

Declaration of Tax Residence for Individuals

You have recently made a request to update your Foresters Financial™ account or for Foresters Financial to process a transaction on your account that requires you to complete a Declaration of Tax Residence.

Effective July 1, 2017 Canadian financial institutions are required to obtain a Declaration of Tax Residence from certain account holders of products with a cash value. Foresters Financial is then required by law to provide the Canada Revenue Agency with certain account information for applicable accounts including where the holder is a tax resident of a jurisdiction outside of Canada and is not otherwise exempt from reporting. The goal of this process, referred to as the Common Reporting Standard is to reduce tax evasion and improve tax compliance around the world. Canada is one of many participating countries.

Please complete the attached form and return to Foresters. If you do not provide the required information about your tax residence within 90 days of this request, your account becomes potentially reportable to the CRA.

- **Please fill in all sections of this form that apply to you; sign and date the form;**
- **Return the completed, signed form within 90 days to Foresters Financial at:**

789 Don Mills Road, Toronto, Ontario, M3C 1T9

Or via fax at 877-329-4631

If you are unsure about your tax residency, you should consult a tax advisor. For further information about the Common Reporting Standard please visit the CRA website:

<http://www.cra-arc.gc.ca/tx/nnrstdnts/nhncdrprtng/menu-eng.html>

Or you may review the Frequently Asked Questions prepared by the Canadian Life & Health Insurance Association at:

[https://www.clhia.ca/domino/html/clhia/CLHIA_LP4W_LND_Webstation.nsf/resources/CRS+FAQs/\\$file/CRS+FAQ+Clients.pdf](https://www.clhia.ca/domino/html/clhia/CLHIA_LP4W_LND_Webstation.nsf/resources/CRS+FAQs/$file/CRS+FAQ+Clients.pdf)

If you have any questions or concerns regarding your Foresters Financial account, please contact a Service Center Representative toll-free at 800 828 1540, Monday to Friday from 8 a.m. to 8 p.m. Eastern Time.

How to fill out the form

Section 1 – Identification of account holder

Use Section 1 to identify the account holder. Sometimes the account holder's address may be different from the mailing address. If this is the case, give both addresses.

The **account holder** is the person listed or identified as the holder of the financial account by the financial institution that maintains the account. But, when a person other than a financial institution holds a financial account for the benefit of or for another person as an agent, custodian, nominee, signatory, investment advisor, or intermediary, they are not considered the account holder. In such cases, the account holder is the person for whom the account is held.

If a trust or an estate is listed as the holder of a financial account, the trust or the estate is the account holder, not the trustee or the liquidator. Similarly, if a partnership is listed as the holder of a financial account, the partnership is the account holder, not the partners in the partnership. In such cases, fill out Form RC521, *Declaration of Tax Residence for Entities – Part XIX of the Income Tax Act*.

An account holder also includes any person who can access the cash value or designate a beneficiary under a cash value insurance contract or an annuity contract.

The **policy/account number** is the number your financial institution assigned to you. For example, enter the number assigned to you (such as a bank account number or insurance policy number) in this box. When you fill out this form as a controlling person of an entity, enter the policy or account number assigned to the entity, not your personal number. If you do not have such a number, leave this box blank.

Section 2 – Declaration of tax residence

Use Section 2 to identify the account holder's tax residence and taxpayer identification number. If the account holder does not have such a number, give the reason.

Generally, an individual will be a **tax resident** of a jurisdiction if, under the laws of that jurisdiction, they pay or should be paying tax there because of their domicile, residence, or a similar criterion.

Individuals who are tax residents in more than one jurisdiction can rely on the tie-breaker rules in tax conventions (when they apply) to resolve cases of dual tax residence.

For more information on tax residency, talk to your tax adviser or go to oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/#d.en.347760.

A **taxpayer identification number**, often referred to by its abbreviation TIN, is a unique identifier made of letters or numbers that the jurisdiction assigns to an individual. The jurisdiction uses the TIN in administering its tax laws to identify the individual. Enter the TIN in its official format. For more details about acceptable TINs, go to oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers/#d.en.347759.

Reasons that fall under "Reason 3: **Other reason**" for not having a TIN include not being eligible to receive one. However, if you are eligible to receive a TIN but you do not have one, you have 90 days to apply for one through your jurisdiction of residence. You have 15 days after you receive it to give it to your financial institution.

Section 3 – Certification

Make sure you fill in and sign Section 3 before you give this form to your Canadian financial institution.

Type of controlling person

Fill in this section **only** if you are filling out this form as a controlling person of an entity.

Controlling persons of an entity are the natural persons who exercise direct or indirect control over the entity. Generally, whether any person exercises control over an entity is determined in a way similar to how beneficial owners are identified for Canada's *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

For example, a person is generally considered a controlling person of a corporation if they directly or indirectly own or control 25% or more of the corporation. When no natural person is identified as exercising control of the corporation, a director or senior official of the corporation is considered the controlling person.

In the case of a trust, controlling persons include its settlors, trustees, protectors (if any), beneficiaries (or class of beneficiaries), and any other natural persons exercising ultimate effective control over the trust.

A settlor, trustee, protector, or beneficiary of a trust may be an entity. If so, to determine the trust's controlling persons you have to look through the entity's chain of control or ownership to identify the natural persons exercising ultimate effective control over the entity. You then have to report those you find as controlling persons of the trust. Financial institutions may apply this requirement in a way similar to how beneficial owners are identified for Canada's *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

In the case of a legal arrangement other than a trust, controlling persons are persons in equivalent or similar positions.

Type of controlling person*

* Enter the description that best describes the type of controlling person:

- 1) Direct owner of a corporation or other legal person
- 2) Indirect owner of a corporation or other legal person (through an intermediary)
- 3) Director or senior official of a corporation or other legal person
- 4) Settlor of a trust
- 5) Trustee of a trust
- 6) Protector of a trust
- 7) Beneficiary of a trust
- 8) Other controlling person of a trust
- 9) Equivalent to a settlor of a legal arrangement other than a trust (e.g. partnership)
- 10) Equivalent to a trustee of a legal arrangement other than a trust (e.g. partnership)
- 11) Equivalent to a protector of a legal arrangement other than a trust (e.g. partnership)
- 12) Equivalent to a beneficiary of a legal arrangement other than a trust (e.g. partnership)
- 13) Other controlling person of a legal arrangement other than a trust (e.g. partnership)