

# The Depository Trust Company

## **IMPORTANT**

**REVISION - DOCUMENTATION DEADLINE IS 04/09/2001**

**B#:** 1577

**DATE:** March 05, 2001

**TO:** All participants

**CATEGORY:** Dividends

**FROM:** Mario Zaccardi, Supervisor, Dividend Department

**ATTENTION:** Operations, Reorg & Dividend Managers, Partners & Cashiers

**SUBJECT:** Chicago Bridge & Iron Company N.V. New York Shares  
CUSIP: N19808109  
Record Date: 03/20/2001 Payable Date: 03/30/2001  
Procedures for certain tax refunds - Country: Netherlands

The Depository Trust Company has received from The Bank of New York the attached information in regards to applying for certain tax refunds on the above captioned dividend.

As directed in the notice, participants who have qualified beneficial holders who expected to benefit from The Bank of New York procedure should secure the required documentation.

The deadline date for submission of the documentation is April 9, 2001. Any questions regarding the procedure should be directed to Mr. Bob Kellett at (212) 815-2726.

# CHICAGO BRIDGE & IRON COMPANY N.V.

## NEW YORK SHARES

### Quarterly Dividend

Payable: **March 30, 2001** to  
Holders of Record: **March 20, 2001**

**To Banks, Brokers and Nominees  
in the United States holding**

**CHICAGO BRIDGE & IRON COMPANY N.V. New York Shares - CUSIP No. N19808 10 9**

CHICAGO BRIDGE & IRON COMPANY N.V. has announced a quarterly dividend in cash amounting to **\$0.06** per share.

The quarterly dividend shall be paid by us on **March 30, 2001** to holders of record at the close of business on **March 20, 2001**. Payment shall be made by U.S. dollar check less the 25% Netherlands withholding tax on dividend.

Important: Please note that the purpose of this document is to explain how The Bank of New York (“BNY”) will process payments for the cash dividend as well as address the reclaim procedures required for obtaining the dividend at both the tax-exempt and favorable tax rates.

#### Netherlands Withholding Tax on Dividends

The basic Netherlands withholding tax rate on dividends is 25%. With effect from January 1, 1994, the Tax Convention of December 18, 1992, between the United States and the Netherlands (the “Tax Convention”) entered into force.

#### *General:*

Individuals resident in the United States, as well as the U.S. Government, its political subdivisions and its local authorities can claim treaty benefits. U.S. resident persons other than the before mentioned must satisfy the conditions of Article 26 (Limitation on Benefits) of the Tax Convention in order to qualify for treaty reduction of withholding tax.

As described below, there is a procedure for relief at source except for exempt organizations (e.g. charities) as dealt with in Article 36 of the Tax Convention. Since relief at source is not available to charities, an alternative method of reclaim must be utilized for a refund to be obtained.

**This paragraph and those below are only a brief and incomplete summary for convention. With regard to any particular situation advice should be obtained from your tax counsel.**

*15% Withholding Tax:*

Under the Tax Convention, the reduced rate of 15% dividend withholding tax applies to individuals resident in the United States and to corporations organized under the laws of the United States that satisfy the conditions of article 26 of the Tax Convention or of a state or territory thereof and any other legal person subject to United States Federal Income Tax with respect to its worldwide income provided that shares on which the dividend is paid are not effectively connected with a permanent establishment or a fixed base of the shareholder in the Netherlands.

*0% Withholding Tax:*

Under the Tax Convention, the rate of withholding tax is generally reduced to 0% for dividends received by certain United States resident organizations that are generally exempt from United States Federal Income Tax and that are constituted and operated exclusively to administer or provide pension, retirement or other employee benefits (Exempt Pension Trusts, Article 35 of the Tax Convention).

*Full refund from Netherlands Tax Authorities of 25% withholding tax:*

Under the Tax Convention, certain United States resident organizations that are generally exempt from United States Federal Income Tax and that are constituted and operated exclusively for religious, charitable, scientific, educational or public purposes (Exempt Organizations, Article 36 of the Tax Convention), are now subject to an initial 25% withholding rate. Such an exempt organization, if it would be exempt from tax in the Netherlands if it were organized and carried on all its activities therein, is entitled to reclaim directly from the Netherlands Tax Authorities a full refund of the 25% Netherlands dividend tax (see below).

*Reduced withholding tax rates under other Tax Conventions and the Tax Regulation for the Kingdom of the Netherlands.*

Where shares are beneficially owned by non-residents of the United States, any exemption from, or reduction or refund of, the Netherlands withholding tax is governed by the “Tax Regulation for the Kingdom of the Netherlands” or by the respective tax conventions between the Netherlands and the country of their residence.

