

Notification of More Favorable Terms (Hold Mail Address Indicia)

Article 7 of the Model 1 IGA provides that the United States shall notify its Partner Jurisdictions of any more favorable terms under Article 4 or Annex I of the IGA afforded to another Partner Jurisdiction. For informational purposes only, the model notification letter sent pursuant to Article 7 of the Model 1 IGA related to hold mail address indicia in paragraph B(1)(g) of section II of Annex I is attached. The attached letter has been sent to the following jurisdictions:

- Denmark
- Germany
- Ireland
- Italy
- Norway
- Spain
- United Kingdom

To confirm whether a particular jurisdiction has declined the application of any of the terms in the attached letter, please contact the relevant jurisdiction.

[Date]

[Name]

[Address]

Dear []:

On behalf of the Government of the United States of America, I am writing to provide you with notification pursuant to Article 7 of the Agreement between [the Government of the United States of America and the Government of [FATCA Partner] to Improve International Tax Compliance and to Implement FATCA] (the “Agreement”), done at [city], on [date], which reads as follows:

Article 7

Consistency in the Application of FATCA to Partner Jurisdictions

1. [FATCA Partner] shall be granted the benefit of any more favorable terms under Article 4 or Annex I of this Agreement relating to the application of FATCA to [FATCA Partner] Financial Institutions afforded to another Partner Jurisdiction under a signed bilateral agreement pursuant to which the other Partner Jurisdiction commits to undertake the same obligations as [FATCA Partner] described in Articles 2 and 3 of this Agreement, and subject to the same terms and conditions as described therein and in Articles 5 through 9 of the Agreement.
2. The United States shall notify [FATCA Partner] of any such more favorable terms and shall apply such more favorable terms automatically under this Agreement as if they were specified in this Agreement and effective as of the date of the entry into force of the agreement incorporating the more favorable terms.

The Government of the United States of America has signed multiple intergovernmental agreements that include the provision that is set forth in the attachment to this letter (the “Attachment”). The Attachment uses, as an example, the provision of the Agreement between the Department of the Treasury of the United States of America and the Ministry of Finance and Public Credit of the United Mexican States to Improve International Tax Compliance Including with Respect to FATCA, signed at Mexico City, on April 9, 2014, which entered into force on April 10, 2014 (the “Mexico IGA”).

[IN CASES WHERE THE IGA HAS ENTERED INTO FORCE] I hereby notify you, on behalf of the Government of the United States of America that, to the extent the Agreement does not contain identical terms to those in the Attachment, pursuant to Article 7 of the Agreement, [FATCA Partner] is granted the benefit of such more favorable terms. If [FATCA Partner] would like to decline the application of any such terms to the Agreement, [FATCA Partner] should do so by notifying me of this in writing. I request that you provide

this notification in writing within 90 days if you are declining the application of any such more favorable terms to the Agreement.

[IN CASES WHERE THE IGA HAS NOT YET ENTERED INTO FORCE]

Although the Agreement has not yet entered into force, on behalf of the Government of the United States of America, I am notifying you that, to the extent the Agreement does not contain identical terms to those in the Attachment, pursuant to Article 7 of the Agreement, [FATCA Partner] shall be granted the benefit of such more favorable terms when the Agreement enters into force. If [FATCA Partner] would like to decline the application of any such terms when the Agreement enters into force, [FATCA Partner] may do so by notifying me of this in writing. If you would like to decline the application of any such more favorable terms to the Agreement, I request that you provide this notification in writing within 90 days.

Sincerely,

ATTACHMENT

Based on the Mexico IGA, the United States considers the language in italics to be “more favorable terms” in Annex I, except in those cases where the Agreement already includes such language:

1. Paragraph B(1)(g) of Section II of Annex I:

An “in-care-of” or “hold mail” address that is the **sole** address the Reporting Mexican Financial Institution has on file for the Account Holder. In the case of a Preexisting Individual Account that is a Lower Value Account, an “in-care-of” address outside the United States *or “hold mail” address* shall not be treated as U.S. indicia.