



Important Notice
The Depository Trust Company

B #:	1076-14
Date:	June 2, 2014
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	Tax Relief - Country: Portugal PORTUGAL TELECOM CUSIP: 737273102 <u>Record Date: 05/29/2014 Payable Date: TBA</u> <u>EDS Cut-off: 06/04/2014 8:00 PM (EST)</u> <u>Documentation Deadline at GlobeTax: 06/04/2014 5:00 PM (EST)</u>

Portugal Telecom has announced a cash dividend. Deutsche Bank Trust Company Americas acts as the Depository for the company's Global Depositary Receipt ("GDR") program.

Participants can use DTC's Elective Dividend System (EDS) function over the Participant Terminal System (PTS) or Tax Relief option on the Participant Browser System (PBS) web site to certify all or a portion of their position entitled to the applicable withholding tax rate.

Questions regarding this Important Notice may be directed to GlobeTax at (212) 747-9100.

Important Legal Information: *The Depository Trust Company ("DTC") does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages. To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.*

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Non-Confidential



Portugal Telecom has announced a **cash** dividend. Deutsche Bank Trust Company Americas (“DBTCA”) acts as Depositary for the company’s American Depositary Receipt (“ADR”) program.

Participants can use DTC’s Elective Dividend System (EDS) function over the Participant Terminal System (PTS) or TaxRelief option on the Participant Browser System (PBS) web site to certify all or a portion of their position entitled to the applicable withholding tax rate. Use of EDS will permit entitlement amounts to be paid through DTC.

On ADR Pay Date, all eligible holders will have the opportunity to receive the statutory withholding tax rates of 25% or 28% vs. the default withholding tax rate of 35%. All holders not eligible for EDS or not certified at the statutory withholding tax rate through EDS will receive the dividend net of the full Portuguese default withholding tax rate of 35% with the possibility to reclaim through the quick refund. Only beneficiaries who are disclosed through the disclosure process are eligible to submit a claim through the standard long form process.

DIVIDEND EVENT DETAILS

COUNTRY OF ISSUANCE	PORTUGAL
ISSUE	PORTUGAL TELECOM
CUSIP#	737273102
DEPOSITARY	DEUTSCHE BANK TRUST COMPANY AMERICAS
ADR RECORD DATE	May 29, 2014
ADR PAY DATE	TBA
ORD PAY DATE	TBA
ORD GROSS DIVIDEND RATE	€ 0.100
RATIO	1 ORD : 1 ADR
DEFAULT WHT RATE	35%

CHARGES & DEADLINES

FILING METHOD	PAYMENT METHOD	DEPOSITARY SERVICE CHARGE	MINIMUM SERVICE CHARGE PER BENEFICIAL OWNER	FINAL SUBMISSION DEADLINE (ALL TIMES EST)
RELIEF-AT-SOURCE (BENEFICIARY DISCLOSURE FOR STATUTORY RATE)	EDS	\$0.005 PER DR	\$0	EDS Deadline: June 4, 2014; 8:00 P.M. Documentation Deadline at Globetax: June 4, 2014; 5:00 P.M.
QUICK REFUND (TREATY CLAIMS)	CHECK	\$0.005 PER DR OR \$0.010 PER DR*	\$25.00 TAX RELIEF FEE & UP TO EUR 7.00 CUSTODIAL FEE	Documentation Deadline at Globetax: June 6, 2014; 5:00 P.M.
LONG FORM	CHECK	\$0.005 PER DR OR \$0.010 PER DR*	\$25.00 TAX RELIEF FEE & UP TO EUR 35.00 CUSTODIAL FEE	May 1, 2016; 5:00 P.M.

* THE HIGHER FEE APPLIES TO BENEFICIARIES WHO WERE NOT DISCLOSED DURING THE DISCLOSURE PERIOD.

