

Instructions for the Substitute Form W-8BEN-E for Canadian Entities

Form Completion Guide

(To be used in conjunction with Appendices A to I)



This form is to be used only by Canadian entities that are not Financial Institutions.
(See Appendix A for the definition of a Canadian Financial Institution)

Part I: All Lines are Mandatory

1. Enter the full legal name of the entity as shown on the organizational documents.

2. Enter the entity's country of incorporation or organization (for example, Canada). Do not abbreviate.

3. Check the box that represents the type of entity under U.S. (not Canadian) tax principles. If none of these apply, the IRS version of the W-8BEN-E is required.

4. Enter the permanent residence address of the entity (the physical location or the registered address indicated on the organizational documents).

Part I Identification of Beneficial Owner			
1	Name of organization that is the beneficial owner (Full legal name of the entity as shown on the organizational documents)	2	Country of incorporation or organization
3	Chapter 3 Status (Entity Type) (Must check one box only): <input type="checkbox"/> Corporation <input type="checkbox"/> Complex trust <input type="checkbox"/> Estate		
4	Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address (other than a registered address).		
	City or town	Province	Postal Code Country

Part II: Complete if eligible for reduced rate of withholding under the Canada – U.S. Tax Treaty



See Appendix B for information about eligibility and the Limitation on Benefits (LOB) provisions
Appendix C contains Article XXIX A – Limitation on Benefits from the Canada-U.S. Tax Treaty

Check 5a and enter the country name (for example, Canada). Do not abbreviate.

Check the applicable LOB provision for 5b. If “Other” the Article and paragraph must be specified.

Part II Claim of Tax Treaty Benefits (if applicable) (For chapter 3 purposes only.)

Canadian entities may qualify for reduced withholding on U.S. source income (see Instructions – Appendix B)

5 I certify that:

a The beneficial owner is a resident of within the meaning of the income tax treaty between the United States and that country.

b The beneficial owner derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits identified below (check only one; see Instructions – Appendix B and C):

<input type="checkbox"/> Government	<input type="checkbox"/> Company that meets the ownership and base erosion test
<input type="checkbox"/> Tax exempt pension trust or pension fund	<input type="checkbox"/> Company that meets the derivative benefits test
<input type="checkbox"/> Other tax exempt organization	<input type="checkbox"/> Company with an item of income that meets active trade or business test
<input type="checkbox"/> Publicly traded corporation	<input type="checkbox"/> Favorable discretionary determination by the U.S. competent authority received
<input type="checkbox"/> Subsidiary of a publicly traded corporation	<input type="checkbox"/> Other (specify Article and paragraph):

Line 6: Special Rates and Conditions



See Appendix D for more information about the claim for Special Tax Rates and what needs to be included on the form.
Appendix E contains Article XXI - Exempt Organizations from the Canada-U.S. Tax Treaty

Enter the specific Treaty article and paragraph.

Enter the tax rate and type of income.

Explain how the entity meets the provisions of the Tax Treaty.

6 **Special rates and conditions** (if applicable; see Instructions – Appendix D):

The beneficial owner is claiming the provisions of Article and paragraph
of the treaty identified on line 5a above to claim a % rate of withholding on (specify type of income):

Explain the additional conditions in the Article the beneficial owner meets to be eligible for the rate of withholding:
.....
.....
.....

Part III: Mandatory – Complete the (one) section that applies to the Status

Refer to the Appendices below to determine the FATCA status:



Account that is not a Financial Account
 Active NFFE
 Passive NFFE

Appendix F
 Appendix G
 Appendix H

7. If the account is not a Financial Account, check the box that describes the entity.

8. Check the box if the entity is an Active NFFE.

Part III Chapter 4 Status – FATCA status pursuant to the Canada-U.S. Intergovernmental Agreement (IGA)

Complete ONE of the following sections (7, 8, or 9). By completing the section, you are representing that the entity identified on line 1 qualifies for the classification indicated.

