

Tax Reclaim Service for Beneficial Owners

powered by *GlobeTax*



When you invest internationally, your investment income may be subject to excessive taxation from foreign governments. Fortunately, you may be entitled to recover some or all of the over-withheld tax, bolstering investment returns. To ensure that you receive the most favorable tax treatment, we have partnered with GlobeTax to help you recover your entitlements.

Introduction to GlobeTax

We have partnered with GlobeTax, the leading tax recovery specialist, to help you access their unique Withholding Tax Reclaim Service.

This global service recovers over-withheld tax from foreign governments and returns it to your accounts, where it can be used for reinvestment.

What is tax reclamation?

Cross-border investment income (from stock dividends or bond interest payments) is typically taxed at a high statutory rate-- up to 35%, in some cases. You may, however, be entitled to a lower tax rate if your domestic tax authority has established a Double Tax Treaty ("DTT") with the tax authority of the income source country.

Today, more than 5,700 DTTs govern the global taxation landscape. GlobeTax specializes in helping investors navigate these treaties to recover the difference between the statutory withholding rate and the lower treaty rate.

Why should I act?

Your over-withheld funds are currently sitting in the bank accounts of foreign governments. If you don't act to reclaim your rightful entitlements within the statute of limitations, governments can keep the money forever.

However, GlobeTax can recover these funds upon provision of minimal data and documentation. You only pay GlobeTax upon successful recovery. In other words, the service is risk-free.

How do I activate the service?

By using GlobeTax's secure eDocs document portal, you can quickly and easily provide GlobeTax with the documents needed to begin reclaiming your over-withheld taxes.

How does it work?

After GlobeTax receives your eDocs files, we send an income data file that shows the foreign income you have collected each month.

GlobeTax then analyses the income, identifies instances of over-taxation, and uses your documentation to calculate and submit a tax reclaim.

In some jurisdictions, GlobeTax relies on information from your financial institution and/or additional documentation from the broker/custodian.

Upon receiving the refund, GlobeTax will credit funds back to your account net of the firm's fees.

How much does it cost?

GlobeTax's fees are contingent and are only deducted when funds are successfully recovered.

Annual Account Fee

US\$200 per income year per beneficial owner. If we recover less than US\$400 in any income year (net of the GlobeTax fee), we waive the account fee.

Transaction Fee

- 20% of the amount recovered if you are the ultimate beneficial owner of the income;
- 35% if you are a partnership, trust, or similar "look-through" entity

Are there any minimums?

GlobeTax maintains a minimum threshold of **US\$100** to lodge a reclaim. The firm has discretion to lodge a claim below that figure. In the event a previously-filed claim falls below US\$100, the greater of US\$50 or 50% of the reclaim will be taken as a service fee.

What's included in the service?

- Access to the eDocs portal
- Automatic identification of reclaims
- Completion of all tax reclaim forms
- Local residency certification (if required/ if the jurisdiction allows 3rd parties to act on investors' behalf)
- Tax reclaim submissions
- Payment of refunds

What about confidentiality?

We will provide a monthly file to GlobeTax showing investment income payments made to your accounts. GlobeTax will only share your information as needed to file your claims. Otherwise, that information remains confidential between you and GlobeTax.

GlobeTax protects beneficial owner data very carefully, employing both US standards and strict EU compliance guidelines. GlobeTax is a certified signatory to the US/EU Safe Harbor provisions.

What do I do next?

You must opt-in to activate the service. Upon notifying us of your desire to participate, we will send you a link to eDocs.

Follow the eDocs instructions to register; the portal will subsequently generate all of the needed documentation. Print, check, and sign

the compiled forms (have your signature witnessed if required) and send them to GlobeTax upon completion. From there, GlobeTax will work on your behalf to lodge claims.

Frequently Asked Questions

Q. What types of securities are covered in the service?

A. Ordinary shares (ORDs), debt instruments, and depositary receipts (ADRs, GDRs, and IDRs).

Q. What types of Beneficial Owners are covered?

A. Corporations, foundations, trusts, funds, individuals, partnerships (simple and complex), omnibus accounts, nominee accounts, sovereign entities, and special purpose vehicles.

Q. When will claims be filed?

A. If there are no queries on the data or documents, GlobeTax files claims upon receiving all of the needed requirements.

Q. How long will it take for my refund to arrive?

A. [Recovery times vary by market.](#) While some markets refund money in

a few months, some take much longer. Thus, GlobeTax cautions investors from anticipating an immediate windfall of over-withholdings.

Please note the account opening process itself can take a few months, as GlobeTax relies on information from your financial institution. Accordingly, it can take 3-6 months from the initial interaction before the client can begin lodging reclaims.

Q. How will I know the status of my claims?

A. GlobeTax provides [quarterly reports](#) to your financial institution. Contact your relationship manager for more information.

Q. Are there any additional fees?

A. Some markets rely on outside intermediaries for filing, such as sub-custodians.

These intermediaries sometimes charge a small claim processing fee. Any fees will be deducted from the tax recovered.

Q. Does GlobeTax operate in all markets?

A. GlobeTax files nearly seven million claims a year in more than forty countries.

GlobeTax's claims are based on DTTs and, in rare instances, on legal precedent such as European Court of Justice (ECJ) rulings. If there is a DTT between your country of residence and the country where your investment income originated, you can likely reclaim tax, so long as the source country also has an established procedure.

Q. Why does it take different lengths of time to get money back?

A. Each tax jurisdiction sets its own rules, deadlines, and processes – many of which are very complex. While the GlobeTax process is digitized and automated, most tax authorities are still paper-based. The varying levels of technological adoption means each tax authority takes a different length of time to pay refunds.

Want to know more?

For more information, please contact your Relationship Manager.