant account holders, and how a withholding agent determines whether to withhold on payments made to an FFI.

The Notice is thus a much anticipated first (and only preliminary) effort. We summarize below some of the key provisions of the 62-page Notice, which is available at <http://www.irs.gov/pub/irs-drop/n-10-60.pdf>. Our Global Tax practice will continue to monitor closely the issue of FATCA implementation by the IRS and Treasury and will keep you abreast of further developments. In the meantime, we are interested in hearing your thoughts on the Notice, so please do not hesitate to contact us about it or other FATCA matters.

² The comments submitted to the IRS and Treasury by the American Bar Association Section of Taxation, the Securities Industry and Financial Markets Association and the Association of British Insurers entities are available at <http://www.abanet.org/tax/pubpolicy/2010/081610comments.pdf>, www.sifma.org/WorkArea/downloadasset.aspx?id=18088, www.abi.org.UK/Media/ABI_Media_Statements/ABI_Media_Statements.aspx. For the CEA comments, see “CEA Comments on FATCA Provisions in HIRE Act (Announcement 2010-34),” *BNA Daily Tax Report*, Aug. 31, 2010.

Guidance Overview

The Notice by no means radically cuts back on the scope and complexity of the FATCA provisions. It is, however, significant in that it paints an initial picture of how the IRS and Treasury envision the FATCA provisions to be implemented. The Notice provides guidance regarding a range of “priority issues,” including the scope of obligations exempt from withholding, the definition of an FFI, the scope of the collection of information and due diligence required from financial institutions, and the information that FFIs must report to the IRS pursuant to an FFI Agreement.

The Notice sets out different rules for FFIs to use in identifying new and existing accounts. It also identifies certain classes of foreign entities that will be (1) excluded from the definition of a financial institution and treated as NFFEs, (2) treated as deemed compliant FFIs, or (3) identified as posing a low risk of tax evasion and exempted from FATCA withholding. Of note, among the entities excluded from the FFI definition and also exempt from FATCA withholding are holding companies and hedging and financing centers of non-financial groups. The Notice also addresses the treatment of insurance companies, entities with certain identified owners, entities organized in a US possession or territory, foreign retirement plans, US branches of FFIs, and controlled foreign corporations (“CFCs”).

According to the Notice, the IRS and Treasury intend to issue proposed regulations incorporating the guidance in the Notice and also will publish a draft FFI Agreement and draft information reporting and certification forms. Further, the IRS and Treasury plan to require “all or most” financial institutions to file electronically returns with respect to FATCA withholding.

Grandfathered Obligations

The Notice provides that the IRS and Treasury intend to issue regulations providing that an “obligation” includes any legal agreement that produces or could produce withholdable payments other than any instrument treated as equity for US tax purposes or any legal agreement lacking a definitive expiration or term. Under this provision, an interest payment made pursuant to a revolving loan signed prior to March 18, 2012 will not be subject to withholding even if the payment occurs after the FATCA effective date and amounts are drawn after March 18, 2012. Such clarification was requested by the financial community and will be

welcomed by practitioners struggling to negotiate the tax provisions of cross border loans.

However, those in the financial sector will be disappointed that deposit accounts and custodial accounts are not treated as obligations under the Notice and, thus, are not eligible for grandfathered treatment.

Additionally, if there is a material modification of an obligation entered into on or before March 18, 2012, the obligation will be treated as newly issued as of the effective date of such modification. For this purpose, a material modification generally is any "significant modification" as defined in Treas. Reg. § 1.1001-3. A facts-and-circumstances test will apply to determine whether obligations that do not constitute debt for tax purposes are materially modified.

Definition of Financial Institution

A financial institution is defined as any non-US financial institution that (1) accepts deposits in the ordinary course of a banking or similar business, (2) holds financial assets for the account of others as a substantial portion of its business, or (3) is engaged (or holds itself out to be engaged) primarily in the business of investing, reinvesting, or trading in securities, partnership interests, or commodities or any interest (including a futures or forward contract or option) in such securities, partnership interests, or commodities.

