Sell to Cash Letter - Unconfirmed US Person

Important - We are selling your investments 30 days after the date of this letter. This is your last chance to confirm your tax residency status before we deduct US withholding tax.

Dear [PI /FAS/WM client]

We wrote to you previously about information on your account which leads us to believe that you are a US person. In our previous letter we said that we would sell your investments to cash and that we'd write to you before we did this.

We're writing to you now to confirm that we will be selling your investments to cash and to let you know what this means for you. Your ISA and SIPP 'wrappers' will not be affected.

A reminder of why we wrote to you before

We can't do business with US persons and they can't hold investments on our platform. It's in our Terms and Conditions.

We believe you're a US person and we don't have a US Tax Identification Number (TIN) for you, we're therefore required by US law to deduct US withholding tax and pay it to the US Internal Revenue Services (IRS).

If you are a US person, you can't hold investments on our platform.
You have 30 days from the date of this letter to transfer your investments to another provider. If you instruct a transfer, you must let us know within the next 30 days otherwise we will sell your investments. You can choose to sell the investments to cash yourself and / or withdraw at any time during this period.

If you are renouncing your citizenship, you must tell us immediately and be able to provide copies of the DS4079 and DS4080 forms that you've submitted to the US Embassy.

If you believe the information on your account to be incorrect, you must notify us immediately. We will ask you to complete a self-certification form and provide a valid non-US passport.

Sell to Cash

We will sell all your investments with exception to any workplace pensions, these will not be affected. If you have suspended funds which can't be sold, these will be sold as soon we're able to do so; we will not write to you again before we do this.

When we sell your investments to cash, any regular income plans that you have will not be impacted, these will continue to be paid to you until you withdraw your cash off the Fidelity platform. The proceeds from the sale of your investments will be placed in each product and won't be moved. Cash will continue to earn interest whilst it remains in your account.

Your ISA and SIPP 'wrappers' will not be affected and you can still transfer your ISA or SIPP to another provider and retain the wrapper. You can also withdraw your cash from your ISA and GIA accounts at any time once we've completed the sale of your assets. With regards to your

SIPP you would need to follow the normal rules regarding when and how you withdraw money from your SIPP.

Fidelity will issue you a confirmation of transaction once the sell transaction has been completed.

If you hold a General Investment Account, you may be liable to pay Capital Gains tax. Fidelity won't be held liable for any losses, liabilities, costs, claims or expenses incurred because of having to sell your investments.

Tax Deductions (please note that tax deductions do not apply to SIPP accounts)

We will deduct any US withholding tax from your account. This is calculated at 24% of the value of any gross dividends, interest amounts, sale proceeds or fee rebates credited to your account since you were identified as a US person through the information on your account or since 1st April 2023, whichever date is most recent.

You will be able to see the tax amount on your statement which is issued on a quarterly basis and also the 1099 report. This is a US tax form that reports payments made in a calendar year to you, a copy is sent to you and to the IRS.

We will pass this money onto the IRS.

IRS Reporting

We will send you a copy of IRS form 1099 which will show you all of the transactions which we have reported to the IRS and for which we have deducted US withholding tax. We will also file a copy of this form with the IRS.

Read the enclosed Q&As for further information.

Q&As

What might make me a US person?

Any of these could make you a US person. If you believe you aren't a US person, or you've renounced your US citizenship, send us the documents we need as soon as possible.

I am a US citizen and/or I hold a US passport. I have a US Tax Identification Number (TIN).	You are a US person. Send us your US Tax Identification Number (TIN). Complete and sign the Self-Certification Form we've enclosed and send them back to us. Make sure you include your TIN.
I was born in the US	Send us your Certificate of Lost Nationality (sometimes called a renunciation certificate).

I have, or have had in the past, an address in the US	You'll need to confirm that this is no longer your current address and you aren't a US person. Complete and Sign the enclosed Self-Certification Form and send it back to us.
I hold bank accounts in the US	You'll need to confirm that you aren't a US person. Complete and Sign the enclosed Self-Certification Form and send it back to us.
I have provided Fidelity with some information that shows I may have been a US person in the past	You'll need to confirm that you aren't a US person any longer. Complete and Sign the enclosed Self-Certification Form and send it back to us.
I was a US citizen and/or I held a US passport. I have renounced my citizenship	Send us your Certificate of Lost Nationality (sometimes called a renunciation certificate).

Why do you need to know if I'm a US person?

We can't do business with US persons and they can't hold investments on our platform. It's in our Terms and Conditions.

If we believe you're a US person and we don't have a US Tax Identification Number (TIN) for you, we're required by US law to deduct US withholding tax and pay it to the US Internal Revenue Services (IRL).

What happens if I've already given you my TIN?

If you have recently provided us with a valid TIN, you don't need to do so again. We would recommend that you check your information to ensure the TIN is correct. If it is, withholding tax will not be deducted. If the TIN we hold for you is missing or invalid, withholding tax will be deducted.

If we have a TIN for you, you still can't hold investments on our platform but we won't need to deduct US withholding tax. Some of the restrictions on your account/s will be lifted.
This will allow you to sell and withdraw your investments with Fidelity or transfer to another provider.

If you have a TIN and haven't yet provided it to us, you must do so within 30 days of this letter, otherwise we will still deduct US withholding tax.

What happens if I've already confirmed that I'm not a US person?

If you have very recently provided us with information and we've been able to verify that you are not a US person, you don't need to take any further action. We recommend that you check your information to ensure your details are correct.

How can I renounce my US Citizenship?

You'll need a Certificate of Lost Nationality – sometimes called a renunciation certificate. You can ask the US Embassy and Consulates to issue you with one. Their website explains how to go about it: https://uk.usembassy.gov/loss-of-u-s-citizenship-i-e-expatriation

If you are renouncing, you must tell us immediately and be able to provide copies of the DS4079 and DS4080 forms that you've submitted to the US Embassy.

Any withholding tax up to the point of renunciation will still be deducted.

What do I do if the information on my account is wrong

If you believe information on your account which indicates that you are a US person is incorrect, please notify us immediately. We will ask you to complete a self-certification form and provide us with a valid non-US passport.

Why do you need to sell my investments?

Our Terms and Conditions state that we can't do business with US persons. That means you're not allowed to hold investments on our platform and they must be sold.

Can I sell my own investments?

You can sell the investments yourself but you must let us know within 30 days from the date of this letter otherwise Fidelity will sell your investments.

Will the cash stay in my ISA or SIPP?

Yes. The proceeds from the sale of your investments will be placed in each product and won't be moved. Your ISA and SIPP 'wrappers' will not be affected. You can transfer your ISA or SIPP to another provider and retain the wrapper.

What is a 1099 form

A 1099 form is a type of information return that documents certain types of income an individual may have received that are not considered employment income.