*PLEASE NOTE THE BENEFICIAL OWNER DISCLOSURE FORM CAN BE FOUND IN EXCEL FORMAT BY DOUBLE CLICKING THE PAPERCLIP ICON →



TREATY CLAIM VIA “QUICK REFUND” ELIGIBILITY MATRIX

RATE DESCRIPTION	TREATY RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
FAVORABLE	10%	CAPE VERDE ISLANDS, CHINA, DENMARK, ESTONIA, HONG KONG, INDONESIA, LATVIA, LITHUANIA, MACAU, MEXICO, MOLDOVA, MOZAMBIQUE, NETHERLANDS, SINGAPORE, SWEDEN, AND VENEZUELA	<ol style="list-style-type: none"> 1. BENEFICIARY DISCLOSURE FORM (IF BENEFICIARY HAS NOT PREVIOUSLY BEEN DISCLOSED) 2. MOD. 21-RFI (SEE BELOW) 3. SELF DECLARATION/SELF DETERMINATION LETTERS FOR <u>PENSIONS AND RICS ONLY</u> 4. CERTIFICATE OF RESIDENCY (IF MOD. 21-RFI IS NOT CERTIFIED BY THE BENEFICIARY’S LOCAL TAX OFFICE)
FAVORABLE	15%	ALGERIA, AUSTRIA, BELGIUM, BRAZIL, BULGARIA, CANADA, CHILE, CZECH REPUBLIC, DENMARK, FINLAND, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, INDIA, IRELAND, ISRAEL, ITALY, KOREA (SOUTH), LUXEMBOURG, MALTA, MOROCCO, MOZAMBIQUE, NORWAY, PAKISTAN, POLAND, ROMANIA, RUSSIA, SLOVAK REPUBLIC, SLOVENIA, SOUTH AFRICA, SPAIN, SWITZERLAND, TUNISIA, TURKEY, UKRAINE, UNITED KINGDOM, AND UNITED STATES	<ol style="list-style-type: none"> 1. BENEFICIARY DISCLOSURE FORM 2. MOD. 21-RFI (SEE BELOW) 3. SELF DECLARATION/SELF DETERMINATION LETTERS FOR <u>PENSIONS AND RICS ONLY</u> 4. CERTIFICATE OF RESIDENCY OR 6166 FOR U.S. RESIDENTS (IF MOD. 21-RFI IS NOT CERTIFIED BY THE BENEFICIARY’S LOCAL TAX OFFICE)

FORM MOD. 21-RFI CAN BE FOUND HERE:

[http://info.portaldasfinancas.gov.pt/NR/rdonlyres/6002B253-E9C3-4933-874C-1CB961169848/0/rfi-21%20\(2008\).pdf](http://info.portaldasfinancas.gov.pt/NR/rdonlyres/6002B253-E9C3-4933-874C-1CB961169848/0/rfi-21%20(2008).pdf)

TREATY CLAIM VIA "LONG FORM" ELIGIBILITY MATRIX

RATE DESCRIPTION	TREATY RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
FAVORABLE	10%	CAPE VERDE ISLANDS, CHINA, DENMARK, ESTONIA, HONG KONG, INDONESIA, LATVIA, LITHUANIA, MACAU, MEXICO, MOLDOVA, MOZAMBIQUE, NETHERLANDS, SINGAPORE, SWEDEN, AND VENEZUELA	<ol style="list-style-type: none"> 1. BENEFICIARY DISCLOSURE FORM (IF BENEFICIARY HAS NOT PREVIOUSLY BEEN DISCLOSED) 2. MOD. 22-RFI (SEE BELOW) 3. SELF DECLARATION/SELF DETERMINATION LETTERS FOR <u>PENSIONS AND RICS ONLY</u> 4. CERTIFICATE OF RESIDENCY (IF MOD. 22-RFI IS NOT CERTIFIED BY THE BENEFICIARY'S LOCAL TAX OFFICE)
FAVORABLE	15%	ALGERIA, AUSTRIA, BELGIUM, BRAZIL, BULGARIA, CANADA, CHILE, CZECH REPUBLIC, DENMARK, FINLAND, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, INDIA, IRELAND, ISRAEL, ITALY, KOREA (SOUTH), LUXEMBOURG, MALTA, MOROCCO, MOZAMBIQUE, NORWAY, PAKISTAN, POLAND, ROMANIA, RUSSIA, SLOVAK REPUBLIC, SLOVENIA, SOUTH AFRICA, SPAIN, SWITZERLAND, TUNISIA, TURKEY, UKRAINE, UNITED KINGDOM, AND UNITED STATES	<ol style="list-style-type: none"> 1. BENEFICIARY DISCLOSURE FORM 2. MOD. 22-RFI (SEE BELOW) 3. SELF DECLARATION/SELF DETERMINATION LETTERS FOR <u>PENSIONS AND RICS ONLY</u> 4. CERTIFICATE OF RESIDENCY OR 6166 FOR U.S. RESIDENTS (IF MOD. 22-RFI IS NOT CERTIFIED BY THE BENEFICIARY'S LOCAL TAX OFFICE)

