



B #:	2182-14
Date:	November 10, 2014
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	<u>Tax Relief Country: Canada</u> Milestone APTS REIT CUSIP: 59934P101 <u>Record Date: 10/31/2014 Payable Date: 11/17/2014</u> <u>EDS Cutoff Date: 11/13/2014 8:00 PM (EST)</u>

DTCC clients should be aware of the Canadian tax withholding processing on distributions to holders of Milestone Apartments REIT.

UNITHOLDERS ELIGIBLE FOR THE EXEMPT RATE

- 1) Currently, the distributions from the trust are sourced in the US and, consequently, exempt from Canadian withholding tax under Article XXII(2) of the Canada-US Treaty when made to any Unit holder who is:
 - (i) a non-resident of Canada for tax purposes;
 - (ii) a "resident" of the United States for the purposes of the *Canada – United States Income Tax Treaty*; and
 - (iii) a "qualifying person" for the purposes of the Treaty, so as to be entitled to benefits thereunder, at a 0% rate.

Please refer to Canada TaxInfo for a definition of U.S. Residents.

Participants making an election at the exempt rate for Unit holders whom meet these three requirements will be prompted to enter a Tax Exempt Control number which, for this distribution only, should be entered as 999999.

- 2) Eligible Canadian Residents as defined in Canada TaxInfo.

UNITHOLDERS ELIGIBLE FOR THE FAVORABLE WITHHOLDING RATE

Beneficial owners who are non-residents of the U.S. or Canada and who are residents eligible for treaty benefits in treaty jurisdictions where the applicable rates of Canadian withholding tax is 15% are eligible to elect and claim treaty benefits through the EDS program; in accordance with the guidelines of their jurisdiction. For a list of applicable rates for countries with which

Canada has a tax convention, please refer to the Department of Finance Canada (DoF) website at the following address: www.fin.gc.ca.

UNFAVORABLE

Participants who do not certify for the favorable or exempt rate will receive the payment at the 25% unfavorable withholding rate.

By electing the Favorable (15%) or Exempt (0%) tax rate the Participant of DTC agrees to the Legal Conditions for the Use of DTC EDS/TaxReliefSM section of Canadian TaxInfo.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY FUNCTION (DIVA), SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY.

Participants not responding to the above option by 8:00 P.M New York time on the EDS Cutoff Date, will receive the payment at the Unfavorable rate (less 25% Canadian non-resident tax withholding – default option).

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, participants should contact DTCC's Customer Service Center at (888) 382-2721.

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