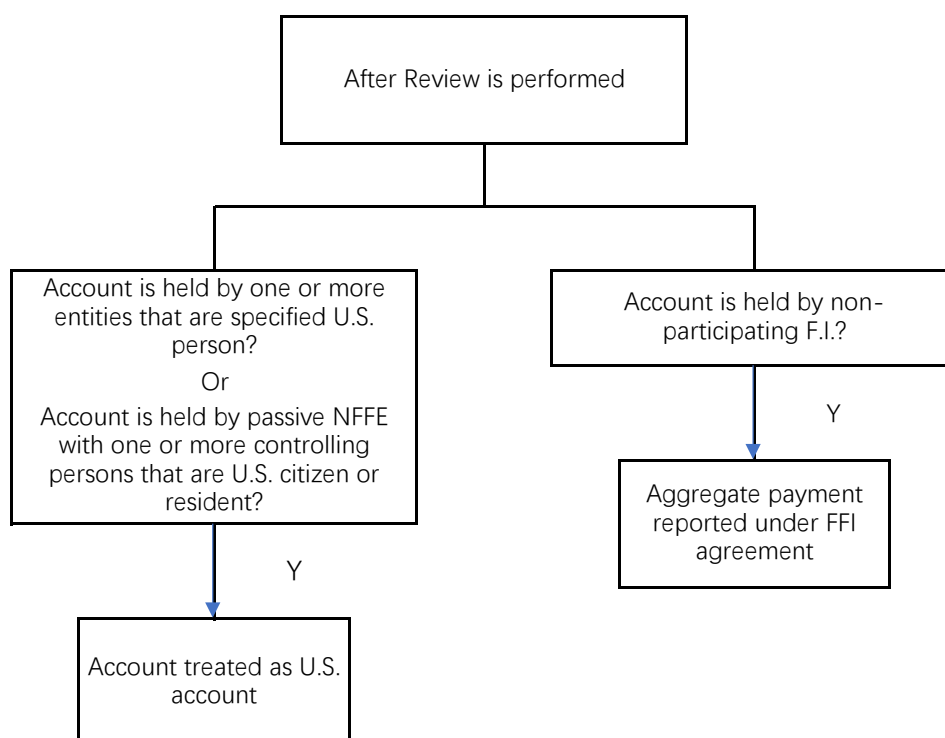


- IV C. Entity account with respect to which reporting is required
- With respect to B, the following entity accounts are subject to reporting:
- i) account held by one or more **entities** that are **specified U.S. person**,
  - ii) account held by **passive NFFEs** with one or more **controlling persons** who are U.S. citizens or residents, or
  - iii) accounts held by **non-participating Foreign Financial Institutions (NPFFI)** that should be treated as accounts for which aggregate payments are required to be reported under **FFI agreement**.

Steps for IV.C



Paragraph 2 of Article 4, HK-US IGA (the Agreement) provides that

(2) Significant Non-Compliance

The U.S. Competent Authority shall notify the HKSAR Competent Authority when the U.S. Competent Authority has determined that there is significant noncompliance with the requirements of an FFI Agreement or this Agreement with respect to a Reporting HKSAR Financial Institution. If the non-compliance is not resolved within a period of 12 months after notification of significant non-compliance is first provided by the U.S. Competent Authority, the United States shall treat the Reporting HKSAR Financial Institution as a Nonparticipating Financial Institution pursuant to this paragraph 2.

	Participating jurisdictions		Non-participating jurisdictions
	HKSAR-FI	Partner jurisdiction-FI	
PFFI			N/A
NPFFI	✓	✓	✓