

COMPETENT AUTHORITY ARRANGEMENT

The competent authorities of the United States and the United Kingdom enter into this arrangement (the "Arrangement") under the Convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital Gains signed at London on July 24, 2001, as amended by the Protocol signed on July 19, 2002 (the "Treaty"). The Arrangement is entered into under paragraph 3 of Article 26 (Mutual Agreement Procedure) of the Treaty.

It has come to the attention of the competent authorities that the withdrawal of the United Kingdom from the European Union has created uncertainty as to whether a person resident in the United Kingdom may continue to be considered a "resident of a Member State of the European Community" for the purposes of applying the so-called "derivative benefits test" in paragraph 3 of Article 23 (Limitation on benefits) of the Treaty, including the term "equivalent beneficiary," as defined in subparagraph (d) of paragraph 7 of Article 23.

Paragraph 7(d) of Article 23 states in relevant part that "an equivalent beneficiary is a resident of a Member State of the European Community . . ." provided that such resident satisfies certain tests in Article 23.

The competent authorities agree that, for the purposes of applying paragraph 7(d) of Article 23, a "resident of a Member State of the European Community" continues to include a resident of the United Kingdom. This interpretation reflects the shared understanding of the competent authorities that residents of either Contracting State should be eligible to qualify as equivalent beneficiaries for purposes of applying the derivative benefits test in paragraph 3 of Article 23.

Agreed to by the undersigned competent authorities:

U.S. Competent Authority
Nikole C. Flax
Internal Revenue Service

U.K. Competent Authority
Daniel Berry
HM Revenue and Customs