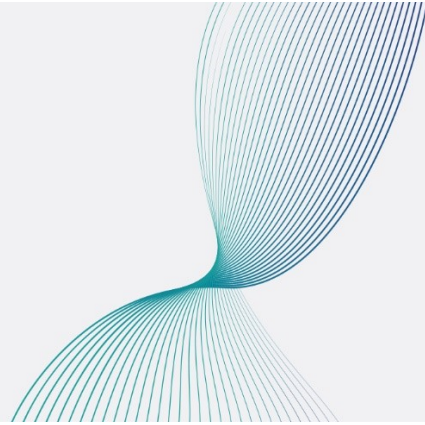




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Prescribed Interest Rate for PLOIs in Q4 2020

KPMG estimates there will be a slight decrease in the fourth quarter

The prescribed interest rate for 2020's fourth quarter is now available. KPMG estimates that the quarterly rate, which is used to determine the deemed interest income inclusion from a pertinent loan or indebtedness (PLOI), will decrease to 4.18% (from 4.27%) for October 1, 2020 to December 31, 2020. This rate is generally the average yield of Government of Canada 90-day Treasury Bills sold during the first month of the preceding quarter (rounded to two decimal places) plus 4%.

As a result, the prescribed interest rates for PLOIs are as follows:

Quarterly Prescribed Interest Rates	
2020	
October 1 – December 31	4.18%*
July 1 – September 1	4.27%
April 1 – June 30	5.65%
January 1 – March 31	5.64%
2019	
October 1 – December 31	5.65%
July 1 – September 30	5.67%
April 1 – June 30	5.63%
January 1 – March 31	5.67%

* KPMG estimate

For more information, please contact your KPMG advisor.

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