The Notice provides guidance on each of the three categories of financial institutions. With respect to the first two categories, the Notice points out that the fact that an entity is subject to the banking or credit laws or broker-dealer regulations in its country of operation is relevant to but not necessarily determinative of whether the entity qualifies as a financial institution. With respect to the third category, the Notice signals that regulations will provide that the determination must be made based on all the facts and circumstances. The IRS and Treasury also contemplate in future guidance providing guidelines for determining what types of activity falls within the third category of financial institutions. The Notice states that the "business" of investing, reinvesting or trading is different in scope and content from "trade or business" used in other parts of the Code. For example, isolated transactions can cause an entity to be engaged primarily in the business of investing, reinvesting, or trading for purposes of the FATCA provisions.

Entities Carved Out from FATCA Withholding

The Notice identifies four types of entities that the IRS and Treasury intend to exclude from the FFI definition and also exempt from FATCA withholding:

- (1) holding companies for subsidiaries that primarily engage in a trade or business other than that of a financial institution,
- (2) start-up companies (other than financial institutions) for the first 24 months after organization,
- (3) non-financial entities that are liquidating or emerging from reorganization or bankruptcy, and
- (4) hedging/financing centers of a non-financial group.

The IRS and Treasury have requested comments as to how these classes of entities may be more specifically defined in regulations, what mechanisms withholding agents could use to properly identify such entities and whether other classes of entities should be similarly excluded.

Insurance Companies

Responsive to industry concerns, the Notice also states that the IRS and Treasury intend to issue regulations treating insurance companies whose business solely consists of issuing insurance or reinsurance contracts without cash value as non-financial institutions. According to the Notice, "Treasury and the IRS do not view the issuance of insurance or reinsurance contracts without cash value as implicating the concerns of" the FATCA provisions. Thus, most property and casualty insurance or reinsurance contracts or term life insurance contracts would not be impacted by the FATCA provisions. However, the Notice observes that other contracts, such as life insurance or annuity contracts that typically combine insurance protection with an investment component, may pose a risk of US tax evasion. Comments are requested on the appropriate treatment of such arrangements.

Entities with Certain Identified Owners and Financial Institutions Organized in US Territories

Because the administrative burden for small family trusts and other small entities ("small FFIs") of entering into an FFI Agreement and complying with the reporting requirements may be "disproportionate" to the amount of US investments giving rise to withholdable payments (or

passthru payments beneficially owned by such entities), the IRS and Treasury intend to issue guidance under which such entities would be treated as deemed-compliant FFIs if the withholding agent identifies and obtains certain information regarding the ownership of the entity. Comments are requested as to whether small FFIs should instead simply be treated as NFFEs.

FFIs do not include financial institutions organized under the laws of a US territory. However, because such entities are considered withholding agents under the FATCA provisions, the IRS and Treasury intend to coordinate with the territorial governments in the course of providing guidance regarding the treatment of territory-organized financial institutions. The IRS and Treasury also intend to discuss with the territorial governments how information exchange might be used to supplement the obligations of territorial-organized financial institutions.

Classes of Persons Posing a Low Risk of Tax Evasion

The IRS and Treasury intend to issue regulations providing that certain foreign retirement plans pose a low risk of tax evasion and therefore will exempt payments beneficially owned by such retirement plans from FATCA withholding. Such a foreign retirement plan would be one that (1) qualifies as a retirement plan under the laws of the country in which it was established, (2) is sponsored by a foreign employer, and (3) does not allow US participants or beneficiaries other than employees that worked for the foreign employer in the country in which such retirement plan is established during the period during which benefits accrued. The IRS and Treasury request comments on this treatment and whether other categories of foreign benefit or deferred compensation plans should be subject to the same treatment.

US Branches of FFIs and CFCs

Market participants had requested that (1) FFIs that receive withholdable payments solely through US branches and (2) CFCs owned by US financial institutions be exempted from FATCA reporting. The Notice rejects those requests.

In respect of US branches of FFIs, the IRS and Treasury note that, although certain payments received by such branches would not be treated as withholdable payments to the extent they are effectively connected with a US trade or business, these branches receive other withholdable payments in their own capacity and as agents for their clients. The Notice implies that the IRS believes it is necessary that

information relating to these payments be made available under FATCA reporting.