7 Account that is not a Financial Account (see Instructions – Appendix F)
 I certify that the entity identified on line 1 is a Canadian entity that is excluded from the definition of a Financial Account under Regulations section 1.1471-5(b)(2) of the U.S. Treasury Regulations or under Annex II, Section IV of the Canada-U.S. Intergovernmental Agreement (IGA) and is (check only one):

<input type="checkbox"/> a Deferred Profit Sharing Plan (DPSP)	<input type="checkbox"/> an Estate
<input type="checkbox"/> a Registered Pension Plan (RPP) (including an Individual Pension Plan (IPP))	<input type="checkbox"/> an Escrow (if eligible)

8 Active Non-Financial Foreign Entity (Active NFFE) (see Instructions – Appendix G for the full definition)
 Canadian entities that carry on an active trade or business are generally Active NFFEs. A Canadian "Active NFFE" includes any NFFE that meets any of the following criteria:

- Less than 50% of the entity's gross income for the preceding calendar year or other reporting period is passive, meaning derived from the mere holding of property, such as interest, dividends, rents and royalties, and less than 50% of its assets are held during the preceding calendar year or other reporting period, with the sole purpose of generating passive income;
- A registered charity, or a club, association or arrangement in Canada operated exclusively for religious, charitable, scientific, artistic, cultural, athletic or educational purposes;
- A corporation with shares that regularly trade on an established securities market;
- A government or international organization (or agency thereof).

I certify that the entity identified on line 1 is a Canadian entity that meets the definition of an Active NFFE pursuant to the Canada-U.S. Intergovernmental Agreement (IGA).

Part III: Mandatory – Complete the (one) section that applies to the Status (Continued)

A Canadian entity will be a Passive NFFE if it is not a Financial Institution, an Active NFFE, or an Account that is not a Financial Account

Check the box, if not a Financial Institution, an Active NFFE, or an Account that is not a Financial Account. If checked, complete Part IV, the Controlling Persons Statement.

9 Passive Non-Financial Foreign Entity (Passive NFFE) (see Instructions – Appendix H)

A Canadian entity will be a Passive NFFE if it is not a Financial Institution, an Active NFFE, or an Account that is not a Financial Account.

Controlling Persons are the individuals who exercise control over an Entity: (see Instructions)

- For a trust, a Controlling Person means the settlor, the trustees, the protector (if any) and any known beneficiaries. If there are no individuals that are Controlling Persons, the individual(s) with ultimate effective control of the trust will be treated as the controlling person(s);
- For a corporation or non-corporate entity other than a trust, a Controlling Person is an individual who owns or controls (directly or indirectly) 10% or more of the entity. If there are no individuals that are Controlling Persons, a Director or Senior Official of the entity will be treated as the controlling person.

For the purposes of identifying Controlling Person(s), “U.S. Person” means an individual who is:

- a U.S. citizen, including those with dual citizenship; or
- a U.S. resident, including a lawful permanent resident (green card holder) and an individual who meets the substantial presence test

I certify that:

- the entity identified on line 1 is a Canadian entity that is not a Financial Institution and is not certifying its status as an Active NFFE;
- the Name and Address of all Controlling Persons of the entity have been listed in Part IV;
- the U.S. TIN has been provided for each U.S. Person.

If the box above is checked, complete Part IV, the Controlling Persons Statement.

Part IV: Controlling Persons Statement



Complete this section only if the entity identified on line 1 is a Passive NFFE.

Enter details of all Controlling Persons

Full Name – The name of any US Persons must match the name on their US tax return.

Permanent Address - Enter the permanent residence address of each individual including the postal code.

If a U.S. Person, enter "Yes", if not, Enter "No"

If a U.S. Person, enter the SSN or ITIN

Part IV Controlling Persons Statement			
Complete this section only if the entity identified on line 1 is a Passive NFFE.			
Name	Permanent Residence Address (including postal code)	U.S. Person (Yes or No)	U.S. SSN or ITIN (Mandatory if U.S. Person)

Additional Controlling Persons may be listed on a Statement and attached to the form. (Either a photocopy of Part IV or a separate statement are acceptable)

Part V: Certification (Mandatory)



This Certification must be completed by an authorized representative or officer

Sign and date the form

Print your name

Check the box to certify that you have the authorization to sign the form.

Extra lines are provided for entities which require multiple signatures on documents.

