

IMPORTANT NOTICE

The Depository Trust Company



#: 4559-09
Date: May 6, 2009
To: All Participants
Category: Operations
From: John Casalino
Attention: All Participants
Subject: ADR Fees

The Depository Trust Company (DTC) has filed and received approval on a rule change with the Securities and Exchange Commission (SEC) to expand the scope and timing by which DTC can collect and pass-through fees owed by Participants to American Depositary Receipt (ADR) agents.

On June 12, 2006, the SEC approved a rule filing for the establishment of a mechanism by which DTC could collect and pass-through custody fees owed by Participants to ADR agents for sponsored issues that did not pay periodic dividends. At the request of the depository bank, for issues that have not paid a dividend in the last 12 months, DTC can collect custody fees, termed Depository Service Fees (DSF), one time in a given year. In order to cover costs incurred in collecting and passing through these fees, DTC retains a collection charge equal to 3% of the ADR agent fee amount collected from each Participant up to a maximum of \$10,000 per CUSIP.

The depository banks and DTC have held discussions on expanding the current DSF collection process for sponsored ADR programs. With the approval of this rule filing, and again at the request of the depository agents, DTC can now collect all allowable Depository Service Fees, dividend fees¹, pass-through expenses or other special fees as governed by the ADR agreement, which are filed with the SEC and are usually found on the depository bank's public website. Such fees may be collected more than one time per year. Additionally, DTC will increase the maximum on the collection charge to a maximum of \$20,000 per CUSIP (\$0 if the charge is less than \$50). In order to collect the fees, the ADR depository banks are required to notify DTC thirty calendar days prior to the "record date" that a DSF or other fee is due and payable. In addition, DTC will require the ADR depository bank submit an attestation that under the ADR agreement, the specific fee(s) are allowable. The attestation will be in a form prescribed by DTC, and may be changed periodically to address operational issues. If a participant asks DTC to substantiate the fee, DTC may require the ADR depository to provide DTC with a copy of the ADR agreement with the issuer, with passages of the fee schedule highlighted. DTC may at its discretion provide copies of the agreement to its participants to substantiate the fee.

¹ Dividend fees will continue to be collected through the current rate adjustment process. The dividend fee is incorporated into the final rate paid on the dividend by the agent on payment date and covers their cost for servicing the dividend payment.

DTC has discussed this proposal with two divisions of the Securities Industry and Financial Markets Association (SIFMA), the SIFMA Operations Committee and the SIFMA Dividend Division, and various Participants. The SIFMA Operations Committee endorsed DTC's plan to collect all such fees and the Dividend Division and Participants made no objection to DTC moving forward. This process will eliminate invoice and check processing for DTC Participants and the depository banks. ADR depositories will no longer have to mail invoices and reminders to Participants holding ADR securities at DTC. Participants will have a transparent view into upcoming ADR fees, and a centralized source for information about the ADR fee and the collection of the fees². DTC expects to begin collecting ADR agent fees effective immediately.

Any questions or comments regarding this notice can be directed to John Casalino (jcasalino@dtcc.com) at 212-855-5683, anything related to Operational issues can be directed to Anthony Capizzi (acapizzi@dtcc.com) at 212-855-4703 or Donna Ruggiero (druggiero@dtcc.com) at 212-855-4619 or you can contact your DTCC Relationship Manager.

² DTCC will provide Participants with an itemized breakdown of the charges for each month's bill, listing the ADR issues (identified by CUSIP number) involved, the Participant's record date position and associated fee. Reports will also be available on SMART/Search to reconcile the charges.