It was argued that CFCs should not be subject to FATCA reporting because, as entities controlled by US taxpayers, they were already subject to stringent tax reporting requirements. The IRS and Treasury disagreed with this argument, on the basis that the reporting requirements under FATCA and those currently applicable to CFCs have several disparities, and that the more comprehensive FATCA reporting is necessary from these entities. The Notice, however, provides that the CFC and FATCA filing requirements will be coordinated so as to avoid duplicative reporting.

Identification and Documentation of US Accounts by Financial Institutions Pursuant to an FFI Agreement

The Notice describes in great detail the procedures for participating FFIs, as well as US financial institutions (“USFIs”), to apply in identifying US accounts and providing the IRS information regarding the owners of those accounts. Seemingly taking heed of practical business realities, the Notice distinguishes procedures with regard to each of four categories of accounts: (1) pre-existing financial accounts held by individuals (“preexisting individual accounts”); (2) new financial accounts held by individuals (“new individual accounts”); (3) pre-existing financial accounts held by persons other than individuals (“pre-existing entity accounts”); and (4) new financial accounts held by persons other than individuals (“new entity accounts”). These procedures are summarized in the chart attached to this client alert.

USFIs will be required to make determinations similar to those required by participating FFIs, including whether to treat entities to which they make withholdable payments as US persons, FFIs, entities identified as posing a low risk of tax evasion, or NFFEs. Then they will need to determine (1) whether FFIs are to be treated as participating FFIs, deemed-compliant FFIs, or non-participating FFIs, and (2) whether NFFEs are to be treated as excepted NFFEs or as other NFFEs. Furthermore, to ensure consistency, the IRS and Treasury will require USFIs, after filtering out any entity it treats as a US person for tax reporting purposes, to follow procedures similar to those set forth in the chart attached to this client alert for participating FFIs dealing with non-US entity accounts, but with different deadlines.

Annual Reporting

The Notice describes the “preliminary views” of the IRS and Treasury on the manner and type of information reporting that FFIs must provide to the IRS on an annual basis under FFI Agreements. The IRS is developing a new form for FATCA reporting purposes. The form will be filed electronically. The IRS and Treasury plan to issue guidance that will provide that account balance or value amounts be reported in US dollars and specify the appropriate method for currency translation. The IRS and Treasury are considering requiring reporting of the highest of the month-end balances during the year. Pursuant to the Notice, FFIs would be required to provide copies of account statements and other records upon IRS request. The IRS and Treasury have requested comments on this approach, including possible currency translation conventions, and are soliciting alternative approaches that may provide adequate information in a matter that is administrable by participating FFIs but not subject to manipulation by US account holders.

Other Comments Requested

Although, as noted above, the IRS and Treasury have sought throughout the Notice comments on various issues, at the end of the Notice additional comments are requested on the following topics:

- 1) verification requirements for FFIs;
- 2) the treatment of pass thru payments;
- 3) the types of accounts a participating FFI may elect to subject to withholding;
- 4) what sanctioning measures should be taken regarding long-term recalcitrant account holders;
- 5) FFIs subject to restrictions prohibiting US account holders;
- 6) electronic filing requirements for financial institutions;
- 7) application of the FATCA provisions by US withholding agents other than US financial institutions; and
- 8) potential modifications to the FATCA requirements based on availability of information from other sources.

This memorandum is intended only as a general discussion of these issues. It is not considered to be legal advice. We would be pleased to provide additional details or advice about specific situations. For additional information on this important topic, please feel free to call upon your Dewey & LeBoeuf relationship partner.

Pursuant to U.S. Treasury Department Circular 230, unless we expressly state otherwise, any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties or (ii) promoting, marketing or recommending to another party any matter(s) addressed therein.

No part of this publication may be reproduced, in whole or in part, in any form, without our prior written consent. © 2010 Dewey & LeBoeuf LLP All rights reserved.

For further information on Dewey & LeBoeuf, please visit www.dl.com

All comments are due by November 1, 2010. Of note, the Notice is silent in respect of the interactions of the FATCA provisions with the bank secrecy rules applicable in the jurisdiction of most FFIs. We would expect this thorny issue to be addressed in future guidance.

