



Limitation on Benefits Statement (Claim of Tax Treaty Benefits)

Date: _____

TD Waterhouse Canada Inc.

RE: Account Numbers: _____

I certify that:

A. Must be completed

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

B. Select one of the below tests for Limitation on Benefits Claim (invalid unless completed)

(Check only one; see test definitions on page 2):

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. The following are types of limitation on benefits provisions that may be included in an applicable tax treaty.

- Government
- Company that meets the ownership and base erosion test
- Tax exempt pension trust or pension fund
- Company that meets the derivative benefits test
- Other tax exempt organization
- Company with an item of income that meets active trade or business test
- Publicly traded corporation
- Favorable discretionary determination by the U.S. competent authority received
- Subsidiary of a publicly traded corporation
- No LOB article in treaty
- Other - specify Article and paragraph from appropriate treaty between the U.S. and your country of residence (see A):
The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line "A" above to claim a _____% rate of withholding on (specify type of income):

Please consult with your tax advisor for more information about the Article(s) and Paragraph(s) related to your claim.

Customer Signature _____

TD Waterhouse Canada Inc. is a subsidiary of The Toronto-Dominion Bank. TD Waterhouse Canada Inc. - Member of the Canadian Investor Protection Fund.
© The TD logo and other trade-marks are the property of The Toronto-Dominion Bank.

Limitation on Benefits Treaty Provisions

If you are a resident of a foreign country that has entered into an income tax treaty with the United States that contains a limitation on benefits (LOB) article, you must complete one of the checkboxes on line 14b. You must also complete the applicable checkbox on line 14b if you are a resident of a foreign country that has entered into an income tax treaty with the United States that does not contain an LOB article. You may only check a box if the LOB article in that treaty includes a provision that corresponds to the checkbox on which you are relying to claim treaty benefits. A particular treaty might not include every type of test for which a checkbox is provided. For example, "Company that meets the derivative benefits test" is generally not available to a company resident in a treaty country that is not a member of the EU, EEA, or USMCA. In addition, each treaty LOB article that contains a specific test listed below may have particular requirements that must be met that differ from the requirements in another treaty with regard to the same test. Accordingly, you must check the relevant treaty LOB article for the particular requirements associated with each test. In general, only one LOB checkbox is required to claim a treaty exemption even if more than one checkbox would suffice to claim the benefits of the treaty for that item of income.

Each of the tests is summarized below for your general convenience but may not be relied upon for making a final determination that you meet an LOB test. Rather you must check the text of the LOB article itself to determine which tests are available under that treaty and the particular requirements of those tests. See Table 4, Limitation on Benefits, at <https://www.irs.gov/individuals/international-taxpayers/tax-treaty-tables>, for a summary of the major tests within the Limitation on Benefits article that are relevant for documenting any entity's claim for treaty benefits.

Definitions of Limitation on Benefits Test

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.

No LOB article in treaty - this generally requires that the entity is a resident in a foreign country that has entered into an income tax treaty with the United States that does not contain an LOB article.

Other - for other LOB tests that are not listed above (e.g., a headquarters test). Identify the other test relied upon, or enter N/A if the treaty has no LOB article. For example, if you meet the headquarters test under the U.S.-Netherlands income tax treaty, you should write "Headquarters test, Article 26(5)" in the space provided.