

# *Cyprus Investment Firms Are you ready for FATCA?*

*Seminar - Tuesday, 10 December 2013,  
Four Seasons Hotel, Limassol*



**pwc**

The Foreign Account Tax Compliance Act (FATCA) is set to be implemented into Cyprus law and will affect all Cyprus investment firms, irrespective of whether they have US clients.

The provisions of FATCA start to take effect as early as 2014. The penalties of noncompliance are significant and include a 30% withholding tax on any incoming payments relating to US-sourced income. In addition, failure to comply with FATCA may involve legal and reputational issues which could disrupt business relationships with other financial institutions which are FATCA compliant and lead to loss of business.

*The FATCA withholding tax is coming into force as early as 2014 and applies to most financial institutions in Cyprus, including Cyprus investment firms, even if they do not have any US clients.*

*On 10 December 2013, our FATCA specialists will give you an insight on the new reporting and withholding regime and what this means for Cyprus investment firms.*

## **What is FATCA?**

The Foreign Account Tax Compliance Act (FATCA) is a US tax legislation which was enacted in March 2010 to prevent and detect US tax evasion and improve taxpayer compliance. FATCA is focused on strengthening information reporting and withholding compliance with respect to US persons that invest through, or in, non-US entities, such as Cyprus resident financial institutions, including Cyprus investment firms.

Most financial institutions in Cyprus, including Cyprus investment firms, are affected by FATCA, irrespective of whether they have US clients. The penalties of non compliance are significant and include a 30% withholding tax on any incoming payments relating to US-sourced income. In addition, failure to comply with FATCA may involve legal and reputational issues which could disrupt business relationships with other financial institutions which are FATCA compliant (e.g. counterparties) and lead to loss of business.

The Cyprus Authorities are actively engaged in dialogue with the US Government and the provisions of FATCA, which start to take effect as early as 2014, are set to be implemented into Cyprus law. As a result, many financial institutions in Cyprus have already begun to prepare in response to the fast approaching deadlines as well as the operational complexities introduced by FATCA, which will need to be addressed within the context of a strategic solution.

## **Agenda**

09:00 - 09:30	<b>Registration &amp; Coffee</b>
09:30 - 09:40	<b>Welcome</b>
09:40 - 10:10	<b>Overview of FATCA</b> <ul style="list-style-type: none"><li>• Scope and objectives</li><li>• Implementation timeline</li></ul>
10:10 - 10:30	<b>The Cyprus viewpoint, Ministry of Finance</b>
10:30 - 11:15	<b>Classification of Financial Institutions</b> <ul style="list-style-type: none"><li>• Entities qualifying as financial institutions</li><li>• Deemed Compliance and Exemptions</li><li>• Products qualifying as FFIs</li></ul>
<b>11:15 - 11:45</b>	<b>Coffee Break</b>
11:45 - 13:15	<b>Identification and Reporting Requirements</b> <ul style="list-style-type: none"><li>• Account holder / Investor identification requirements</li><li>• Account reporting requirements</li><li>• Reporting schema</li></ul>
<b>13:15 - 14:30</b>	<b>Lunch</b>
14:30 - 15:15	<b>Withholding Requirements</b> <ul style="list-style-type: none"><li>• Payment identification</li><li>• Payee identification</li><li>• Upstream reporting</li></ul>
15:15 - 15:45	<b>Registration</b> <ul style="list-style-type: none"><li>• Approach and Governance</li><li>• Requirements</li><li>• How to register</li></ul>
15:45 - 16:30	<b>Roles &amp; Responsibilities</b> <ul style="list-style-type: none"><li>• What to expect from service providers</li><li>• Approaching service providers</li><li>• Outsourcing controlling considerations</li></ul>
16:30 - 17:00	<b>Q&amp;A</b>
17:00	<b>Closing of event</b>

## Speakers

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### **Mark D. Orlic – Head of PwC FATCA Centre of Excellence Europe | PwC Germany**

Mark D. Orlic is the Head of the PwC FATCA Center of Excellence in Frankfurt, as well as the PwC FATCA Center of Excellence Europe. He has more than ten years of experience in Tax consulting of Private Equity Funds, Hedge Funds, Asset Managers, Alternative Investment Funds and Banks, and is a member of PwC's global Tax FATCA core team, coordinating FATCA activities towards the global PwC FATCA network. During his time in the PwC New York Office he was focused on US Tax Compliance and Reporting in the financial services sector. Mark holds the Certified Public Accountant (CPA) in New York and is a member of the American Institute of Certified Public Accountants and the New York State Society of CPAs.

