CIBC Investor Services

CIBC Investor Services Inc.

Tax Treatment on Income from U.S. Securities

For Canadian Entities

About U.S. withholding tax rates (You and your mean the authorized person signing this document on behalf of the entity)

Canadian entities that invest in U.S. securities may qualify for a lower withholding tax rate on the income they earn from those securities under The Canada-U.S. Income Tax Convention 1980, as amended by the Protocols signed on June 14, 1983, March 28, 1984, March 17, 1995, July 29, 1997 and September 21, 2007 ("the Treaty").

This document includes a brief explanation of the relevant Treaty provisions pertaining to qualifying entities. It includes general information only, and is not intended to provide legal or tax advice. We recommend you seek legal and tax advice in respect of the entity's specific circumstances.

Please complete and sign the certification below, if the entity intends to claim the lower withholding tax rates under the Treaty.

Entities that qualify for the lower tax rate

An entity qualifies for the lower tax rate if it is considered a qualifying person as defined in the Limitation on Benefits Article, in Section XXIX–A of the Treaty (see Appendix B or http://www.fin.gc.ca/treaties-conventions/usa_-eng.asp).

Check one of the benefit provisions that apply to the entity under Canada-U.S. Tax Convention (See Appendix A):

- ☐ Estate
- ☐ Tax exempt pension trust or pension fund
- ☐ Other tax exempt organization
- ☐ Publicly traded corporation
- ☐ Subsidiary of a publicly traded
- ☐ Company that meets the ownership and base erosion test
- ☐ Trust that meets the ownership and base erosion test (Article XXIX-A, 2(e)(ii))
- ☐ Company that meets the derivative benefits test
- ☐ Company with an item of income that meets active trade or business test
- ☐ Other (specify paragraph from Article XXIX-(A) ____________________

About the Entity

Entity name

____

CIBC Investor Services Accounts this document applies to

Account Number	Account Number	Account Number

Account Number	Account Number	Account Number

Acknowledgements

When you sign below, you certify that the entity is a resident of Canada within the meaning of the Treaty and that it:

- meets all provisions of the Treaty that are necessary to claim a reduced rate of withholding, including the limitation on benefits provisions
- derives the income (within the meaning of Section 894 of the United States Internal Revenue Code, and the regulations thereunder), as the beneficial owner.

Please sign here

Date (mm/dd/yyyy)	Name of Authorized Person	X Signature of Authorized Person (sign within box)

Appendix A:

Qualifying Persons Under Limitation on benefits Tax Treaty Provisions

Each of the tests is summarized below for your convenience, but may not be relied upon for making a final determination that the entity is a Qualifying Person for the purpose of the Limitation on Benefits rules. Rather, you must check the text of the Limitation on Benefits article itself, to determine which tests are available under the Treaty and the particular requirements of those tests. See Table 4, Limitation on Benefits, at http://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. See also the Canada-US Tax Treaty: https://www.irs.gov/pub/irs-trty/canada.pdf and the 2007 Canada-US Tax Treaty Protocol: https://www.treasury.gov/resource-center/tax-policy/treaties/Documents/Treaty-Protocol-Canada-9-21-2007.pdf.

1. *Estate*. This test is met if the entity is an Estate domiciled in Canada, not including a Testamentary Trust.

2. *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.

3. *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.

4. *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.

5. *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 meet the publicly-traded corporation test, as long as all companies in the chain of ownership are resident in either the U.S. or Canada.

6. *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 Qualifying Persons, 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 other than Qualifying Persons.

7. *Trust that meets the ownership and base erosion test.* This test generally requires that at least 50% of the trust's assets be beneficially owned, directly or indirectly, by persons resident in Canada, and less than 50% of the trust's gross income is accrued or paid, directly or indirectly, to persons who are not Qualifying Persons.

8. *Company that meets the derivative benefits test.* This test generally requires that more than 90% of the aggregate vote and value of the company's shares be owned, directly or indirectly by Qualifying Persons or persons who are entitled to identical benefits under their country's own Treaty with the U.S. 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 Qualifying Persons.

9. *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 and that its activities in that country be substantial in relation to its U.S. activities.

10. *Other.* For other Limitation on Benefits tests that are not listed above, identify the other test relied upon. For example, if you meet the not-for-profit test under the Canada-U.S. Income Tax Treaty, you should write "Not for Profit, Article 2(g)" in the space provided.

Appendix B:

Article XXIX A - Limitation on Benefits

Excerpt from The Canada-U.S. Income Tax Convention 1980, as amended

1. For the purposes of the application of this Convention by the United States,
   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 the Convention.
2. For the purposes of this Article, a qualifying person is a resident of Canada that is:
   a) A natural person;
   b) The Government of Canada or a political subdivision or local authority thereof, or any agency or instrumentality of any such government, subdivision or authority;
   c) A company or trust in whose principal class of shares or units there is substantial and regular trading on a recognized stock exchange;
   d) A company more than 50 per cent of the vote and value of the shares (other than debt substitute shares) of which is owned, directly or indirectly, by five or fewer persons each of which is a company or trust referred to in subparagraph (c), provided that each company or trust in the chain of ownership is a qualifying person or a resident or citizen of the United States;
   e)
      i) A company 50 per cent or more of the vote and value of the shares (other than debt substitute shares) of which is not owned, directly or indirectly, by persons other than qualifying persons or residents or citizens of the United States, or
      ii) A trust 50 per cent or more of the beneficial interest in which is not owned, directly or indirectly, by persons other than qualifying persons or residents or citizens of the United States,

   where the amount of the expenses deductible from gross income 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) to persons that are not qualifying persons or residents or citizens of the United States is less than 50 per cent 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 or residents or citizens of the United States; or
   h) An organization described in paragraph 2 of Article XXI (Exempt Organizations) and established for the purpose of providing benefits primarily to individuals who are qualifying persons, persons who were qualifying persons within the five preceding years, or residents or citizens of the United States.
3. Where a person that is a resident of Canada and is not a qualifying person of Canada, or a person related thereto, is engaged in the active conduct of a trade or business in Canada (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 the Convention shall apply to that resident person with respect to income derived from the United States 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 the United States. Income shall be deemed to be derived from the United States in connection with the active conduct of a trade or business in Canada only if that trade or business is substantial in relation to the activity carried on in the United States giving rise to the income in respect of which benefits provided under the Convention by the United States are claimed.

4. A company that is a resident of Canada 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 per cent of the aggregate vote and value represented by all of its shares (other than debt substitute shares) are owned, directly or indirectly, by persons each of whom is a qualifying person, a resident or citizen of the United States or a person who:

      i) Is a resident of a country with which the United States has a comprehensive income tax convention and is entitled to all of the benefits provided by the United States under that convention;

      ii) Would qualify for benefits under paragraphs 2 or 3 if that person were a resident of Canada (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 Canada); and

      iii) Would be entitled to a rate of United States tax under the convention between that person's country of residence and the United States, 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 that are paid or payable by the company for its preceding fiscal period (or, in the case of its first fiscal period, that period) to persons that are not qualifying persons or residents or citizens of the United States is less than 50 per cent of the gross income of the company for that period.

5. For the purposes of this Article,

   a) 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" 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;

   b) 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; and

   c) 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.

6. Where a person that is a resident of Canada is not entitled under the preceding provisions of this Article to the benefits provided under the Convention by the United States, the competent authority of the United States 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 the 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 the Convention to that person.

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

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