

EXPLANATORY NOTE TO THE TREATY STATEMENT

(applicable since 1/1/2017)

The treaty statement is used to identify legal entities to correctly calculate the amount of any US withholding tax when they invest in US securities. In particular, it relates to the right to a reduction of US withholding tax on US movable income under the double taxation agreement between Belgium and the United States of America ("Double Taxation Convention"). You must only complete it if you (legal entity):

- want to invest or if you already invest in US securities, AND
- are entitled to a reduced US withholding tax on US income from movable assets.

You (legal entity) are entitled to the reduction of US withholding tax only if your entity is a Belgian tax resident and to the extent that it meets one of the tests provided for in the limitations on benefits provisions of the Double Taxation Convention ("LOB provisions").

The goal of the LOB-provisions is to limit the access to the benefits of the Double Taxation Convention and to combat treaty abuse. Since 1/1/2017, you must check the LOB provision that your legal entity may invoke. Caution: You can only check one choice. Legal entities that applied for treaty benefits before 1/1/2017 must renew their treaty statement before 1/1/2019.

- Below is a description of the main grounds to claim the benefits of the Double Taxation Convention:

- 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 Belgian residents, and less than 50% of the company's gross income is accrued or paid, directly or indirectly, to non-Belgian residents.

- Company that meets the derivative benefits test

This test 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 provision (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. 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).

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

This test generally requires that the company be engaged in an active trade or business in Belgium, that its activities in Belgium be substantial in relation to possible U.S. activities, and the possible US income be derived in connection to or incidental to that trade or business.

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

This test requires that the company obtains 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 Double Taxation Convention, it may nonetheless claim the requested benefits. Note: Unless the Double Taxation Convention or technical explanation specifically provides otherwise, you may not claim discretionary benefits while your claim for discretionary benefits is pending.

- Publicly traded corporation

The shares of the company are regularly traded on a recognized stock exchange and:

- this stock market is established in Belgium or in another EU or EEA State, or
- the head office of control and management is in Belgium.

- Subsidiary of a publicly traded corporation

At least 50% of the shares of the company are held directly or indirectly by a maximum of 5 'Publicly traded corporations', provided that each intermediary holder is a Belgian resident.

- Other (specify article and paragraph of the Double Taxation Convention) ...

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

In case you are uncertain of which of the tests you meet, please consult your legal or tax consultant. We expect that the "active trade or business test" will be the ground to claim the benefits of the Double Taxation Convention for most of our entity clients. Example: a Belgian BVBA that is not a financial institution and that is engaged in the active conduct of a trade or business in Belgium (only), meets the trade or business test if its holding of US shares is incidental to its trade or business activities.

You can consult the provisions on limitation on benefits that are mentioned in article 21 of the Double Taxation Convention via:

<http://www.fiscus.fgov.be/interfzfzn/fr/international/conventions/enVigueur.htm>

> Conventions> Current> Conventions> United States (new)> Convention of 27.11.2006> Article 21,

or via the following direct link:

<http://ccff02.minfin.fgov.be/KMWeb/document.do?method=view&nav=1&id=89c77443-f205-4669-bf5f-c50794b4a442&disableHighlighting=true&documentLanguage=en#findHighlighted>