Part V Certification	
<p>Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under the penalties of perjury that:</p> <ul style="list-style-type: none"> • The entity identified on line 1 of this form is the beneficial owner of all the income to which this form relates, is using this form to certify its status for chapter 4 purposes, or is a merchant submitting this form for purposes of section 6050W; • The entity identified on line 1 of this form is not a U.S. person; • The income to which this form relates is: (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income; and • For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions. <p>Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which the entity on line 1 is the beneficial owner or any withholding agent that can disburse or make payments of the income of which the entity on line 1 is the beneficial owner.</p> <p>I agree that I will submit a new form within 30 days if any certification on this form becomes incorrect.</p> <p>The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person, establish your Chapter 4 status (if required), and, if applicable, obtain a reduced rate of withholding.</p>	
Sign Here	<p>----- Signature of individual authorized to sign for beneficial owner</p>
	<p>----- Date (MM-DD-YYYY)</p>
Print Name	<p>----- _____</p>
	<p><input type="checkbox"/> I certify that I have the capacity to sign for the entity identified on line 1 of this form.</p>
<p>This section may be used for entities that require multiple signatures.</p>	
	<p>----- Signature of individual authorized to sign for beneficial owner</p>
	<p>----- Date (MM-DD-YYYY)</p>
	<p>----- Print name</p>
	<p><input type="checkbox"/> I certify that I have the capacity to sign for the entity identified on line 1 of this form.</p>
	<p>----- Signature of individual authorized to sign for beneficial owner</p>
	<p>----- Date (MM-DD-YYYY)</p>
	<p>----- Print name</p>
	<p><input type="checkbox"/> I certify that I have the capacity to sign for the entity identified on line 1 of this form.</p>

Affidavit of Unchanged Status (Optional)



Complete the Affidavit of Unchanged Status if 30% tax has been withheld from any US source income paid into your account during the current year and you would like a tax refund.

If any of the information on the W-8BEN-E has changed since January 1 of the current year or the account opening date, whichever is later, do not complete the “Affidavit of Unchanged Status”. A separate Affidavit is required.

Please contact your RBC representative to obtain this form.

If completed, the Affidavit must be signed by the same individual(s) who signed the Certification in Part V.

Extra lines are provided for entities which require multiple signatures on documents.

AFFIDAVIT OF UNCHANGED STATUS							
<p>I declare that all the information and certifications contained herein have been true and correct and remained the same and unchanged since January 1 of the current year or the account opening date, whichever is later. (If any information on the form has changed since January 1 of the current year or the account opening date, whichever is later, please complete a separate affidavit.)</p> <p>Under penalties of perjury, I declare that the above certification is, to the best of my knowledge and belief, true, correct and complete</p>							
<p>Sign Here</p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px dashed black; width: 70%;"></td> <td style="border-bottom: 1px dashed black; width: 30%; text-align: right;">Date (MM-DD-YYYY)</td> </tr> <tr> <td style="border-bottom: 1px dashed black;"></td> <td style="border-bottom: 1px dashed black; text-align: right;">Date (MM-DD-YYYY)</td> </tr> <tr> <td style="border-bottom: 1px dashed black;"></td> <td style="border-bottom: 1px dashed black; text-align: right;">Date (MM-DD-YYYY)</td> </tr> </table>		Date (MM-DD-YYYY)		Date (MM-DD-YYYY)		Date (MM-DD-YYYY)
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Instructions for the Substitute Form W-8BEN-E (Canadian Entities)

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Appendix A: Canadian Financial Institutions

An entity will be a Canadian Financial Institution if it is included in the definition of “listed financial institutions” in Part XVIII, subsection 263(1) of the Income Tax Act (Canada).

The following types of Canadian entities are listed Canadian Financial Institutions:

- a. an authorized foreign bank within the meaning of section 2 of the *Bank Act* in respect of its business in Canada, or a bank to which that Act applies;
- b. a cooperative credit society, a savings and credit union, or a caisse populaire regulated by a provincial Act;
- c. an association regulated by the *Cooperative Credit Associations Act*;
- d. a central cooperative credit society, as defined in section 2 of the *Cooperative Credit Associations Act*, or a credit union central or a federation of credit unions or caisses populaires that is regulated by a provincial Act other than one enacted by the legislature of Quebec;
- e. a financial services cooperative regulated by *An Act respecting financial services cooperatives*, R.S.Q., c. C-67.3, or *An Act respecting the Mouvement Desjardins*, S.Q. 2000, c. 77;
- f. a life company or a foreign life company to which the *Insurance Companies Act* applies or a life insurance company regulated by a provincial Act;
- g. a company to which the *Trust and Loan Companies Act* applies;
- h. a trust company regulated by a provincial Act;
- i. a loan company regulated by a provincial Act;
- j. an entity authorized under provincial legislation to engage in the business of dealing in securities or any other financial instruments, or to provide portfolio management, investment advising, fund administration, or fund management, services;
- k. an entity that is represented or promoted to the public as a collective investment vehicle, mutual fund, exchange traded fund, private equity fund, hedge fund, venture capital fund, leveraged buyout fund, or similar investment vehicle that is established to invest or trade in financial assets and that is managed by an entity referred to in paragraph (j);
- l. an entity that is a clearing house or clearing agency; or
- m. a department or an agent of Her Majesty in right of Canada or of a province that is engaged in the business of accepting deposit liabilities.

Appendix B: Claim of Tax Treaty Benefits

Eligibility and information about Limitation on Benefits provisions:

In order to claim treaty benefits, an entity must be a resident of the treaty country and also derive and beneficially own the item of income as well as satisfy the limitation on benefits (LOB) article of that treaty, if any. An entity is required to check the relevant box associated with the LOB test it meets with respect to the treaty benefits associated with this form, or to check a box that it has obtained a favorable discretionary determination from the U.S. competent authority.

For your convenience, each of the tests is summarized below, but these summaries may not be relied upon for making a final determination that you meet an LOB test. You must check the text of the LOB article itself to determine which tests are available under your treaty and the particular requirements of those tests. Note: Appendix C contains the full text of Article XXIX A - Limitation on Benefits from the Canada – US Tax Treaty.

IRS Table 4: Limitation on Benefits has a summary of the major tests within the LOB articles that are relevant for documenting any entity’s claim for treaty benefits:

https://www.irs.gov/pub/irs-utl/Tax_Treaty_Table_4.pdf

Here is the excerpt from IRS Table 4 for Canada:

		Limitation on Benefits Tests (Safe Harbors) ²										
Name	Code	Treaty Article Citation	Publicly Traded Companies ⁰⁵ or Subsidiary of Publicly Traded Companies ⁰⁶		Tax Exempt Organization and Pension Funds ^{03, 04}	Stock Ownership and Base Erosion Test ⁰⁷		Active Business ⁰⁹	Discretionary Determination ¹⁰	Derivative Benefits ⁰⁸		
			Same Country ^{3a}	U.S. or Same Country ^{3b}		Same Country ^{5a}	U.S. or same country ^{5b}			Comp benefits ^{8a}	Comp Rates ^{8b}	Named benefits ^{8c}
Canada [P07 in effect (25)]	CA	XXIX A		XXIX A (2)(c)	XXIX A (2)(g)		XXIX A (2)(d), (e)	XXIX A (3)	XXIX A (6)			XXIX A (4)

LOB Tests:

Government — this test is met if the entity is the Contracting State, political subdivision, or local authority.

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.

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.

Publicly-traded corporation — this test generally requires the corporation's principal class of shares to be primarily and regularly traded on a recognized stock exchange in its country of residence, while other treaties may permit trading in either the U.S. or the treaty country, or in certain third countries if the primary place of management is the country of residence.

Subsidiary of publicly-traded corporation — 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 that are publicly-traded corporations and that themselves meet the publicly-traded corporation test, as long as all companies in the chain of ownership are resident in either the U.S. or the same country of residence as the subsidiary.

Company that meets the ownership and base erosion test — 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 good shareholders for purposes of the ownership test.

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.

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.

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.

Other — for other LOB tests that are not listed above - Identify the other test relied upon.

Appendix C: Article XXIX A - Limitation on Benefits

Excerpt from the Canada – US Tax Treaty

1. For the purposes of the application of this Convention by a Contracting State,
 - (a) a qualifying person shall be entitled to all of the benefits of this Convention; and
 - (b) except as provided in paragraphs 3, 4 and 6, a person that is not a qualifying person shall not be entitled to any benefits of this Convention.

2. For the purposes of this Article, a qualifying person is a resident of a Contracting State that is:
 - (a) a natural person;
 - (b) a Contracting State or a political subdivision or local authority thereof, or any agency or instrumentality of any such State, subdivision or authority;
 - (c) a company or trust whose principal class of shares or units (and any disproportionate class of shares or units) is primarily and regularly traded on one or more recognized stock exchanges;
 - (d) a company, if five or fewer persons each of which is a company or trust referred to in subparagraph (c) own directly or indirectly more than 50 percent of the aggregate vote and value of the shares and more than 50 percent of the vote and value of each disproportionate class of shares (in neither case including debt substitute shares), provided that each company or trust in the chain of ownership is a qualifying person;
 - (e)
 - (i) a company, 50 percent or more of the aggregate vote and value of the shares of which and 50 percent or more of the vote and value of each disproportionate class of shares (in neither case including debt substitute shares) of which is not owned, directly or indirectly, by persons other than qualifying persons; or
 - (ii) a trust, 50 percent or more of the beneficial interest in which and 50 percent or more of each disproportionate interest in which, is not owned, directly or indirectly, by persons other than qualifying persons;

where the amount of the expenses deductible from gross income (as determined in the State of residence of the company or trust) that are paid or payable by the company or trust, as the case may be, for its preceding fiscal period (or, in the case of its first fiscal period, that period) directly or indirectly, to persons that are not qualifying persons is less than 50 percent of its gross income for that period;

- (f) an estate;
- (g) a not-for-profit organization, provided that more than half of the beneficiaries, members or participants of the organization are qualifying persons;

- (h) a trust, company, organization or other arrangement described in paragraph 2 of Article XXI (Exempt Organizations) and established for the purpose of providing benefits primarily to individuals who are qualifying persons, or persons who were qualifying persons within the five preceding years; or
 - (i) a trust, company, organization or other arrangement described in paragraph 3 of Article XXI (Exempt Organizations) provided that the beneficiaries of the trust, company, organization or other arrangement are described in subparagraph (g) or (h).
3. Where a person is a resident of a Contracting State and is not a qualifying person, and that person, or a person related thereto, is engaged in the active conduct of a trade or business in that State (other than the business of making or managing investments, unless those activities are carried on with customers in the ordinary course of business by a bank, an insurance company, a registered securities dealer or a deposit-taking financial institution), the benefits of this Convention shall apply to that resident person with respect to income derived from the other Contracting State in connection with or incidental to that trade or business (including any such income derived directly or indirectly by that resident person through one or more other persons that are residents of that other State), but only if that trade or business is substantial in relation to the activity carried on in that other State giving rise to the income in respect of which benefits provided under this Convention by that other State are claimed.
4. A company that is a resident of a Contracting State shall also be entitled to the benefits of Articles X (Dividends), XI (Interest) and XII (Royalties) if:
- (a) its shares that represent more than 90 percent of the aggregate vote and value of all of its shares and at least 50 percent of the vote and value of any disproportionate class of shares (in neither case including debt substitute shares) are owned, directly or indirectly, by persons each of whom is a qualifying person or a person who:
 - (i) is a resident of a country with which the other Contracting State has a comprehensive income tax convention and is entitled to all of the benefits provided by that other State under that convention;
 - (ii) would qualify for benefits under paragraphs 2 or 3 if that person were a resident of the first-mentioned State (and, for the purposes of paragraph 3, if the business it carried on in the country of which it is a resident were carried on by it in the first-mentioned State); and
 - (iii) would be entitled to a rate of tax in the other Contracting State under the convention between that person's country of residence and that other State, in respect of the particular class of income for which benefits are being claimed under this Convention, that is at least as low as the rate applicable under this Convention; and
 - (b) The amount of the expenses deductible from gross income (as determined in the company's State of residence) that are paid or payable by the company for its preceding fiscal period (or, in the case of its first fiscal period, that period) directly or indirectly to persons that are not qualifying persons is less than 50 percent of the company's gross income for that period.

5. For the purposes of this Article,

(a) the term "debt substitute share" means:

- (i) a share described in paragraph (e) of the definition "term preferred share" in the Income Tax Act, as it may be amended from time to time without changing the general principle thereof; and
- (ii) such other type of share as may be agreed upon by the competent authorities of the Contracting States.

(b) the term "disproportionate class of shares" means any class of shares of a company resident in one of the Contracting States that entitles the shareholder to disproportionately higher participation, through dividends, redemption payments or otherwise, in the earnings generated in the other State by particular assets or activities of the company;

(c) the term "disproportionate interest in a trust" means any interest in a trust resident in one of the Contracting States that entitles the interest holder to disproportionately higher participation in, or claim to, the earnings generated in the other State by particular assets or activities of the trust;

(d) the term "not-for-profit organization" of a Contracting State means an entity created or established in that State and that is, by reason of its not-for-profit status, generally exempt from income taxation in that State, and includes a private foundation, charity, trade union, trade association or similar organization;

(e) the term "principal class of shares" of a company means the ordinary or common shares of the company, provided that such class of shares represents the majority of the voting power and value of the company. If no single class of ordinary or common shares represents the majority of the aggregate voting power and value of the company, the "principal class of shares" are those classes that in the aggregate represent a majority of the aggregate voting power and value of the company; and

(f) the term "recognized stock exchange" means:

- (i) the NASDAQ System owned by the National Association of Securities Dealers, Inc. and any stock exchange registered with the Securities and Exchange Commission as a national securities exchange for purposes of the Securities Exchange Act of 1934;
- (ii) Canadian stock exchanges that are "prescribed stock exchanges" or "designated stock exchanges" under the Income Tax Act; and
- (iii) any other stock exchange agreed upon by the Contracting States in an exchange of notes or by the competent authorities of the Contracting States.

6. Where a person that is a resident of a Contracting State is not entitled under the preceding provisions of this Article to the benefits provided under this Convention by the other Contracting State, the competent authority of that other State shall, upon that person's request, determine on the basis of all factors including the history, structure, ownership and operations of that person whether:
- (a) its creation and existence did not have as a principal purpose the obtaining of benefits under this Convention that would not otherwise be available; or
 - (b) it would not be appropriate, having regard to the purpose of this Article, to deny the benefits of this Convention to that person.

The person shall be granted the benefits of this Convention by that other State where the competent authority determines that subparagraph (a) or (b) applies.

7. It is understood that this Article shall not be construed as restricting in any manner the right of a Contracting State to deny benefits under this Convention where it can reasonably be concluded that to do otherwise would result in an abuse of the provisions of this Convention.

Appendix D: Claim of Tax Treaty Benefits: Special rates and conditions under the Canada - US Tax treaty

Applicable to:

- Religious, scientific, literary, educational or charitable organization
- Trust, company or other organization constituted and operated exclusively to administer or provide benefits under one or more funds or plans established to provide pension, retirement or other employee benefits

The following information should be included on the form:

Exemption for:	Article and Paragraph	Rate of Withholding	Type of Income	Additional Conditions Met
Religious, Scientific, Literary, Educational or Charitable organization	Article XXI Paragraph 1	0%	All Income	<ul style="list-style-type: none"> • Specify type of organization • Confirm entity is a resident of Canada • Confirm entity is exempt from tax in Canada
Trust, Company or other organization constituted and operated exclusively to administer or provide benefits under one or more funds or plans established to provide pension, retirement or other employee benefits	Article XXI Paragraph 2	0%	Interest & Dividends	<ul style="list-style-type: none"> • Specify type of organization • Confirm entity is a resident of Canada • Confirm entity is exempt from tax in Canada • Describe type of benefits provided

Appendix E: Article XXI - Exempt Organizations

Excerpt from the Canada – US Tax Treaty

1. Subject to the provisions of paragraph 4, income derived by a religious, scientific, literary, educational or charitable organization shall be exempt from tax in a Contracting State if it is resident in the other Contracting State, but only to the extent that such income is exempt from tax in that other State.
2. Subject to the provisions of paragraph 4, income referred to in Articles X (Dividends) and XI (Interest) derived by a trust, company, organization or other arrangement that is a resident of a Contracting State, generally exempt from income taxation in a taxable year in that State and operated exclusively to administer or provide pension, retirement or employee benefits shall be exempt from income taxation in that taxable year in the other Contracting State.
3. Subject to the provisions of paragraph 4, income referred to in Articles X (Dividends) and XI (Interest) derived by a trust, company, organization or other arrangement that is a resident of a Contracting State, generally exempt from income taxation in a taxable year in that State and operated exclusively to earn income for the benefit of one or more of the following:
 - (a) an organization referred to in paragraph 1; or
 - (b) a trust, company, organization or other arrangement referred to in paragraph 2;shall be exempt from income taxation in that taxable year in the other Contracting State.
4. The provisions of paragraphs 1, 2 and 3 shall not apply with respect to the income of a trust, company, organization or other arrangement from carrying on a trade or business or from a related person other than a person referred to in paragraphs 1, 2 or 3.
5. A religious, scientific, literary, educational or charitable organization which is resident in Canada and which has received substantially all of its support from persons other than citizens or residents of the United States shall be exempt in the United States from the United States excise taxes imposed with respect to private foundations.
6. For the purposes of United States taxation, contributions by a citizen or resident of the United States to an organization which is resident in Canada, which is generally exempt from Canadian tax and which could qualify in the United States to receive deductible contributions if it were resident in the United States shall be treated as charitable contributions; however, such contributions (other than such contributions to a college or university at which the citizen or resident or a member of his family is or was enrolled) shall not be deductible in any taxable year to the extent that they exceed an amount determined by applying the percentage limitations of the laws of the United States in respect of the deductibility of charitable contributions to the income of such citizen or resident arising in Canada. The preceding sentence shall not be interpreted to allow in any taxable year

deductions for charitable contributions in excess of the amount allowed under the percentage limitations of the laws of the United States in respect of the deductibility of charitable contributions. For the purposes of this paragraph, a company that is a resident of Canada and that is taxable in the United States as if it were a resident of the United States shall be deemed to be a resident of the United States.

7. For the purposes of Canadian taxation, gifts by a resident of Canada to an organization that is a resident of the United States, that is generally exempt from United States tax and that could qualify in Canada as a registered charity if it were a resident of Canada and created or established in Canada, shall be treated as gifts to a registered charity; however, no relief from taxation shall be available in any taxation year with respect to such gifts (other than such gifts to a college or university at which the resident or a member of the resident's family is or was enrolled) to the extent that such relief would exceed the amount of relief that would be available under the Income Tax Act if the only income of the resident for that year were the resident's income arising in the United States. The preceding sentence shall not be interpreted to allow in any taxation year relief from taxation for gifts to registered charities in excess of the amount of relief allowed under the percentage limitations of the laws of Canada in respect of relief for gifts to registered charities.

Appendix F: Accounts that are not Financial Accounts

I. Accounts that are excluded under Treasury Regulation 1.1471-5(b)(2) include:

Account held by an estate

An account that is held solely by an estate if the documentation for such account includes a copy of the deceased's will or death certificate.

Account or product excluded under an intergovernmental agreement

An account or product that is excluded from the definition of financial account under the terms of an applicable Model 1 IGA or Model 2 IGA.

II. Accounts that are excluded under the Canadian IGA (Annex II, Section IV)

The following accounts and products established in Canada and maintained by a Canadian Financial Institution shall be treated as excluded from the definition of Financial Accounts, and therefore shall not be treated as U.S. Reportable Accounts under the Agreement:

- A. Registered Pension Plans (RPPs) – as defined in subsection 248(1) of the Income Tax Act.
Note: Individual Pension Plans (IPPs) are included in this definition.
- B. Deferred Profit Sharing Plans (DPSPs) – as defined in subsection 147(1) of the Income Tax Act.
- C. Escrow Accounts. An account maintained in Canada established in connection with any of the following:
 - 1. A court order or judgment.
 - 2. A sale, exchange, or lease of real or immovable property or of personal or movable property, provided that the account satisfies the following requirements:
 - a. The account is funded solely with a down payment, earnest money, deposit in an amount appropriate to secure an obligation directly related to the transaction, or a similar payment, or is funded with a financial asset that is deposited in the account in connection with the sale, exchange, or lease of the property;
 - b. The account is established and used solely to secure the obligation of the purchaser to pay the purchase price for the property, the seller to pay any contingent liability, or the lessor or lessee to pay for any damages relating to the leased property as agreed under the lease;

- c. The assets of the account, including the income earned thereon, will be paid or otherwise distributed for the benefit of the purchaser, seller, lessor, or lessee (including to satisfy such person's obligation) when the property is sold, exchanged, or surrendered, or the lease terminates;
 - d. The account is not a margin or similar account established in connection with a sale or exchange of a financial asset; and
 - e. The account is not associated with a credit card account.
- 3. An obligation of a Financial Institution servicing a loan secured by real or immovable property to set aside a portion of a payment solely to facilitate the payment of taxes or insurance related to the real or immovable property at a later time.
 - 4. An obligation of a Financial Institution solely to facilitate the payment of taxes at a later time.
- D. An account maintained in Canada and excluded from the definition of Financial Account under an agreement between the United States and another Partner Jurisdiction to facilitate the implementation of FATCA, provided that such account is subject to the same requirements and oversight under the laws of such other Partner Jurisdiction as if such account were established in that Partner Jurisdiction and maintained by a Partner Jurisdiction Financial Institution in that Partner Jurisdiction.

Appendix G: Canadian Active NFFEs

(as defined in the Canadian IGA VI, B. 4)

An entity will be an Active NFFE if it is not a financial institution, and one of the following applies:

- a. Less than 50 percent of the NFFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 percent of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income.
- b. The stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity of an Entity the stock of which is regularly traded on an established securities market.
- c. The NFFE is the Canadian government, a political subdivision of such government (which, for the avoidance of doubt, includes a province, territory, county, or municipality), or a public body performing a function of such government or a political subdivision thereof, an international organization, the Bank of Canada, or an Entity wholly owned by one or more of the foregoing.
- d. Substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an NFFE shall not qualify for this status if the NFFE functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.
- e. The NFFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE.
- f. The NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution.
- g. The NFFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution.
- h. The NFFE is one of the following "excepted NFFEs" as described in relevant U.S. Treasury Regulations.
 - a. Non-Financial Group Entity
 - b. Inter-Affiliate FFI
 - c. Section 501(c) Entity
 - d. Non-profit organization
 - e. Direct Reporting NFFE
 - f. Sponsored Direct Reporting NFFE

- i. The NFFE meets all of the following requirements:
 - a. It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;
 - b. It is exempt from income tax in its jurisdiction of residence;
 - c. It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
 - d. The applicable laws of the NFFE's jurisdiction of residence or the NFFE's formation documents do not permit any income or assets of the NFFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFFE has purchased; and
 - e. The applicable laws of the NFFE's jurisdiction of residence or the NFFE's formation documents require that, upon the NFFE's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFFE's jurisdiction of residence or any political subdivision thereof.

