





**JAPAN**

**(Date modified: December 13, 2012)**

INVESTMENT/INVESTOR INFORMATION

Country of Investment: Japan (JP)

Country of Investor: All

STATUTORY RATES AND FOOTNOTES

Interest: 15.315%

Footnotes:

Interest-bearing debt obligations issued on or after April 1, 2010 outside Japan from which interest is also paid outside Japan by Japanese corporations (“Securities”) on which interest is paid to Gross Recipients; 0%

CATEGORY OF INVESTOR

\*\*\*Gross Recipient\*\*\*

A Gross Recipient is a beneficial owner that is:

- (a) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a “specially-related person of the issuer” (as defined below);
- (b) a Japanese “Designated Financial Institution” (as defined below) holding Securities for its own proprietary account; or
- (c) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Securities is made through a payment handling agent in Japan as defined in Article 2-2 paragraph (2) of the Cabinet Order (as amended on December 17, 1997) relating to Article 6 of the Act on Special Measures Concerning Taxation of Japan.

Interest on Securities will be paid free of deductions for withholding tax to beneficial owners that establish their status as Gross Recipients

\*\*\*Designated Financial Institution (“DFI”)\*\*

A Designated Financial Institution (“DFI”) is a holder that establishes that it is:

- (a) resident in Japan for tax purposes; and
- (b) is a bank, a Shinkin Bank, the Federation of Shinkin Banks, The Shoko Chukin Bank, The Norinchukin Bank, a life insurance company, a non-life insurance company or a certain financial instruments business operator as provided in Article 2, paragraph (9) of the Financial Instruments and Exchange law of Japan.

\*\*\*”Specially-Related Person (SRP) of the issuer”\*\*\*

A “specially-related person of the issuer” is a beneficial owner that is, for Japanese tax purposes, an individual non-resident of Japan or a non-Japanese corporation that in either case is a person who has a special relationship with the issuer of the Securities as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan

## LEGAL CONDITIONS

The following certifications and liabilities apply to the use of the Elective Dividend System (“EDS/TaxRelief<sup>SM</sup>”) for Japan. The procedures and standards of diligence required of Participants are described more fully in the document entitled “Compliance Procedures For International Securities Offerings By Japanese Issuers — Securities Held Through DTC”, which is provided for your reference in TAXI/Taxinfo<sup>SM</sup> (see below).

Participants use the EDS/TaxRelief<sup>SM</sup> system to certify electronically that specified quantities of a non-U.S. CUSIP are entitled to favorable tax treatment (“Electronic Certification”). Favorable tax treatment may be a reduced rate of non-resident withholding taxes, or complete exemption from withholding taxes. For some countries, a tax credit related to the issuer’s payment of home country tax may be available. Favorable tax treatment may be pursuant to international treaty or source country law.

The Participant’s Electronic Certification exposes it to certain legal liabilities. Therefore, DTC does not require Participants to use EDS/TaxRelief<sup>SM</sup>. Instead, Participants, after consultation with tax advisors, may choose to by-pass DTC and deal with foreign tax authorities directly.

The Participant’s decision whether to use EDS/TaxRelief<sup>SM</sup> should proceed from the following considerations:

\*\*\*Participant’s Electronic Certifications\*\*\*

By Electronic Certification, the Participant represents and warrants the following:

1. The Participant has read all of the DTC procedures on the Tax Information System TAXI/Taxinfo<sup>SM</sup> dealing with the “foreign securities option” of EDS/TaxRelief<sup>SM</sup> for Japan;
2. The Participant understands the “Category of Investor” section for Japan;
3. To the best of the Participant’s knowledge and belief, based on information provided by clients for whom the Participant holds Securities, the Electronic Certification corresponds to interest and underlying Securities beneficially owned on the record date by owners qualified under the “Category of Investor” for Japan;
4. The Participant authorizes DTC to make any book entries necessary in connection with the Electronic Certification;
5. The Electronic Certification revokes and replaces any previous certifications made by the DTC Participant to DTC with which the Electronic Certification conflicts

**\*\*\*Participant’s Legal Liabilities\*\*\***

1. The Participant indemnifies DTC and holds it harmless under DTC’s Rule 6, which applies (among other things) to any loss, liability or expense sustained by DTC as a result of any act done in reliance upon the Participant’s Electronic Certification or as a result of the inaccuracy of the information contained in the Electronic Certification. The Participant’s liability under this indemnity includes, but is not limited to, reimbursement to DTC for any payments made to the Japanese tax authorities, issuer, paying agent, American Depositary Receipt (“ADR”) depository, or any other person or entity for underwithheld tax, or for the erroneous payment of a treaty benefit at source, for foreign exchange fees, for interest on underwithheld funds, and for administrative costs
2. At the written request of the Japanese tax authorities explaining the reasons why a return of tax relief obtained at source via EDS is required (the “Tax Authority Request”), DTC is hereby authorized to debit the Participant’s account subsequently for the amount of tax relief received at source specified in the Tax Authority Request (the “Debit”); provided that at least 15 days before the Debit is made, DTC has given written notice to the Participant of the plan to Debit its account, along with a copy of the Tax Authority Request. If, however, within 15 days after such written notice by DTC to the Participant, the Participant in writing (i) certifies to DTC that it believes it has meritorious grounds for defending against the claim, (ii) indemnifies DTC under Rule 6 as provided in paragraph 1 of “Participant’s Legal Liabilities,” and (iii) agrees to defend DTC against any claim of the tax authority relating to the Debit, then DTC shall not effect the Debit until the earlier of the receipt by DTC of: (a) an order from a U.S. court of competent jurisdiction ordering DTC to effect the Tax Authority Request, and then only in accordance with the terms of such order; or (b) an instruction from the Participant authorizing the Debit

**RELATED WEB SITES**

**Tax Treaty Related Sites**

**Japan – U.S. Tax Treaty**

*<http://www.irs.gov/index.html>*

**Country Specific Sites**

Ministry of Finance – Japanese Tax System  
*<http://www.mof.go.jp/english/zei/report/zc001a.htm>*

Ministry of Finance  
*<http://www.mof.go.jp/english/index.htm>*















































