For more information, please contact Mark D. Allison at +1 212 259 6866 or mallison@dl.com, Julio Castro at + 44 20 7459 5374 or jcastro@dl.com, Fred R. Gander at + 44 20 7459 5400 or fgander@dl.com, Anna-Liza Harris at + 1 202 346 7820 or aharris@dl.com, Lawrence M. Hill at +1 212 259 8330 or lhill@dl.com, Todd Y. McArthur at +1 202 346 7830 or tmcarthur@dl.com, Abraham N.M. Shashy, Jr. at +1 202 346 7900 or ashashy@dl.com, Gordon Warnke at + 1 212 259 6070 or gwarnke@dl.com, Hershel Wein at + 1 212 259 6165 or hwein@dl.com, Tamara W. Ashford at +1 202 402 8017 or tashford@dl.com or your Dewey & LeBoeuf relationship attorney.

Notice 2010-60

Procedures for Identification of Financial Accounts by Participating Foreign Financial Institutions (“FFIs”) and U.S. Financial Institutions (“USFIs”) Under Sections 1471 and 1472³

* * * * *

This chart has been prepared for general, informational purposes only and cannot be relied upon for tax purposes.

Certain details in Notice 2010-60 have not been addressed. See the Client Alert for required Circular 230 disclosures.

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
Step 1:	<u>Depository Accounts under \$50,000:</u> <ul style="list-style-type: none"> • May be treated as other than a US account; FFI may elect • Average of month-end balances or values during calendar year preceding entry into FFI Agreement of all depository accounts held by the account 	<u>Depository Accounts under \$50,000:</u> <ul style="list-style-type: none"> • May be treated as other than a US account; FFI may elect • Opening balance or value of the new accounts plus the average of the month-end balances or values during the preceding calendar year of all other 	<u>Entity account holders identified as US persons for other tax purposes:</u> <ul style="list-style-type: none"> • Treat as US persons. • Entities may provide documentation to establish that they are not specified US persons. • If no such documentation is provided within one year of the FFI 	<ul style="list-style-type: none"> • Participating FFIs will be required to determine the correct classification of new financial accounts held by persons other than individuals and opened after the FFI Effective Date by following procedures similar to those described for the other account categories. • The FFIs must determine how to treat

³ To avoid duplicative documentation, Notice 2010-60 requires participating FFIs to apply section 1471 procedures, summarized in the chart above, rather than the certification procedures described in section 1472(b), for purposes of section 1472. Procedures applicable to USFIs are similar to participating FFI procedures summarized above, but the USFI procedures are not separately addressed in the chart.

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
	holder at such FFI.	depository accounts held by the account holder at such FFI.	Effective Date, classify such entities as specified US persons until such documentation is received.	these new accounts, however, using all information collected, regardless of whether the information is available in electronically searchable files.
Step 2:	<u>Accounts not addressed in Step 1 of account holders already documented as US persons:</u> <ul style="list-style-type: none"> • Form W-9, Form W-8BEN • Treat as US accounts of specified US persons. 	<u>Accounts not addressed in Step 1 of account holders already documented as US persons:</u> <ul style="list-style-type: none"> • Form W-9, Form W-8BEN • Treat as US accounts of specified US persons. 	<u>Remaining entity account holders:</u> <ul style="list-style-type: none"> • Presume entity account holders are US entities (or not) based on information in the FFI's electronically searchable files. • Request documentation to the contrary within one year of the FFI Effective Date. • If no such documentation is provided within one year of the request, treat non-responding entities as specified US persons and recalcitrant account holders. 	

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
Step 3:	<p>Accounts not addressed in Steps 1 and 2 deemed other than US accounts:</p> <ul style="list-style-type: none"> To be treated as other than US account, electronically searchable information maintained by the FFI and associated with the account must not include certain indicia of potential US status.⁴ 	<p>Accounts not addressed in Steps 1 and 2:</p> <ul style="list-style-type: none"> Obtain and examine from individual owners documentary evidence establishing US or non-US status. Obtain Forms W-9 from individual US holders. 	<p>Entity account holders not classified as US persons in Steps 1 and 2:</p> <ul style="list-style-type: none"> Generally presume such entity account holders are foreign entities. Within one year of the FFI Effective Date, request information from such entity account holders to determine status as FFIs, participating FFIs, deemed compliant FFIs, noncompliant FFIs, entities exempt under section 1471(f) (“exempt entities”), or NFFEs. If no such information is provided within one year of the request, treat non-responding entities as nonparticipating FFIs until appropriate 	

