

**i Determining the type of trust**

The trust type must be determined based on US regulations to see if the trust is eligible for the Canada-United States tax treaty benefits that apply to investments that generate US source withholdable payments.

Under US regulations, there are 3 types of trusts:

1. Simple trusts
2. Grantor trusts
3. Complex trusts

Determining the trust type will help identify the beneficiaries of US source withholdable payments and in turn which forms need to be filled out to open a Desjardins Securities brokerage account.

You may refer to the following link for the legal definitions of the three types of trusts:

<https://www.irs.gov/individuals/international-taxpayers/flow-through-entities#ForeignTrust>

**Section 1 – Client identification**

Trust name	Client number  _ _ _ _ _ _ _ _ _ _
Name(s) of trustee(s)	Date the trust was created
<input type="checkbox"/> Mr. <input type="checkbox"/> Ms.. First name: _____ Last name: _____ <input type="checkbox"/> Mr. <input type="checkbox"/> Ms.. First name: _____ Last name: _____ <input type="checkbox"/> Mr. <input type="checkbox"/> Ms.. First name: _____ Last name: _____ <input type="checkbox"/> Mr. <input type="checkbox"/> Ms.. First name: _____ Last name: _____	

**Section 2 – Questions to determine the type of trust**

	Yes	No
1. The trust document requires that income be periodically distributed (at least annually) to a beneficiary or beneficiaries without any discretionary power on the part of the trustees.	<input type="checkbox"/>	<input type="checkbox"/>
2. The trust document states that trustees may or must pay income and/or capital to charities.	<input type="checkbox"/>	<input type="checkbox"/>
3. The trust document does not allow encroachment on capital; trustees can only pay out income until the trust terminates.	<input type="checkbox"/>	<input type="checkbox"/>

**Conclusion:** If you answered “**Yes**” to Questions 1 **and** 3 but “**No**” to Question 2, fill out Section 3 and select “Simple” as the type of trust.

If not, move on to Question 4.

	Yes	No
<b>4. The settlor of the trust is a living individual.</b> If you answered “ <b>No</b> ,” fill out Section 3 and select “Complex” as the type of trust. If you answered “ <b>Yes</b> ,” move on to Question 5.	<input type="checkbox"/>	<input type="checkbox"/>
<b>5. The trust is revocable</b> (if the trust was created in Quebec, answer “No”). If you answered “ <b>No</b> ,” move on to Question 6. If you answered “ <b>Yes</b> ,” fill out Section 3 and select “Grantor” as the type of trust.	<input type="checkbox"/>	<input type="checkbox"/>
<b>6. The settlor of the trust resides in the United States for tax purposes.</b> If you answered “ <b>No</b> ,” move on to Question 7. If you answered “ <b>Yes</b> ,” skip to directly Question 10.	<input type="checkbox"/>	<input type="checkbox"/>
<b>7. The trust was created before September 20, 1995.</b> If you answered “ <b>No</b> ,” skip to directly Question 9. If you answered “ <b>Yes</b> ,” move on to Question 8.	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No
<p>8. The settlor (or settlor's spouse) has retained certain powers/administrative rights or the right to receive income from the trust, and the settlor has made no further contribution (such as a new transfer of assets or capital) to the trust since September 20, 1995.</p> <p>If you answered "No," move on to Question 9.</p> <p>If you answered "Yes," fill out Section 3 and select "Grantor" as the type of trust.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>9. Only the settlor and/or the settlor's spouse may receive distributions from the trust during the settlor's lifetime.</p> <p>If you answered "No," move on to Question 10.</p> <p>If you answered "Yes," fill out Section 3 and select "Grantor" as the type of trust.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>10. A) The trust document does not expressly forbid the payment or allocation of income and/or capital to persons living in the United States for tax purposes.</p> <p>B) The trust exclusively benefits persons not living in the United States for tax purposes, and the settlor (or settlor's spouse) has retained certain powers/administrative rights or the right to receive income from the trust.</p> <p>If you answered "No," to A) or B), fill out Section 3 and select "Complex" as the type of trust.</p> <p>If you answered "Yes" A) and B), fill out Section 3 and select "Grantor" as the type of trust.</p>	<input type="checkbox"/>	<input type="checkbox"/>

### Section 3 – Client's statement and signature

This form and its supporting documents were created to help the trustees determine the type of trust based on US regulations. However, this form should not be construed as an opinion or advice on legal, accounting, financial or tax matters. It is in no way a substitute for a comprehensive assessment of the trust's tax situation by a recognized professional with specific knowledge of your circumstances.

This form is based on regulations that may change at any time and, while the information is from sources we believe to be reliable, we cannot guarantee that this information is accurate or exhaustive. Desjardins Trust Inc., Desjardins Securities Inc., Desjardins Investment Management Inc. and their partners cannot be held liable for the content herein and reserve the right to amend or revise this form at any time without prior notice.

The trustees acknowledge they have had the opportunity to obtain legal and/or tax advice that could help them determine the type of trust, if need be. They understand that this determination has a direct impact on the forms to be filled out and on how the trust will be taxed.

Should changes be made to the trust in a way that impacts this determination, the trustees agree to resubmit this duly completed form within 30 days.

The trustees state that the trust is (select one):  Complex  Simple  Grantor

### Signature(s)

_____ Trustee's name (please print)	<b>X</b> _____ Trustee's signature	_____ Date (YYYY-MM-DD)
_____ Trustee's name (please print)	<b>X</b> _____ Trustee's signature	_____ Date (YYYY-MM-DD)
_____ Trustee's name (please print)	<b>X</b> _____ Trustee's signature	_____ Date (YYYY-MM-DD)
_____ Trustee's name (please print)	<b>X</b> _____ Trustee's signature	_____ Date (YYYY-MM-DD)