



Government of Bermuda, Ministry of Finance

CRS INDEPENDENT COMPLIANCE REVIEWS FREQUENTLY ASKED QUESTIONS (FAQs)

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Q1: Who is required to undertake a CRS Independent Compliance Review?

Any Bermuda Reporting Financial Institution (“RFI”) that receives a Notice to undertake a CRS Independent Compliance Review (“Independent Review Notice”) via email will be required to either engage an independent reviewer to conduct such a review, or elect to have the Ministry conduct the required CRS compliance review.

Q2: What must be reviewed as part of the CRS Independent Compliance Review?

Where a Bermuda RFI receives an Independent Review Notice, the independent reviewer engaged by the Bermuda RFI must conduct its review in accordance with the procedures described in Section 3 of the *CRS Independent Compliance Review Guidelines*, which broadly include the following compliance areas:

- 3.2.1 – Account identification and monitoring
- 3.2.2 – Pre-existing individual account due diligence
- 3.2.3 – New individual account due diligence
- 3.2.4 – Pre-existing entity account due diligence
- 3.2.5 – New entity account due diligence
- 3.2.6 – Reporting systems and procedures

Q3: Does the review need to be conducted on-site or can this be done remotely?

The Ministry recognizes there may be practical challenges related to on-site reviews, and as such the independent reviewer may use copies of any account records or written materials provided by the RFI. Nevertheless, the RFI must permit the independent reviewer to have access to the complete and unaltered account holder records in the original format if the independent reviewer deems it necessary to examine originals.

Q4: What is the timeline for conducting the CRS Independent Compliance Review?

The Bermuda RFI must have the independent reviewer conduct the required review and provide the report to the Ministry within 90 days of receipt of the Independent Review Notice, unless the Notice states an alternative timeframe (which will be a minimum of 90 days).

Q5: Are there any extensions available?

The Bermuda RFI may submit a request for extension of not more than 30 days, which will be reviewed and considered by the Ministry.

Q6: Should the Independent Reviewer be an individual or an entity?

The Independent Reviewer may be either an individual or an entity, provided they meet the qualification criteria outlined in section 4.2 of the guidelines.

Q7: What is considered to be “in good standing” with CPA Bermuda?

The Ministry will consider an independent reviewer applicant to be “in good standing” with CPA Bermuda if they are an individual or corporate member of CPA Bermuda who has fulfilled the requirements for membership and whose rights and privileges of membership in CPA Bermuda have not been suspended following appropriate proceedings or are not currently under investigation by the Executive Committee, a discipline committee or an appeal committee as outlined in the Chartered Professional Accountants of Bermuda By-Laws 2006.

Q8: How should the independence standard be applied for the CRS Independent Reviews?

Section 4.2 of the CRS Independent Review Guidelines provide that the reviewer must be independent of the RFI that is subject to the review. ‘Independent’ in this context should be interpreted to mean that the reviewer must have sufficient independence to conduct the review objectively and cannot review his or her own work. The Ministry will permit a reviewer to apply the standards of independence that would otherwise apply to its engagement to conduct the CRS review.

Q9: Are there templates available for the independent reviewer approval letter, certification letter, or findings report?

Templates have been developed for both the independent reviewer approval letter and certification letter, and can be accessed on the Bermuda Government’s [CRS webpage](#). The letters are to be considered recommended templates and may be amended as deemed necessary prior to submission.

For the findings report, the Ministry does not intend to issue a standard template as the requirements outlined in the guidelines are viewed as sufficiently prescriptive. Independent Reviewers may use standard internal audit template reports or similar report templates that are maintained by their organization and which facilitate reporting of fact-based findings, provided that all of the data points and other requirements outlined in section 3.2 and 4.3 of the guidelines are included.