## PROCEDURES

### I. Procedure for Banks, Brokers and others who are participants in a Depository System

Enclosed with this notice is a Declaration of Beneficial Ownership or “Split Letter” on which Banks, Brokers and others who are participants in a Depository System must certify the number of shares in their account on the record date which are beneficially owned by:

- (1) exempt pension trust resident in the United States, as referred to in Article 35 of the Tax Convention;
- (2) exempt organizations resident in the United States, as referred to in Article 36 of the Tax Convention;
- (3) other residents of the United States;
- (4) residents of Aruba, Netherlands Antilles and residents of other countries with which the Netherlands has concluded a tax convention (whilst enclosing the required tax forms ‘IB 92’ etc.); and
- (5) persons who cannot or do not claim the application of any tax convention concluded with the Netherlands or the Tax Regulation for the Kingdom of the Netherlands.

“Split Letters” and dividend checks may be subject to review by the Tax Authorities in the Netherlands.

**On March 30, 2001** we will make available to each Depository an amount of 75% of the declared dividend for all shares registered in the nominee name of the Depository. In order to receive a refund of Netherlands withholding tax, a completed Split Letter and any applicable tax forms must be received by BNY. All refunds will take place after the payment date.

Note: Split Letters will be accepted by BNY for a one year period that ends on **March 20, 2002**. Consequently, Declarations in Lieu of the Dividend Note (the proof of withholding) will not be available from BNY until this one year period has ended, except for charities under Article 36.

Shortly after receipt of a duly completed split letter BNY shall mail each participant:

- (1) a supplemental check for 25% of the dividend with respect to those shares reported to be beneficially owned by exempt pension trusts as dealt with in Article 35 of the Tax Convention that are resident in the United States and that satisfy the conditions of article 26 of the Tax Convention

- (2) a supplemental check for 10% of the dividend with respect to those shares reported to be beneficially owned by residents of the United States within the meaning of the Tax Convention (other than exempt pension trusts and exempt organizations, as dealt with in Articles 35 and 36, respectively, of that Convention) and that satisfy the conditions of Article 26 of that Convention.

The checks under (1) and (2) will have printed on the reverse side thereof a form of Declaration of Residence. The manual signature of the payee in the place indicated on the reverse side of the check will constitute the endorsement of the check, the execution of the declaration of residence and said entitlement on behalf of your clients. The check will be honored for a period of one year after the date shown thereon. Thereafter, any refund of Netherlands tax must be obtained directly from the Netherlands Tax Authorities within three years after the expiration of the calendar year in which the dividend tax has been levied. In this case, a separate request must be filed by each individual owner of shares with the Belastingdienst/Particulieren/Ondernemingen buitenland, P.O. Box 2865, 6401 DJ Heerlen, the Netherlands on a duly completed Tax Form IB 92 USA which should be accompanied by the "Declaration in Lieu of the Dividend Note" which is the proof of withholding. This document is to be obtained from BNY (ref. Annex I and II).

- (3) a supplemental check for 10% of the dividend with respect to those shares reported to be beneficially owned by residents of Aruba, Netherlands Antilles and residents of other countries with which the Netherlands has concluded a tax convention, in respect of whom the required IB 92 tax forms have been submitted.

No supplemental checks will be mailed with respect to exempt organizations (e.g. charities) as referred to in Article 36, paragraph 1 of the Tax Convention. These exempt organizations can only obtain a refund of the 25% Netherlands dividend tax withheld directly from the Netherlands Tax Authorities within three years after the expiration of the calendar year in which the dividend tax has been levied. Therefore, a separate request must be filed by each beneficial owner of shares with the Belastingdienst/Particulieren/Ondernemingen buitenland, P.O. Box 2865, 6401 DJ Heerlen, the Netherlands on a Tax Form 'IB 95' USA, which must be accompanied by the "Declaration in Lieu of the Dividend Note" which is the proof of withholding. The "Declaration in Lieu of the Dividend Note" can be requested on the "Split Letter". The applicant should state the manner in and the address to which the amount to be refunded is to be transmitted.

## II. Procedure if shares are beneficially owned by residents of any country listed below.

If shares are held of record in the name of a bank, broker or nominee in the United States and the beneficial owners of the shares are residents of any country listed below, we shall make payment at the rate of 75% of the dividend. Supplement payments of the amounts withheld for Netherlands tax may be obtained by filing the appropriate forms with us before **April 9, 2001**. Thereafter any refund of Netherlands tax withheld must be obtained directly from the Belastingdienst/Particulieren/Ondernemingen Buitenland the Netherlands within the number of specified years after the expiration of the calendar year in which the dividend tax has been levied.