⁴ Indicia of potential US status includes: (i) identification of any account holder as a US resident or US citizen; (ii) a US address associated with an account holder of the account (whether a residence address or a correspondence address); (iii) a US place of birth for an account holder of the account; (iv) an “in care of” address, a “hold mail” address, or a P.O. address that is the sole address on file with respect to the account holder; (v) a power of attorney or signatory authority granted to a person with a US address; or (vi) standing instructions to transfer funds to an account maintained in the US, or directions received from a US address.

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
			documentation is received. ⁵	
Step 4:	<p><u>Accounts identified as containing indicia of potential US status in Step 3:</u></p> <ul style="list-style-type: none"> Obtain certain documentation in order to establish whether the accounts are US accounts.⁶ 	<p><u>For accounts not addressed in Steps 1 or 2 and not documented as US accounts in Step 3:</u></p> <ul style="list-style-type: none"> Examine all other information collected in connection with the new account to identify indicia of potential US status.⁷ 	<p><u>Entity account holders not treated as US persons after applying Steps 1 and 2 or as an FFI after applying Step 3:</u></p> <ul style="list-style-type: none"> Examine account files for evidence that such entities are engaged in an active trade or business (other than an FI business).⁸ Treat any such entity as excepted NFFEs and their financial accounts as other than US accounts. Permit any other entity account holder to present documentation showing that it is a participating FFI, a deemed compliant 	

⁵ During the interim period, the nonresponsive entity account holders generally will be treated as excepted NFFEs.

⁶ Documentation required may include Forms W-9, establishing US status, or Form W-8BEN along with other documentary evidence establishing non-US status (e.g., non-US passport).

⁷ See note above for indicia of potential US status.

⁸ Evidence may include audited financial statements or other business records provided by the account holder showing business activities, physical assets, employed persons, and/or business related receivables and payables.

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
			FFI, a nonparticipating FFI, an NFFE, or an exempt entity. <ul style="list-style-type: none"> • Document status of excepted NFFEs or specifically identify each individual and other specified US persons that have direct or indirect interests in such NFFEs. • Absent proper identification of NFFE interest holders, treat each such interest holder as a recalcitrant holder. 	
Step 5:		<u>For accounts identified as containing indicia of potential US status in Step 4:</u> <ul style="list-style-type: none"> • Obtain certain documentation to determine status of account holder or treat the account holder as a recalcitrant account holder.⁹ 		

⁹ Documentation required may include Forms W-9, establishing US status, or Form W-8BEN along with other documentary evidence establishing non-US status (e.g., non-US passport).

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
Time Lines:	<ul style="list-style-type: none"> • Each participating FFI must complete steps 1 through 3 and request documentation required by step 4 within one year of the effective date of its FFI Agreement (the “FFI Effective Date”). • Account holders that have not provided adequate documentation within one year of a FFI’s request will be classified as recalcitrant account holders until the FFI receives appropriate documentation. • Within two years of the FFI Effective Date, all accounts exceeding an average monthly balance of \$1,000,000 and lacking sufficient documentation that have been treated as non-US accounts will be subject to new individual account procedures. • Within five years of 	<ul style="list-style-type: none"> • Each participating FFI will be required to repeat steps 4 and 5 for each time the FFI knows or has reason to know that circumstances affecting the correctness of the classification of an account as a US account have changed. 	<ul style="list-style-type: none"> • Each participating FFI must complete steps 1 through 3 and request documentation required by step 4 within one year of the FFI Effective Date. • Account holders that have not provided adequate documentation within one year of a FFI’s request will be classified as nonparticipating FFIs. 	

Steps	Pre-existing Individual Accounts	New Individual Accounts	Pre-existing Entity Accounts	New Entity Accounts
	<p>the FFI Effective Date, all accounts lacking sufficient documentation that have been treated as non-US accounts will be subject to new individual account procedures.</p>			