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### **Kathryn Struve – Financial Services Tax, FATCA Specialist | PwC Germany**

Kate is a Manager with PwC in the Financial Services Tax department in Frankfurt. Prior to moving to Germany in 2012, Kate worked in the PwC New York Office in the Asset Management team, focusing on advising Hedge Funds and Private Equity Funds on US Tax compliance. Since moving to Frankfurt, Kate has focused on FATCA and has supported multiple major engagements for both Banking and Asset Management clients. She has a leading role in the coordination and development of FATCA tools and accelerators. She is also deeply involved in the facilitation and the exchange of knowledge among different countries and FATCA projects, through the global PwC FATCA Center of Excellence structure. Kate holds the Certified Public Accountant (CPA) in New York and is a member of the American Institute of Certified Public Accountants.

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### **Liana Charalambous Tanou – Chief Revenue Officer | Ministry of Finance**

Liana Charalambous Tanou is a Chief Revenue Officer in the Department of Inland Revenue in the Ministry of Finance, Cyprus. She joined in 1991 and has significant experience in all types of taxes. Currently she is coordinating the implementation of FATCA on behalf of the Cyprus government. Her valuable knowledge and wide range of expertise has enabled her to undertake and successfully complete major projects of the ministry. Examples are the Euro, the Cyprus Presidency of the EU, the immovable property tax 2013, the MOU and the new Cyprus Tax Authority. She was also the president of the High Level Working Group on Taxation at the Council of the EE for 6 months. Liana is a Chartered Accountant and has a BA (honours) in Economics and Social Studies from the Victoria University of Manchester.

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### **George Lambrou – Partner, Head of FATCA Practice | PwC Cyprus**

George is a Partner in the Risk Assurance Consulting department of PwC Cyprus leading the Financial Services (FS) regulatory compliance, internal audit and operational effectiveness teams. He has cross-industry experience and specialisation in the FS industry, advising banking institutions and investment firms in areas related to governance, risk, control and regulatory compliance. George is a member of the Institute of Chartered Accountants in England and Wales and is also a member of the Institute of Certified Public Accountants of Cyprus. George completed his academic studies in Economics with Honours and received a BA and an MA from Cambridge University (UK). He also has an MBA degree from INSEAD (France).

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### **Dr. Elina Christofides – Senior Manager, FATCA Advisory Services | PwC Cyprus**

Elina joined PwC Cyprus in 2010 and is dedicated to servicing financial services clients with a focus on risk management, regulatory compliance and governance. She brings significant experience in the financial services industry from her prior roles at two investment banks in London. Elina has recently completed a secondment in New York where she was involved in the implementation of FATCA for a US banking conglomerate, working closely with a team of FATCA professionals and US tax experts. She is now the project manager of several FATCA engagements in PwC Cyprus. Elina studied Civil and Structural Engineering at the University of Cambridge in England, receiving a Master's Degree (MEng). She then continued her studies at Imperial College of London, where she obtained a doctorate (PhD) in Quantitative Finance.

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### **Yiannis Zarvos – Manager, FATCA Advisory Services | PwC Cyprus**

Yiannis is a Manager in the Risk Assurance Consulting department of PwC Cyprus. He joined PwC Cyprus in 2005 and he has significant experience in the provision of assurance and advisory services. Yiannis has been involved in various assurance and advisory assignments overseas (UAE, UK, Russia, Ukraine, etc.), with the most recent overseas experience being in New York where he provided FATCA advisory services to a major US financial institution in Wall Street. Yiannis is a member of the Association of Chartered Certified Accountants (ACCA), a member of the Institute of Certified Public Accountants of Cyprus (ICPAC), a qualified Certified Information Systems Auditor (CISA) and holds a BSc in Business Administration and Computer Science.

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