

**COMPETENT AUTHORITY AGREEMENT
ON AUTOMATIC EXCHANGE
OF FINANCIAL ACCOUNT INFORMATION**

Whereas, the Governments of the United Kingdom of Great Britain and Northern Ireland and the British Virgin Islands intend to improve international tax compliance by further building on their relationship with respect to mutual assistance in tax matters;

Whereas, the Common Reporting Standard was developed by the OECD, with G20 countries to tackle tax avoidance and evasion and improve tax compliance;

Whereas, the laws of the British Virgin Islands require or are expected to require financial institutions to report information regarding certain accounts and follow related due diligence procedures, consistent with the scope of exchange contemplated by Section 2 of this Agreement and the reporting and due diligence procedures set out in the Common Reporting Standard;

Whereas, Article 5A of the 2008 Agreement between the United Kingdom and the British Virgin Islands for the exchange of information relating to tax matters (the "TIEA"), authorises the exchange of information for tax purposes, including the exchange of information on an automatic basis, and allows the competent authorities of the United Kingdom and the British Virgin Islands (the "Competent Authorities") to agree the scope and modalities of such automatic exchanges;

Whereas, it is expected that the laws of the jurisdictions would be amended from time to time to reflect updates to the Common Reporting Standard and once such changes are enacted by a jurisdiction the definition of Common Reporting Standard would be deemed to refer to the updated version in respect of that jurisdiction;

Whereas, the United Kingdom of Great Britain and Northern Ireland has, or is expected to have, in place by the time the first exchange takes place appropriate safeguards to ensure that the information received pursuant to this Agreement remains confidential and is used solely for the purposes set out in the TIEA,

Whereas, the jurisdictions have the infrastructure for an effective exchange relationship (including established processes for ensuring timely, accurate, and confidential information exchanges, effective and reliable communications, and capabilities to promptly resolve questions and concerns about exchanges or requests for exchanges and to administer the provisions of Section 4 of this Agreement);

Whereas, the Competent Authorities of the jurisdictions intend to conclude an agreement to improve international tax compliance based on automatic exchange pursuant to the TIEA, without prejudice to national legislative procedures (if any), and subject to the confidentiality and other protections provided for in the TIEA, including the provisions limiting the use of the information exchanged thereunder, as well as the safeguards specified by the supplying Competent Authority to ensure the necessary level of protection of personal data under its domestic law;

- g. the term “**United Kingdom Reportable Account**” means a Financial Account that is maintained by a British Virgin Islands Reporting Financial Institution and held by one or more United Kingdom Persons that are Reportable Persons or by a Passive Non-Financial Entity with one or more Controlling Persons that is a United Kingdom Reportable Person;
 - h. the term “**United Kingdom Person**” means an individual or Entity that is identified by a British Virgin Islands Reporting Financial Institution as resident in the United Kingdom pursuant to due diligence procedures consistent with the Common Reporting Standard, or an estate of a decedent that was a resident of the United Kingdom;
 - i. the term “**TIN**” means a United Kingdom TIN;
 - j. the term “**United Kingdom TIN**” means a National Insurance Number (NINO) or a Unique Taxpayer Reference (UTR). Both identifiers are unique and personal to the individual or Entity concerned;
 - k. the term “**Common Reporting Standard**” means the standard for automatic exchange of financial account information in tax matters (which includes the Commentaries), developed by the OECD, with G20 countries.
2. Any capitalised term not otherwise defined in this Agreement will have the meaning that it has at that time under the law of the jurisdiction applying the Agreement, such meaning being consistent with the meaning set forth in the Common Reporting Standard. Any term not otherwise defined in this Agreement or in the Common Reporting Standard will, unless the context otherwise requires or the Competent Authorities agree to a common meaning (as permitted by domestic law), have the meaning that it has at that time under the law of the jurisdiction applying this Agreement, any meaning under the applicable tax laws of that jurisdiction prevailing over a meaning given to the term under other laws of that jurisdiction.

SECTION 2

Exchange of Information with Respect to Reportable Accounts

- 1. Pursuant to the provisions of Article 5A of the TIEA and subject to the applicable reporting and due diligence rules consistent with the Common Reporting Standard, the British Virgin Islands Competent Authority will annually exchange with the United Kingdom Competent Authority on an automatic basis the information obtained pursuant to such rules and specified in paragraph 2.
- 2. The information to be exchanged is with respect to each United Kingdom Reportable Account:
 - a. the name, address, TIN(s) and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of any Entity that is an Account Holder and that, after application of due diligence procedures consistent with the Common Reporting Standard, is identified as having one or more Controlling Persons

2. For the purposes of the exchange of information in Section 2, the information exchanged will identify the currency in which each relevant amount is denominated.
3. With respect to paragraph 2 of Section 2, and subject to the dates specified in the notification pursuant to paragraph 1a)(i) of Section 7, information is to be exchanged commencing from the year 2017 within nine months after the end of the calendar year to which the information relates.
4. The British Virgin Islands Competent Authority will automatically exchange the information described in Section 2 in the common reporting standard schema in Extensible Markup Language.
5. The Competent Authorities will work towards and agree on one or more methods for data transmission, including encryption standards.

SECTION 4

Collaboration on Compliance and Enforcement

The United Kingdom Competent Authority will notify the British Virgin Islands Competent Authority when the first-mentioned Competent Authority has reason to believe that an error may have led to incorrect or incomplete information reporting or there is non-compliance by a Reporting Financial Institution with the applicable reporting requirements and due diligence procedures consistent with the Common Reporting Standard. The British Virgin Islands Competent Authority will take all appropriate measures available under its domestic law to address the errors or non-compliance described in the notice.

SECTION 5

Confidentiality and Data Safeguards

1. All information exchanged is subject to the confidentiality rules and other safeguards provided for in the TIEA, including the provisions limiting the use of the information exchanged and, to the extent needed to ensure the necessary level of protection of personal data, in accordance with the safeguards which may be specified by the British Virgin Islands Competent Authority as required under its domestic law of the British Virgin Islands Competent Authority, as specified in the notification pursuant to paragraph 1(b) of Section 7.
2. The United Kingdom Competent Authority will notify the British Virgin Islands Competent Authority immediately regarding any breach of confidentiality or failure of safeguards and any sanctions and remedial actions consequently imposed.

2. A Competent Authority may suspend the exchange of information under this Agreement by giving notice in writing to the other Competent Authority that it has determined that there is or has been significant non-compliance by the other Competent Authority with this Agreement. Such suspension will have immediate effect. For the purposes of this paragraph, significant non-compliance includes, but is not limited to, non-compliance with the confidentiality and data safeguard provisions of this Agreement and the TIEA, a failure by the Competent Authority to provide timely or adequate information as required under this Agreement or defining the status of Entities or accounts as Non-Reporting Financial Institutions and Excluded Accounts in a manner that frustrates the purposes of the Common Reporting Standard.

3. A Competent Authority may terminate this Agreement by giving notice of termination in writing to the other Competent Authority. Such termination will become effective on the first day of the month following the expiration of a period of 12 months after the date of the notice of termination. In the event of termination, all information previously received under this Agreement will remain confidential and subject to the terms of the TIEA.

Signed in duplicate in _____ on _____ 2017 and at _____ on _____ 2017.

**Competent Authority for the
British Virgin Islands**

**Competent Authority for the
United Kingdom**