



SIX SIS AG

## **Appendix: Form 128 "Safe Custody Account Opening" – Guidelines**

October 2024



# SIX SIS AG

## Appendix: Form 128 “Safe Custody Account Opening” – Guidelines

### Table of contents

<b>1.</b>	<b>Contact information</b>	<b>3</b>
<b>2.</b>	<b>Withholding statement for US-sourced FDAP payments</b>	<b>3</b>
2.1	GIIN – Global Intermediary Identification Number	3
2.2	QI EIN – Qualified Intermediary Entity ID Number	3
2.3	FATCA status	3
2.4	Chapter 4 and chapter 3 withholding information	3
2.5	Common examples	3
2.5.1	Primary QI (QI1)	3
2.5.2	Non-primary QI (QI2)	4
2.5.2.1	Underlying non-US clients	4
2.5.2.2	Income allocation: US taxation category 01	4
2.5.2.3	Asset allocation: (US TC 11, 12, 13, ... 26, 31, 32, 33, 38)	4
2.5.2.4	Underlying US clients	4
2.5.3	Participants acting as non-QIs (NQIs)	5
2.5.4	Own positions	5
2.5.5	Accounts for US limited partnership holdings	6
<b>3.</b>	<b>Account-specific information</b>	<b>6</b>
3.1.1	Account type	6
3.1.2	Evaluation currency	6
3.1.3	Account name	6
3.1.4	Applicable tax rates for the specified market (linked accounts only)	6
<b>4.</b>	<b>T2S</b>	<b>7</b>

# SIX SIS AG

## Appendix: Form 128 "Safe Custody Account Opening" – Guidelines

### 1. Contact information

Please complete all four lines.

Select "**New**" for a new account.

Select "**Modify**" to change an existing account.

**Closing** can be instructed via e-mail without having to use form 128.

### 2. Withholding statement for US-sourced FDAP payments

This part is required for all accounts and all markets in case of US income in the account.

#### 2.1 GIIN – Global Intermediary Identification Number

The GIIN of the BP has to be specified if it exists.

#### 2.2 QI EIN – Qualified Intermediary Entity ID Number

All participants who act as a qualified intermediary for this account must complete their QI EIN.

#### 2.3 FATCA status

Please specify the participants' own FATCA status; this is required for all participants and all markets.

#### 2.4 Chapter 4 and chapter 3 withholding information

Chapter 4 and chapter 3 have to be selected according to the FATCA reporting requirement as well as the desired US tax reporting and US withholding setup of the account. The possibilities depend on the US tax form of the participant (i.e. W-8-IMY QI-1 or QI2), the underlying beneficial owners and the account-specific requirements (e.g. US LP accounts).

#### 2.5 Common examples

##### 2.5.1 Primary QI (QI1)

The standard account setup for primary QI: (US TC **37**)

Chapter 4 withholding information = **FE that assumes primary withholding responsibility**

Chapter 3 withholding information = **QI that assumes primary withholding responsibility**

## SIX SIS AG

### Appendix: Form 128 "Safe Custody Account Opening" – Guidelines

#### 2.5.2 Non-primary QI (QI2)

For participants acting as qualified intermediaries with no withholding responsibility (QI2), select the following for all accounts where all underlying beneficial owners are fully FATCA-compliant, meaning no chapter 4 withholding will apply.

##### 2.5.2.1 Underlying non-US clients

Chapter 4 withholding information = Payee not subject to chapter 4 withholding.

Chapter 3 withholding information = Choose between "income allocation" or "asset allocation" to specify the US tax rates to be applied by SIX SIS for US income on the account.

##### 2.5.2.2 Income allocation: US taxation category 01

The "income allocation" model allows SIX SIS participants that are non-primary withholding QIs to operate in a manner similar to an omnibus environment, i.e. they can open one or multiple accounts for US securities held by their underlying clients, but must provide a tax rate allocation for each payment.

##### 2.5.2.3 Asset allocation: (US TC 11, 12, 13, ... 26, 31, 32, 33, 38)

The "asset allocation" model allows SIX SIS participants that are non-primary withholding QIs to distribute US securities held by their underlying clients into separate omnibus accounts according to the tax rates applicable.

Select the appropriate US tax rate according to the underlying clients.

Example: (US TC **21**) "US – Treaty 15 / 0" = 15% on US dividends, 0% on US interest payments.

