

BANK LEUMI ROMANIA S.A. (hereinafter referred to as “the Bank”), headquartered in Bucharest, 45 Aviatorilor Blvd., district 1, registered with the Trade Register Office under no. J40/2496/2002, Sole Registration Number 19995, registered with the Personal Data Protection Registry under no. 716 pursuant to Law no. 677/2001, **would like to advise clients of the following:**

In accordance with the provisions laid down in art. 62(1) of Law no. 207/2015 on the Tax Procedure Code, the **Bank is required to report annually to the national tax authority (National Agency for Fiscal Administration (A.N.A.F.)) information concerning accounts which are opened and/or closed by taxpayers who are residents of countries which have entered into an international legal instrument with Romania for tax compliance purposes.**

To this end, we would also like to inform you that:

- on **29.10.2014**, the **Multilateral competent authority agreement on automatic exchange of financial account information (Common Reporting Standard)** was signed; the **Agreement** was enacted by **Law no. 70/2016** (published in the Official Gazette no. 328/28.04.2016);
- on **28.05.2015**, the **Agreement between the United States of America and Romania to Improve International Tax Compliance and to Implement FATCA** was signed; the **Agreement** was enacted by **Law no. 233/2015** (published in the Official Gazette no. 808/30.10.2015).

Order no. 1939/2016 (published in the Official Gazette no. 648/24.08.2016) issued by the Minister of Public Finance and approved by the National Bank of Romania and the Financial Supervisory Authority to enforce the requirements set out in art.62(2) of Law no. 207/2015, fight against tax avoidance and tax evasion and improve tax compliance:

- implemented the Common Reporting Standard (CRS) as issued by the Organisation for Economic Cooperation and Development (OECD) with respect to financial accounts; **and**
- issued provisions for the consistent implementation of CRS, Law no. 207/2015 and the Agreement enacted by Law no. 233/2015 (FATCA).

The legal provisions above are meant to reduce cross-border tax fraud and tax evasion through the elimination of unreported income preventing effective tax collection.

Having regard to all the above mentioned, please rest assured that personal data processing, including financial account information reporting to the tax authority (National Agency for Fiscal Administration), is carried out for the sole purpose of meeting mandatory legal requirements pursuant to Law no. 207/2015 on the Tax Procedure Code and the corresponding implementing rules.

The identification data concerning accounts which are opened and/or closed by taxpayers who are residents of countries which have entered into an international legal instrument with Romania for tax compliance purposes is processed and reported by the Bank pursuant to Order no. 1939/2016 issued by the Minister of Public Finance.

Nevertheless, in accordance with the legal provisions in force, the competent tax authority (A.N.A.F.) is the only entity authorized to engage in cross-border exchanges of financial information for tax purposes.

Bank clients who qualify as taxpayers who are residents of countries which have entered into an international legal instrument with Romania for tax compliance purposes have the obligation to provide the Bank with the requested information.

Client refusal to accept the processing of personal data by the Bank for the purposes of compliance with the legal requirements set out in art. 62(1) of the Tax Procedure Code may result in termination of the account or the Bank’s refusal to further engage in business relationships with the client.

According to Law no. 677/2001 on the protection of individuals with regard to the processing of personal data and the free movement of such data, individuals (account holders and beneficial owners/controllers persons), have the following rights: **(i)** the right to information; **(ii)** the right of access to data (Art.13); **(iii)** the right of intervention upon the data (Art.14); **(iv)** the right to object (Art.15); **(v)** the right not to be subjected to an individual decision (Art.17); **(vi)** the right to refer to a court of law (Art.18).

If, the individuals referred to above wish to exercise their legal rights in the field of personal data processing and the free movement of such data, they may give any Bank Leumi Romania SA territorial unit a signed and dated notice in writing, and may also refer to a court of law.

The types of information which qualify as personal data requested and reported by the Bank for legal compliance purposes, and the information necessary to understand the new regulatory requirements and their legal impact are detailed in:

- **Appendix 1- *Common Reporting Standard***
- **Appendix 2 - *FATCA***