

[TEXT OF THE FATCA COMMENT LETTER SUBMITTED BY
IGNIS ASSET MANAGEMENT]

**Response on *Notice 2011-34*
The Foreign Account Tax Compliance Act (FATCA)
Provisions within the Hiring Incentives to
Restore Employment Act (HIRE)**

12 November 2010

As a member of various trade bodies Ignis Asset Management has had a chance to participate in submissions being made by those bodies on behalf of industry groups. However in view of the significant concerns which we have on the proposals and our ability to comply with FATCA we would also like to make the following additional comments.

We are in agreement and wholeheartedly endorse the concerns and recommendations made by both the IMA and EFAMA in their submissions dated 7 June.

Our major concerns relate to our ability to obtain end investor information and the data protection issues in relation to the onward supply of any information which we do obtain. We also have concerns as to whether we are legally permitted to withhold a tax equal to 30% of any pass through payment which is made to an account holder who is unwilling to supply the necessary information to satisfy US tax requirements.

The IMA submission set out details of how authorised investment funds are distributed in the UK and we can confirm that this accords with what happens in our business. A large proportion of our authorised funds are held by institutional investors which will be FFIs, a further sizeable percentage have been distributed via platforms and are held in the name of a nominee and we would like confirmation that these platforms will also be FFIs. There are likely to be many small financial advisers who operate as sole traders who could be FFIs but for whom the administration burden of these proposals would be untenable.

As stated by both EFAMA and IMA UK authorised funds are very heavily regulated and not the obvious investment of choice for a US tax evader and we believe that the recommendations made by EFAMA would provide a more workable framework which would allow us to fully comply with FATCA.