##### 2.5.2.4 Underlying US clients

For underlying FATCA-compliant US clients, the following selections are possible:

Chapter 4 withholding information = **Payee not subject to chapter 4 withholding.**

Chapter 3 withholding information = Selectable options for a QI-2:

**a) QI – US non-exempt payee (segregated, linked to US market)**

**b) QI – US non-exempt payee (alternative procedure – pool, linked to US market)**

**c) US – Payee pool account.**

For further details on the required tax documentation and on account setup for non-FATCA-compliant US clients, please refer to MarketGuide USA, chapter 8 Taxes,

## SIX SIS AG

### Appendix: Form 128 "Safe Custody Account Opening" – Guidelines

published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > MarketGuide > Country Information > USA.

#### 2.5.3 Participants acting as non-QIs (NQIs)

NQIs may be intermediaries resident in a non-QI jurisdiction, intermediaries that choose not to enter into a QI agreement or intermediaries that are QIs, but choose to act in an NQI capacity with respect to a particular account.

The standard account setup is: ( US TC 42)

Chapter 4 Withholding information = **NQI – Payee undisclosed – subject to chapter 4 withholding**

Chapter 3 Withholding information = **NQI – Payee undisclosed**

There is the possibility to open linked accounts in the US market with fully disclosed beneficial owners. This allows specific treaty rates and accounts for US persons.

Chapter 4 Withholding information = **Payee not subject to chapter 4 withholding.**

Chapter 3 Withholding information = Selectable options starting with "**NQI – ....**":

- a) **NQI – NRA payee disclosed (segregated): (US TC 11, 12, 13, ... 26, 31, 32)**
- b) **NQI – NRA payee disclosed (alternative procedure – pool): (US TC 11, 12, 13, ... 26, 31, 32)**
- c) **NQI – US non-exempt payee (segregated) (US TC: 34).**

For further details and the required tax documentation, please refer to MarketGuide USA, chapter 8 Taxes, published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > MarketGuide > Country Information > USA.

#### 2.5.4 Own positions

SIX SIS participants that are FATCA compliant institutions/entities that would like to open an account for their own positions.

Chapter 4 withholding information = **Payee not subject to chapter 4 withholding.**

Chapter 3 withholding information = as per table below:

Own positions – **Treaty 15 / 0 :TC39**

Own positions – **Exempt 0 / 0: TC43**

Own positions – **Non-treaty 30 / 30: TC44**

## SIX SIS AG

### Appendix: Form 128 "Safe Custody Account Opening" – Guidelines

For further details and the required tax documentation, please refer to MarketGuide USA, chapter 8 Taxes, published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > MarketGuide > Country Information > USA.

#### 2.5.5 **Accounts for US limited partnership holdings**

Regardless of participants' QI status, US limited partnership positions have to be segregated at beneficial owner level at Citibank USA. For further instructions, please refer to MarketGuide USA, chapter 8 Taxes, published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > MarketGuide > Country Information > USA.

### 3. **Account-specific information**

Specify here whether the account is delinked ("No") or linked to a specific market ("Yes").

**Delinked** accounts will be using the SIX SIS omnibus accounts in various external markets and the local Swiss market.

**Linked** accounts will be segregated with an external custodian (select market / country).

#### 3.1.1 **Account type**

The standard account type is **001** (ordinary safe custody account).  
For a description of the other available account types, please refer to MarketGuide General Information, chapter 5 Custody Account Types, published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > MarketGuide > General Information.

#### 3.1.2 **Evaluation currency**

The standard evaluation currency is CHF. This can be changed if the positions in the account need to be evaluated in a different reference currency.

#### 3.1.3 **Account name**

Please specify as needed; can have up to 34 characters.

#### 3.1.4 **Applicable tax rates for the specified market (linked accounts only)**

Select as required for specific tax setup in the market selected above:

**Statutory rates** (= standard (maximum) rates)

**Reduced according to DTT** = DTT between selected country and tax domicile of beneficial owner (to be specified on the form)

**Resident** = Tax resident beneficial owner in the country selected under market

## SIX SIS AG

### Appendix: Form 128 “Safe Custody Account Opening” – Guidelines

**Other** = for special setups. To be specified in the line below.

#### 4. T2S

For delinked accounts of type 001 only.

You can specify the T2S parameters of the account on the form or ask to copy the setup of an existing account (please provide reference account number under comments).

Further information is published at [www.six-group.com](http://www.six-group.com) > Login > Securities Services Private > MarketGuide

- Operational Information > 2 Operational Settlement Information
- Country Information > T2S Operational Information.

**SIX SIS AG**  
Pfingstweidstrasse 110  
CH-8005 Zurich

Mailing address:  
P.O. Box  
CH-8021 Zurich

T +41 58 399 3111  
F +41 58 499 3111  
[www.six-group.com](http://www.six-group.com)

