

**MEMORANDUM OF UNDERSTANDING REGARDING THE AGREEMENT
BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE
GOVERNMENT OF THE PRINCIPALITY OF LIECHTENSTEIN TO
IMPROVE INTERNATIONAL TAX COMPLIANCE AND TO IMPLEMENT FATCA**

At the signing today of the Agreement between the Government of the United States of America and the Government of the Principality of Liechtenstein to Improve International Tax Compliance and to Implement FATCA (hereinafter the "Agreement"), and noting that the Government of the Principality of Liechtenstein has informed the United States that the Agreement falls under the provisions of Article 8 Paragraph 2 of the Liechtenstein Constitution, the representatives of the United States of America and the Principality of Liechtenstein wish to confirm their understanding of the following:

With reference to Subparagraph 2(a)(3) of Article 2 of the Agreement

It is understood that the Principality of Liechtenstein intends for each Reporting Liechtenstein Financial Institution to use a Global Intermediary Identification Number ("GIIN") issued by the Internal Revenue Service as the identifying number referenced in Subparagraph 2(a)(3) of Article 2 of the Agreement.

With reference to Subparagraph 1(c) of Article 4 of the Agreement

It is understood that the Principality of Liechtenstein intends for Liechtenstein Financial Institutions to comply with the registration requirements applicable to Financial Institutions in Partner Jurisdictions by registering with the Internal Revenue Service and obtaining a GIIN from the Internal Revenue Service.

With reference to paragraph 1 of Article 10 (Term of Agreement) of the Agreement

The United States understands that the Government of the Principality of Liechtenstein plans to present the Agreement to its Parliament for its approval in 2014 together with draft legislation that is to implement the provisions of the Agreement with the goal of having the Agreement and the legislation enter into force not later than September 30, 2015. Based on this understanding, as of the date of signature of the Agreement, the United States Department of the Treasury intends to treat each Liechtenstein Financial Institution, as that term is defined in the Agreement, as complying with, and not subject to withholding under section 1471 of the U.S. Internal Revenue Code during such time as the Principality of Liechtenstein is pursuing the necessary internal procedures for entry into force of the Agreement. The United States further understands that the Fiscal Authority of the Principality of Liechtenstein intends to contact the United States Department of the Treasury as soon as it is aware that there might be a delay in the Liechtenstein internal approval process for entry into force of the Agreement such that the Principality of Liechtenstein would not be able to provide its notification under paragraph 1 of Article 10 of the Agreement prior to September 30, 2015. If upon consultation with the Principality of Liechtenstein, the United States Department of the Treasury receives credible assurances that such a delay is likely to be resolved in a reasonable period of time, the United States Department of the Treasury may decide to continue to apply FATCA to Liechtenstein Financial Institutions in the manner described above as long as the United States Department of the Treasury assesses that the Principality of Liechtenstein is likely to be able to send its notification under paragraph 1 of Article 10 by September 30, 2016. It is understood that should the Agreement enter into force

after September 30, 2015, any information that would have been reportable under the Agreement thereafter (and prior to its entry into force) had the Agreement been in force by September 30, 2015, is owed on the September 30 next following the date of entry into force.

With reference to B(2) through B(4) of section VI of Annex I of the Agreement

It is understood that the term “nonprofit organizations” includes all Entities that exclusively and irrevocably pursue common-benefit purposes as defined in article 107 paragraph 4a of the Law on Persons and Companies (PGR, LGBl. 1926/Nr. 4 of 26 January 1926) without the intention of making a profit and that are tax exempt according to article 4 paragraph 2 of the Tax Act (SteG, LGBl. 2010/Nr. 340 of 18 November 2010). It is also understood that any such Entities are not treated as Financial Institutions.

With reference to paragraph A. of section I. of Annex II of the Agreement

It is understood that the term “political subdivision” includes all Liechtenstein municipalities (“Gemeinden”).

With reference to paragraph D. of section II of Annex II of the Agreement

It is understood that the term “Investment Entity Wholly Owned by Exempt Beneficial Owners” includes:

1. Single Investor Funds if the single investor is an institution or body or fund of the social security system or a pension or retirement arrangement;
2. Investment funds for qualified investors if the investors are restricted to pension or retirement arrangements;

With reference to section IV of Annex II of the Agreement

It is understood that Non-Reporting Liechtenstein Financial Institutions that are treated as deemed-compliant FFIs for purposes of section 1471 of the U.S. Internal Revenue Code should have no registration requirement as part of the FFI registration process or certification procedures by the IRS, except that registration should be required in the case of a Financial Institution described under Section III.A of Annex II of the Agreement that has a reporting obligation with respect to one of its accounts or that is a trustee reporting U.S. Reportable Accounts of a trust in accordance with Section IV.A of Annex II of the Agreement.

With reference to paragraph A of section V of Annex II of the Agreement

It is understood that accounts and Insurance Contracts described in paragraph A of section V of Annex II of the Agreement include:

- a) Collective life insurance in the field of the occupational pension and benefit plans;
- b) Collective life insurances outside the field of the occupational pension and benefit plans;
- c) Restricted pension plan insurance;
- d) Vested benefit insurances;
- e) Vested benefit accounts;
- f) Accident and health insurances;
- g) Indemnity insurances;
- h) Reinsurances.

With reference to paragraph C. of section VI. of Annex II of the Agreement

It is understood that:

(A) The term "trust" includes any trust including any Related Entity managed and/or controlled in Liechtenstein regardless of the country of formation, if the trustee or the trust controls the Related Entity. For this purpose control includes direct or indirect ownership of more than 50 percent of the vote or value in an Entity, to the extent that one of the trustees of the trust is either a Reporting U.S. Financial Institution, a Reporting Model 1 FFI, a Deemed Compliant FFI as defined in Section III (A) of this Annex II, or a Participating FFI and reports all information required to be reported pursuant to the Agreement with respect to all U.S. Reportable Accounts of the trust ("reporting trustee").

(B) The term "trust" also includes any discretionary trust formed under the laws of Liechtenstein which gives the trustee the power to make a distribution from the trust to, or for the benefit of, any person, and:

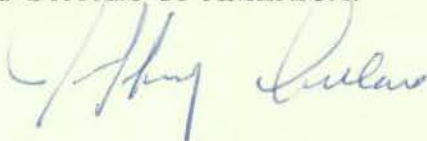
(1) the trust terms specifically identify the entire class of beneficiaries and none are U.S. persons; or

(2) includes language that is irrevocable which provides that under the terms of the trust, (a) no part of the income or corpus of the trust may be paid or accumulated to or for the benefit of a U.S. person, and (b) if the trust terminates at any time during the taxable year, no part of the income or corpus of such trust should be paid to or for the benefit of a U.S. person.

It is understood that the trustee of a discretionary trust should have a reporting obligation only for the tax year in which a distribution is made to Specified U.S. Persons or to a Non-U.S. Entity with one or more Controlling Person(s) that is(are) a Specified U.S. Person. It is also understood that the information required to be reported should only include the amount distributed to the U.S. Specified Person or to a Non-U.S. Entity with one or more Controlling Person(s) that is(are) a Specified U.S. Person and the date of said distribution.

Signed at Vaduz, this 16th day of May, 2014, in duplicate, in the English language. A German language text should be considered equally authentic upon a subsequent exchange of diplomatic notes between the United States and the Principality of Liechtenstein confirming its conformity with the English language text.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
PRINCIPALITY OF LIECHTENSTEIN:

