Treaty Statement for Legal Entity Accounts

Under US Internal Revenue Service Section 871(m) and the regulations thereunder, any dividends paid to non-US taxpayers on derivatives of US equities are subject to a withholding tax. Confirming your information is essential to ensure we can give you the most favorable rate and avoid any additional withholding. Please complete the form in its entirety on behalf of the organisation that holds the account (beneficial owner).

Name of organisation that is the beneficial owner

_______________________________ meets all provisions of the applicable 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, and the regulations thereunder, as a beneficial owner.

I certify that:

Please complete each section below

1. ☐ The beneficial owner is a resident of __________________________ within the meaning of the income tax treaty between the United States and that country and holds the following taxpayer identification number (TIN) ______________.

2. ☐ The beneficial owner derives the item(s) of income for which treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits. The following are types of limitation on benefits provisions that may be included in an applicable tax treaty. Please select one:

   ☐ Government

   ☐ Tax exempt pension trust or pension fund

   ☐ Other tax exempt organization

   ☐ Publicly traded corporation or subsidiary of a publicly traded corporation

   ☐ Company that meets the ownership and base erosion test

   ☐ Company that meets the derivative benefits test

   ☐ Company with an item of income that meets active trade or business test

   ☐ Favorable discretionary determination by the U.S. competent authority received

   ☐ Other (**please specify Article and paragraph, and provide further explanation**)

   ____

3. ☐ The beneficial owner is claiming treaty benefits for U.S. source dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation and meets qualified resident status.

Special rates and conditions (if applicable):

The beneficial owner is claiming the provisions of Article relating to dividends of the income and double tax treaty identified above to claim the reduced rate of withholding on dividends.

Please note this Treaty Statement is valid for three years from the date shown below.

DECLARATION

I declare that the information provided in this form is, to the best of my knowledge and belief, accurate and complete.

I undertake to advise you promptly of any change in circumstance which causes the information contained herein to become incorrect or incomplete and to provide you with an updated declaration as soon as possible

Sign Here: ___________________________________ ____________________ __________

Signature of individual authorised to sign for beneficial owner — Print Name — Date (MM-DD-YYYY)

Capacity in which acting: ___________________________________

Indicate the capacity in which you are signing the form (eg Director, Authorised Signatory).
If signing under a power of attorney, please also attach a certified copy of the power of attorney.

TREATY STATEMENT – SUMMARY DEFINITIONS

These are selected summaries of defined terms provided to assist you with the completion of this form.

For further information, please see the IRS website, the IRS Notice 2016-76 https://www.irs.gov/pub/irs-drop/n-16-76.pdf or contact your tax advisor.

Term	**Definition summary**
Beneficial owner	Beneficial owner generally refers to a person (an individual or an entity) who is required to include the income in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian.
Persons	The term "persons" (for tax purposes) encompasses either individuals or legal entities. It does not matter if the owner of the company is an individual or a legal entity, as long as they satisfy one of the tests to qualify for treaty benefits.
Applicable tax treaty	Applicable tax treaty generally refers to the income tax treaty in place between the United States and the client's country of tax residency.
Limitation on benefits	Limitation on benefits generally refers to certain provisions within income tax treaties which limit the available benefits under such treaties to those who meet certain conditions, including those related to business, residency and investment commitments of the entity seeking such treaty benefit.
Section 894	Section 894 of the U.S. Tax Code provides that foreign persons are not entitled to any reduced U.S. withholding tax rate under any U.S. income tax treaty on income derived through an entity that is treated as a partnership (or otherwise as fiscally transparent), if: (1) the income is not treated, for purposes of the tax laws in the foreign country, as income of the person; (2) the treaty contains no provision relating to the applicability of the treaty to income derived through a partnership, and (3) the foreign country imposes no tax on the distribution of the income from the entity to the person.
Resident of <country>	The name of the country in which the company is tax resident
Item(s) of income	US source "dividend equivalent" income
Tax exempt	Generally refers to an entity that is exempt from tax (e.g. religious, charitable, educational organization) in its own country of tax residency. Such entities would be eligible for treaty benefits (e.g. reduced US dividend withholding tax) on US sourced dividends.
Treaty Benefits	Generally refers to reduced withholding tax rates (e.g. on dividends, interest, royalties) that are available under income tax treaties between the US and the client's country of tax residence. For example, without treaty benefits, US sourced dividends would be subject to a 30% US withholding tax; however, a UK tax resident (i.e. a beneficial owner) receiving a US sourced dividend would be entitled to a reduced 15% dividend withholding tax.
Qualified persons	Qualified persons generally refers to a resident of a contracting state who is entitled to the benefits of the tax treaty otherwise accorded to residents of a contracting state.
Ownership test	To meet this test, 50% or more of the voting and value of the company's shares must be owned by persons who are themselves 'qualified persons' (e.g. if the company is a UK corporation, more than 50% of the company's shares by vote and value must be owned by tax residents of the UK).

Base erosion test	To meet this test, no more than 50% of the company's gross income can be paid to persons who are not resident in the entity's resident state (e.g. if the company is a UK corporation where more than 50% of the company's (tax deductible) payments are made to UK payees, then the base erosion test is met). In other words, the majority (more than 50%) of the income paid to the client entity should be subject to corporate income taxes in the client's tax residency jurisdiction.
Derivative benefits test	To meet this test, the shareholder (or owner) of the resident entity would have been entitled to the same benefit had the income in question flowed directly to that shareholder/owner (i.e. if the client is a wholly owned subsidiary of another company which is either (1) publicly traded in the client's tax residency country, or (2) entitled to treaty benefits under the ownership/base erosion test, then the client entity is entitled to treaty benefits under this test. For example, if the company is a UK corporation that does not meet the ownership and base erosion test, but is directly or indirectly owned by another UK entity that is entitled to treaty benefits (e.g. under the ownership/base erosion test, or is a publicly listed company in the UK), then the company would also be entitled to 'derivative' treaty benefits.
Contracting State	In this context, the term Contracting State generally refers to the country that has entered into an income tax treaty with the United States.
Resident of a contracting state	In this context, a legal entity (e.g. a company) which files corporate income tax returns and pays corporate income taxes in the country where it operates, and where such country has an income tax treaty with the United States in effect, is a "resident of a contracting state".
Active trade or business test	This test may be met where the company has an active trade or business in the contracting state, and where the dividend equivalent is derived in connection (or is incidental to) such trade or business of the company (i.e. the company is engaged in an active trade or business in their stated tax residency country).
Favorable discretionary determination	Applicable only if a company has requested and obtained a ruling from a US competent authority specifying that the company is a beneficial owner and a tax resident of the jurisdiction claimed, and is therefore entitled to the benefits available under the income tax treaty between such jurisdiction and the United States.
U.S. equities	A US equity refers to any company incorporated under the laws of the United States, regardless of exchange where the equity may be listed. For example, a US incorporated company listed in the Australian stock exchange would be considered a US equity, while a Brazilian incorporated entity listed in a US stock exchange would not be considered a US equity.