



Important Notice
The Depository Trust Company

B #:	0712-15
Date:	April 16, 2015
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	<u>Tax Relief</u> – Country: Japan <u>TaxRelief Process on Japanese American Depository Receipts (“ADRs”)</u> Addition of \$300 Tax Adjustment Fee <u>Instruction Deadline: 04/21/2015 8:00 P.M.</u>

Participants should read this Important Notice in its entirety as it contains important information regarding DTC’s TaxRelief Service on Japanese Equity distributions including \$300 charges for adjustments to tax instructions. DTC is moving towards universally charging its \$300 fee for adjustments to tax instructions due to the risk of having to make manual adjustments to Participants’ instructions due to Participants not complying with documentation requirements.

TaxRelief Process on Japanese American Depository Receipts (“ADRs”)

On Japanese ADR distributions, all tax rates except the 15.315% are required to provide documentation to GlobeTax Services, Inc. (“GlobeTax”) who is acting as agent for the Depository Banks. Participants that instruct position in any rate besides the 15.315% rate and do not provide the supporting documentation to Globe Tax will receive a \$300 fee per DTC’s fee schedule.

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.

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including Real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS Alerts, visit http://www.dtcc.com/subscription_form.php.

The default tax rate of 20.42% for Japanese ADRs requires documentation to be provided to Globe Tax. If Participants instruct the 20.42% rate either by actively making an election via the CA Web or by accepting the default rate, then Participants are required to provide documentation to Globe Tax as outlined in the Important Notice relevant to the distribution.

Reminder – Current Distributions which the instruction deadline date is April 21, 2015

Participants are reminded that the attached list of Japanese ADR CUSIPs will be cutting off for instruction processing at 8:00 P.M. on April 21, 2015. It is highly encouraged that Participants thoroughly read the Important Notice issued on these distributions in order to insure that the documentation requirements for the various tax withholding rates are understood, and where applicable to complete, and forwarded to Globe Tax by the established deadline date as defined in DTC's Important Notice.

In order to assist Participants in locating CUSIPs that have not been instructed upon, the CA Web's Dashboard will assist in identifying those items. Participants should access the CA Web Browser and then mouse over to the 'Instructions' tab located on the top of the page and click on Overview. The Distributions section with a list of Services will appear in the center of the page. Next to the Foreign Tax Relief Service, Participants can click on the number located under the **Uninstructed** section. A list of all CUSIPs where an instruction has not been entered yet appears on the screen. Participants should then click on the Service Country Code to sort CUSIPs by Country in alphabetical order. Scroll down to country code JP for Japan and all CUSIPs for Japan will be listed that are in the status of 'Uninstructed'.

Rationale for the \$300 Fee for Adjustments

DTC continues to receive a significant amount of Participant tax withholding instruction revisions from issuers of Japanese ADRs due to Participants either not making the tax withholding election or from not completing the appropriate documentation requirements in support of their tax withholding instructions submitted through the CA Web. Unlike the other Countries that DTC supports under its TaxRelief Service where the default (unfavorable) rate does not typically require documentation to be completed, the Japanese ADRs requirements are unique and mandate that documentation be completed for the unfavorable rate of 20.42%. When revising the Participants instructions, DTC must move the rejected amount of shares to the favorable rate of 15.315% which is the only rate that does not require documentation to be completed. Despite Important Notices that are clear on what the requirements are for processing on these events, Participants are not consistently complying with them which results in additional work and risk to DTC.

As a result of the above, effective July 1, 2015, DTC will begin charging the \$300 fee per its fee schedule to Participants who fail to comply to the documentation requirements in support of their Tax Relief instructions through DTC. The fee will not be restricted to Japan and will apply to all Countries where TaxRelief at Source is offered by DTC.