

Note: Qtrade is required to confirm your Treaty Statement Declaration every three years

1. ACCOUNT DETAILS

Entity Name	Entity Type	Account Number
Authorized Person Name		Contact Number

2. TREATY STATEMENT DECLARATION

The Entity, a resident of Canada, meets all provisions of the income tax treaty entered into between Canada and the United States of America ("Canada-US Treaty") that are necessary to claim a reduced rate of withholding, including any limitation on benefits provisions, and derives the income within the meaning of section 894 of the Internal Revenue Code and the regulations thereunder, as the beneficial owner. The Entity meets the following limitation on benefits provision contained in the Canada-US Treaty: (Select One):

- Government
- Tax exempt pension trust or pension fund
- Other tax exempt organization (Includes Not-for Profit)
- Publicly traded corporation or trust
- Subsidiary of a publicly traded corporation or trust
- Company or trust that meets the ownership and base erosion test
- Company that meets the derivative benefits test
- Company with an item of income that meets the active trade test or business test
- Favorable discretionary determination by the U.S. competent authority received
- Estate
- Other (specify Article and paragraph): \_\_\_\_\_

x Authorized Person Signature	Title	Date (dd/mm/yyyy)
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3. EXPLANATION OF THE LIMITATION ON BENEFITS TREATY STATEMENT

Explanation of the Limitation on Benefits Provision and Treaty Statement

The Internal Revenue Service of the United States of America (the "IRS") has recently effected changes that impact all clients investing in U.S. securities. The changes will impact U.S. withholding tax on U.S. source investment income and are effective January 1, 2017. **Please note that this document/explanation is not intended for natural persons (individuals) who are resident of the Canada-US Treaty.**

**This explanation is meant to assist certain clients in obtaining only a general understanding of their requirements under the new withholding tax rules. It is not intended to be, nor should it be construed to be, legal or tax advice to any client, prospective or otherwise. Clients are encouraged to consult their own tax or legal advisors for further clarification, if required.**

For more information, please refer to the tax treaty's section of the IRS website: <https://www.irs.gov/individuals/international-taxpayers/tax-treaty-tables>; or the Department of Finance Canada website: [http://www.fin.gc.ca/treaties-conventions/in\\_force--eng.asp#UnitedStates](http://www.fin.gc.ca/treaties-conventions/in_force--eng.asp#UnitedStates).

In order to receive reduced treaty rates of withholding tax on U.S. investment income, clients must certify that they are eligible for treaty benefits and must specify the limitation on benefits ("LOB") provisions under the Canada-US Treaty ("Treaty") on which the client is relying. Failure to certify the treaty statement and the LOB statement would result in the application of non-treaty rate withholding.

The reference to section 894 of the Code and the regulations thereunder refers to the Internal Revenue Code and the related Income Tax Regulations. The LOB article, found in Section XXIX-A of the Treaty, defines who can benefit from treaty rates. Certification of the statement indicates that the recipient of U.S. source income meets the definition of a "qualifying person" as set forth in Article XXIX-A of the Treaty. Treaty benefits may still be available to clients that are not "qualifying persons", if that person satisfies other tests stipulated in the Treaty.

Listed below are explanations of the LOB categories under the Treaty.

**Government** – This test is met if the entity is the contracting State, political subdivision, or local authority. Para 2 (b) Art. XXIX-A\*

**Tax-exempt pension trust or pension fund** – this test generally requires that more than half the beneficiaries or participants in the trust or fund be residents of the country of residence of the trust or fund itself. Para 2 (h) Art. XXIX-A\*

**Other tax-exempt organization** – this test generally requires that more than half the beneficiaries, members, or participants of religious, charitable, scientific, artistic, cultural, or educational organizations be residents of the country of residence of the organization. Para 2 (g) Art. XXIX-A\*

**Publicly-traded corporation or trust** – this test generally requires the corporation's principal class of shares or the trust's units to be primarily and regularly traded on a recognized stock exchange in its country of residence. Para 2 (c) Art. XXIX-A\*

**Subsidiary of publicly-traded corporation or trust** – this test generally requires that more than 50% of the vote and value of the company's shares be owned, directly or indirectly, by five or fewer companies or trusts that are publicly-traded and that themselves meet the publicly-traded corporation or trust test, as long as all companies or trusts in the chain of ownership are resident in either the U.S. or the same country of residence as the subsidiary. Para 2 (d) Art. XXIX-A\*

**Company or trust that meets the ownership and base erosion test –**

**Company** – this test generally requires that more than 50% of the vote and value of the company's shares be owned, directly or indirectly, by individuals, governments, tax-exempt entities, and publicly-traded corporations resident in the same country as the company, as long as all companies in the chain of ownership are resident in the same country of residence, and less than 50% of the company's gross income is accrued or paid, directly or indirectly, to persons who would not be qualifying persons for purposes of the ownership test. Para 2 (e)(i) Art. XXIX-A\*

**Trust** – this test generally requires that 50% or more of the beneficial interest be owned, directly or indirectly, by qualifying persons and less than 50% of the trust's gross income is accrued or paid, directly or indirectly, to persons who would not be qualifying persons for purposes of the ownership test. Para 2 (e)(ii) Art. XXIX-A\*

**Company that meets the derivative benefits test** – this test is generally limited to NAFTA, EU, and EEA country treaties, and may apply to all benefits or only to certain items of income (interest, dividends, and royalties). It generally requires that more than 95% of the aggregate vote and value of the company's shares be owned, directly or indirectly, by seven or fewer equivalent beneficiaries (ultimate owners who are resident in an EU, EEA, or NAFTA country and are entitled to identical benefits under their own treaty with the U.S. under one of the ownership tests included within the LOB article (other than the stock ownership and base erosion test)). In addition, this test requires that less than 50% of the company's gross income be paid or accrued, directly or indirectly, to persons who would not be equivalent beneficiaries. Para 4 Art. XXIX-A\*

**Company with an item of income that meets the active trade or business test** – this test generally requires that the company be engaged in an active trade or business in its country of residence, that its activities in that country be substantial in relation to its U.S. activities, if the payer is a related party, and the income be derived in connection to or incidental to that trade or business. Para 3 Art. XXIX-A\*

**Favorable discretionary determination received** – this test requires that the company obtain a favorable determination granting benefits from the U.S. competent authority that, despite the company's failure to meet a specific objective LOB test in the applicable treaty, it may nonetheless claim the requested benefits. Note: Unless a treaty or technical explanation specifically provides otherwise, you may not claim discretionary benefits while your claim for discretionary benefits is pending. Para 6 Art. XXIX-A\*

**Estate** – Para 2 (f) Art. XXIX-A\*

**Other** – for other LOB tests that are not listed above, identify the other test relied upon, or enter N/A if the treaty has no LOB article.

\*For Canadian residents only: Relevant paragraphs and articles of the Canada-US Withholding Tax Treaty.