Appendix H: Canadian Passive NFFEs

Definition – Passive NFFE:

A Canadian entity will be a Passive NFFE if it is not a financial institution, an Active NFFE or an Account that is not a Financial Account.

Definition - Controlling Persons of a Passive NFFE:

The term “Controlling Persons” means the individuals who exercise control over an Entity.

Whether any person exercises control over an entity is determined based on the particular situation in a manner consistent with how beneficial owners are identified for the purposes of Canada's Proceeds of Crime (Money Laundering) and Terrorist Financing Act.

In the case of

- a Trust a Controlling Person means the settlor, the trustees, the protector (if any) and any known beneficiaries. If there are no individuals that are Controlling Persons, the individual(s) with ultimate effective control of the trust will be treated as the controlling person(s).
- a corporation or non-corporate entity other than a trust, a Controlling Person is an individual who owns or controls (directly or indirectly) a specified percentage of the entity. The threshold for clients of Canadian Financial Institutions that are regulated by the Investment Industry Regulatory Organization of Canada (IIROC) is 10%; the threshold for clients of other Canadian Financial Institutions (including banks and trust companies) is 25%. If there are no individuals that are Controlling Persons, a Director or Senior Official of the entity will be treated as the controlling person.

All controlling persons must be listed on the Substitute W-8BEN-E in Part IV and if the individual is a U.S. Person, the SSN / ITIN must be provided.

For the purposes of identifying Controlling Persons, the term “U.S. Person” means an individual who is:

- a U.S. citizen, including those with dual citizenship, or
- a U.S. resident, including a lawful permanent resident (green card holder) and an individual who meets the substantial presence test

Substantial Presence Test

Individuals are considered United States residents for U.S. tax purposes if they meet the substantial presence test as described by the IRS in the following link:

<https://www.irs.gov/individuals/international-taxpayers/substantial-presence-test>

Please seek independent tax advice if required

Appendix I: Internet Links for more Information

Canada US Tax Treaty (This consolidated version of the Canada-United States Convention with Respect to Taxes on Income and on Capital signed at Washington on September 26, 1980, as amended by the Protocols signed on June 14, 1983, March 28, 1984, March 17, 1995, July 29, 1997, and September 21, 2007, is provided for convenience of reference only and has no official sanction.)

<http://www.fin.gc.ca/treaties-conventions/unitedstates-etatunis-eng.asp>

Canadian IGA (Agreement Between the Government of Canada and the Government of the United States of America to Improve International Tax Compliance through Enhanced Exchange of Information under the Convention Between the United States of America and Canada with Respect to Taxes on Income and on Capital)

<http://www.fin.gc.ca/treaties-conventions/pdf/FATCA-eng.pdf>

CRA IGA Guidance (Guidance on enhanced financial accounts information reporting – Part XVIII of the Income Tax Act)

<http://www.cra-arc.gc.ca/tx/nnrstdnts/nhncdrprtng/us-eu/gdnc-eng.pdf>

Information for entities with accounts with Canadian financial institutions (Canada Revenue Agency): <http://www.cra-arc.gc.ca/tx/nnrstdnts/nhncdrprtng/ntts-eng.html>

Proceeds of Crime (Money Laundering) and Terrorist Financing Act

<http://laws-lois.justice.gc.ca/PDF/P-24.501.pdf>

Official IRS W-Forms and Instructions

W-8BEN-E

Form <https://www.irs.gov/pub/irs-pdf/fw8bene.pdf>

Instructions <https://www.irs.gov/pub/irs-pdf/iw8bene.pdf>

W-8EXP

Form <https://www.irs.gov/pub/irs-pdf/fw8exp.pdf>

Instructions <https://www.irs.gov/pub/irs-pdf/iw8exp.pdf>

W-8IMY

Form <https://www.irs.gov/pub/irs-pdf/fw8imy.pdf>

Instructions <https://www.irs.gov/pub/irs-pdf/iw8imy.pdf>

W-9

Form & Instructions <https://www.irs.gov/pub/irs-pdf/fw9.pdf>