



May 12, 2016

Dear Carrier,

We have recently received notification from The Canadian Trucking Alliance that the Canada Revenue Agency ("CRA") has started the enforcement of the withholding payment legislation for payments made to non-resident companies. The legislation states that "all companies making payments to any non-resident company, must withhold 15% of the payments and forward such withholdings to the Canada Revenue Agency". The applicable regulation is Regulation 105 and IC75-6R2 which can be found on the CRA web site.

We were not aware of this regulation until recently and effective immediately will be abiding by it. **Important! There is a provision within the regulation for your company to be exempt.** If a company that is a non-resident of Canada is transacting any business with a company in Canada, the company can request from CRA a Tax Waiver for services provided. Please note this tax waiver must have a stated AMOUNT and is only valid for one calendar year; and must be again applied for. A sample of the document that you will receive from CRA is provided along with this notification.

We encourage you to make the application; send us a copy and then provide us with confirmation when you receive the exemption. **We need receipt of your Tax Waiver document in the name of Big Freight Systems Inc. for 2016, failing which we will commence withholding the legislated 15%.** All withholdings will be forwarded to CRA and in order to get the funds back, you will need to make application to CRA for a refund.

We are encouraging all our non-Canadian resident carriers to make the application. Should you have any questions on this you can contact either myself or the Canadian Trucking Alliance.

Regards,

Andrew Rodriguez, C.P.A., C.G.A.  
Controller