FORM MOD. 22-RFI CAN BE FOUND HERE:

[http://info.portaldasfinancas.gov.pt/NR/rdonlyres/87285E88-7637-4EA7-8919-4E1041233755/0/rfi-22%20\(2008\).pdf](http://info.portaldasfinancas.gov.pt/NR/rdonlyres/87285E88-7637-4EA7-8919-4E1041233755/0/rfi-22%20(2008).pdf)

DEPOSITARY CONTACT DETAILS

PRIMARY CONTACT	AINA MORENO
DOMESTIC PHONE (U.S.)	1-800-876-0959
DOMESTIC FAX (U.S.)	1-866-888-1120
INTERNATIONAL PHONE	1-212-747-9100
INTERNATIONAL FAX	1-212-747-0029
EMAIL ADDRESS	AINA_MORENO@GLOBETAX.COM
COMPANY	DEUTSCHE BANK TRUST COMPANY AMERICAS / GLOBETAX
STREET ADDRESS	90 BROAD STREET, 16 TH FLOOR
CITY/STATE/ZIP	NEW YORK, NY 10004
ADDITIONAL CONTACTS	GREGGORY LEWIS

FREQUENTLY ASKED QUESTIONS (FAQs)

GENERAL QUESTIONS

QUESTION	ANSWER
CAN I ATTACH A 6166 TO THE MOD.21-RFI?	YES, IT MUST BE ORIGINAL AND IT MUST BE DATED FOR THE TAX YEAR THAT CORRESPONDS WITH THE DIVIDEND PAYMENT ON THE UNDERLYING SHARE IN THE LOCAL MARKET.
WHEN DO I NEED TO USE EXHIBIT I (BENEFICIARY DISCLOSURE) AT THE END OF THIS NOTICE?	THE BENEFICIARY DISCLOSURE FORM SHOULD BE USED FOR ALL CLAIM TYPES – DISCLOSURE, QUICK REFUND, AND LONG FORM.
CAN I DISCLOSE THE BENEFICIAL OWNER INFORMATION WITHOUT THE MOD. 21-RFI TO OBTAIN THE STATUTORY RATE?	YES.

Warning and Disclaimer:

The information and data contained in this Notice is based on information obtained from multiple sources believed to be reliable. However, Deutsche Bank Trust Company Americas and its agents do not warrant or guarantee the accuracy or completeness of, nor undertake to update or amend, this information or data. We and our agents expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon any of this information or data. The information contained in this Notice is subject to change, including in the and subject to discretion of third parties, and/or pre-emption or being superseded by local market rules, and practices or actions taken by non-U.S. agents or tax authorities. Deadlines often differ from statutory deadlines. You should file claims as soon as possible, and at least six months prior to the specified deadline.

