

SCHEDULE 5
TAXABLE PAID-UP CAPITAL EMPLOYED IN CANADA

(Only financial corporations not resident in Canada complete this Schedule)

Paid-up Capital Employed in Canada is the amount equal to the greater of Calculation I or Calculation II determined as follows:

CALCULATION I

Taxable Income earned in Canada as determined under the *Income Tax Act* times 12.5

Taxable Income _____ × 12.5 = \$ _____

CALCULATION II

Total Assets: (Report Canadian Assets Only)

- | | | |
|----|--|----------|
| 1. | Total assets as per balance sheet | \$ _____ |
| 2. | Special reserves as per balance sheet (include the amount of reserve deducted from income under paragraph 20(1)(n) and subparagraph 40(1)(a)(iii) of the <i>Income Tax Act</i>) | \$ _____ |
| 3. | Contingent, investment and other like reserves | \$ _____ |
| 4. | Reserves, the excess of which are not allowed as a deduction from taxable income (include the amount by which the undepreciated capital costs of depreciable assets for income tax purposes exceeds net book value excluding appraisals) | \$ _____ |
| 5. | Mortgages deducted directly from assets | \$ _____ |
| 6. | Amounts by which assets have been written down and are not deductible under the <i>Income Tax Act</i> | \$ _____ |
| 7. | Other (Specify) | \$ _____ |
| 8. | Sub-total - Assets (Add Lines 1 to 7 inclusive) | \$ _____ |

DEDUCTIONS

- | | | |
|-----|--|----------|
| 9. | Amounts by which net book value of depreciable assets excluding appraisals exceeds the undepreciated capital costs for income tax purposes | \$ _____ |
| 10. | Other (Specify) | \$ _____ |
| 11. | Total Deductions (Add Lines 9 and 10 inclusive) | \$ _____ |
| 12. | Total Assets (Subtract Line 11 from Line 8) | \$ _____ |

continued on Page 6

25-1613 (9/87)

SCHEDULE 5 - Continued

13. Indebtedness of the non-resident financial corporation \$ _____

EXCLUDING

- (a) any amounts that are advanced or loaned to its permanent establishments in Canada
 - (i) by the non-resident financial corporation,
 - (ii) by its shareholders directly or indirectly,
 - (iii) by any person related to any of its shareholders, or
 - (iv) by any other corporation, and
- (b) any other indebtedness that is represented by bonds, bond mortgages, debentures, mortgages, lien notes or any other securities to which any part of the property in Canada is subject

14. Value for Calculation II (Subtract Line 13 from Line 12) \$ _____

TAXABLE PAID-UP CAPITAL

15. Total Paid-up Capital Employed in Canada (Greater of Calculation I or Calculation II) \$ _____

16. Standard Deduction \$ 10,000,000

17. Taxable Paid-up Capital Employed in Canada (Subtract Line 16 from Line 15) \$ _____

18. Percentage of taxable paid-up capital employed in Canada used by a financial corporation in New Brunswick calculated to four decimal places (Schedule 2 for banks or Schedule 3 for a trust company or a loan company, as applicable) _____ %

19. Amount Taxable (Multiply Line 17 by Line 18) \$ _____