APPENDIX I: LIST OF TERRITORIES CONSIDERED AS TAX HAVENS, IN ACCORDANCE WITH THE PORTUGUESE LAW - Regulation nº 292/2011, from November 8th

- American Samoa
- Andorra
- Anguilla
- Antigua and Barbuda
- Aruba
- Ascension
- Bahamas
- Bahrain
- Barbados
- Belize
- Bermuda
- Bolivia
- British Virgin Islands
- Brunei
- Cayman Islands
- Channel Islands
- Cook Islands
- Costa Rica
- Djibouti
- Dominica
- Falkland and Malvinas Islands
- Fiji Islands
- French Polynesia
- Gambia
- Gibraltar
- Grenada
- Guam Island
- Guyana
- Honduras
- Hong Kong
- Island of Tokelau
- Island of Tuvalu
- Isle of Man
- Jamaica
- Keeling and Cocos Island
- Keslim Islands
- Kiribati Island
- Kuwait
- Labuan
- Liban
- Liberia
- Liechtenstein
- Maldives Islands
- Marshall Islands
- Mauritius
- Monaco
- Montserrat
- Natal Islands
- Nauru
- Netherlands Antilles
- Niue Island
- Norfolk Island
- Northern Mariana Islands
- Pacific Islands
- Palau Islands
- Panama
- Pitcairn Island
- Puerto Rico
- Qatar
- Republic of Vanuatu
- Republic of Yemen
- Saint Helena Islands
- Saint Kitts and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines
- Salomon Islands
- San Marino
- Seychelles
- St. Pierre and Miguelon Island
- Swaziland
- Sultanate of Oman
- Svalbard Islands
- Tonga
- Trinidad and Tobago
- Turks and Caicos Islands
- United Arab Emirates
- Uruguay
- US Virgin Islands
- Western Samoa

New York, NY 10004

Attn: Portugal Telecom

I/We the undersigned, authorized representatives of _____ (DTC Participant Name), holding shares through DTC# _____, of **Portugal Telecom** Depository Receipts (**CUSIP: 737273102**) as of record date **May 29, 2014**, request that:

- The upcoming dividend is paid out at the statutory rates of 25% OR 28% rather than the default rate of 35%.
- Tax Treaty is applied and I have supplied the Form Mod. 21-RFI to claim treaty benefits through the quick refund procedure.
- Tax Treaty is applied and I have supplied the Form Mod. 22-RFI to claim treaty benefits through the standard long-form procedure.

Name of Beneficial Owner	Individual or Corporate Entity (“I” or “C”)	Date of Birth (Individuals only)	Place of Birth (Individuals only)	Country of Birth (Individuals only)	Nationality (Individuals Only)	Gender (Individuals Only) (“M” or “F”)	Complete Address	Country of Residency	Tax Payer I.D. Number	Number of DRs

Indemnification

We certify that to the best of our knowledge that each of the beneficial owners identified above are eligible for the preferential rates as stated herein and we declare that we have performed all the necessary due diligence to satisfy ourselves as to the accuracy of the information submitted to us by these beneficial owners.

We will be fully liable for any and all withholding taxes, claims, penalties and / or interest to the Portugese Tax Authorities (“charge-backs”), including without limitation, any foreign exchange fluctuations associated with such funds. Neither DBTCA nor the Issuer nor any of their agents or affiliates shall be liable for the failure to secure any refund. In consideration of the assistance of DBTCA and the Issuer in processing such claims, we expressly agree that neither DBTCA nor the Issuer nor any of their agents or affiliates shall have any liability for, and we shall indemnify, defend and hold each of DBTCA and the Issuer and their respective agents and affiliates harmless from and against, any and all loss, liability, damage, judgment, settlement, fine, penalty, demand, claim, cost or expense (including without limitation fees and expenses of defending itself or enforcing this agreement) arising out of or in connection herewith. We further agree that our obligations hereunder shall be free from all defenses.

Sincerely,

PAYMENT ADDRESS: _____

 [Signature of authorized signatory for DTC Participant]
 [NAME AND TITLE OF AUTHORIZED OFFICER FOR DTC PARTICIPANT]

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