| Country of Residence of Beneficial Owner | Tax Form to be filed      | Number of Years | Principal Rate of Withholding tax (%) |
|--|---------------------------|-----------------|---------------------------------------|
| Aruba                                    | IB 92 ARU                 | 5               | 15                                    |
| Australia                                | IB 92 AUS                 | 3               | 15                                    |
| Austria                                  | IN 92 OST                 | 3               | 15                                    |
| Belgium                                  | IB 92 BEL                 | 2               | 15                                    |
| Brazil                                   | IB 92 BRA                 | 5               | 15                                    |
| Canada                                   | IB 92 CEN<br>or IB 92 CFR | 3               | 15                                    |
| Denmark                                  | IB 92 DEN                 | 5               | 15                                    |
| Finland                                  | IB 92 FIN                 | 5               | 15                                    |
| France                                   | IB 92 FRA                 | 3               | 15                                    |
| Germany                                  | IB 92 BRD                 | 5               | 15                                    |
| India                                    | IB 92 INA                 | 3               | 15                                    |
| Indonesia                                | IB 92 INO                 | 3               | 15                                    |
| Republic of Ireland                      | IB 92 IER                 | 6               | 15                                    |
| Italy                                    | IB 92 ITA                 | 5               | 15                                    |
| Japan                                    | IB 92 JAP                 | 5               | 15                                    |
| Country of Residence of Beneficial Owner | Tax Form to be filed      | Number of Years | Principal Rate of Withholding tax (%) |
| Luxembourg                               | IB 92 LUX                 | 3               | 15                                    |
| Netherlands Antilles                     | IB 92 NAN                 | 5               | 15                                    |
| New Zealand                              | IB 92 NZL                 | 5               | 15                                    |
| Norway                                   | IB 92 NOR                 | 5               | 15                                    |
| South Africa                             | IB 92 ZAF                 | 3               | 15                                    |
| Spain                                    | IB 92 SPA                 | 2               | 15                                    |
| Sweden                                   | IB 92 SWE                 | 3               | 15                                    |
| United Kingdom and Northern Ireland)     | IB 92 GRB                 | 6               | 15                                    |

In principal, one copy certified by the appropriate tax authority of the country concerned, mentioned on the form is needed.

III) Procedure in all other cases.

Where NYSs are beneficially owned by residents of any country not listed above, Netherlands tax at the full rate of 25% must be withheld from the payment. Please call BNY ADR Dept. (Attn.: Bob Kellett (212) 815-2726) for additional information on any country not listed above

The Bank of New York  
Dividend Disbursing Agent

DECLARATION IN LIEU OF THE DIVIDEND NOTE

Certification with respect to dividends paid and Netherlands dividend tax withheld.

To: ..... (name and address )

We hereby certify that we have paid you as the beneficial owner the following dividend on Chicago Bridge & Iron Company N.V. made payable on ....., viz:

|                                   |               |            |
|-----------------------------------|---------------|------------|
| ..... shares at \$ .....          | per share \$. | .....      |
| Less 25% Netherlands dividend tax |               | \$.. ..... |
| Net Amount                        |               | \$.. ..... |

as received by us from The Bank of New York, and that we have not made any additional payment to you in respect of dividend tax which was not due.

Date: ..... Signature: .....

(name and address of registered holder)

**The Bank of New York**

DECLARATION IN LIEU OF THE DIVIDEND NOTE

Certification with respect to dividends paid and Netherlands dividend tax withheld.

To: ..... (name and address )

We hereby certify that we have paid you as the beneficial owner the following dividend on CHICAGO BRIDGE N.V. made payable on ....., viz:

|                                   |               |            |
|-----------------------------------|---------------|------------|
| ..... shares at \$ .....          | per share \$. | .....      |
| Less 25% Netherlands dividend tax |               | \$.. ..... |
| Net Amount                        |               | \$.. ..... |

as received from us, and that we have not made any additional payment to you in respect of dividend tax which was not due.

Date: ..... Signature: .....

(Split Letter)  
**CHICAGO BRIDGE & IRON COMPANY N.V.**

Mail or Hand Deliver to:  
Mr. Bob Kellett  
The Bank of New York  
101 Barclay Street - 15<sup>th</sup> Floor  
New York, New York 10286

**Important Notice**  
Payment of the dividend will be made on March 30, 2001 less Netherlands withholding tax of 25%. To receive a refund check on or about May 21, 2001, BNY must receive split letter by April 9, 2001. For Split letters received after April 9, 2001, refund checks will be paid by April 12, 2002.

In accordance with your request we furnish the following information concerning the resident status of the beneficial owners of the shares of Chicago Bridge N.V. registered in our name at the close of business **March 20, 2001.**

- |  | SHARES |
|--|--------|
| 1. Shares beneficially owned by exempt United States pension trusts, or organizations as referred to in Article 35 of the Tax Convention of 1992 on which 75% of the dividend is payable and the reduced tax rate of 0% will be claimed. (Note: The additional 25% of Netherlands withholding tax is being claimed via this split letter)  | _____  |
| 2. Shares beneficially owned by exempt United States charitable organizations as referred to in Article 36 of the Tax Convention of 1992 (i.e.: operated exclusively for religious, charitable, scientific, educational or public purpose) on which 75% of the dividend is payable and subject to the full 25% Netherlands withholding tax and for which proof of withholding (Certification-Declaration in lieu of the Dividend Note) is requested. (Note: The claim for 25% Netherlands via claim form IB-95 USA per beneficial owner along with The Bank of New York produced proof of withholding) | _____  |
| 3. Shares beneficially owned by residents or corporations of the United States on which 75% of the dividend is payable and the reduced Netherlands tax rate of 15% will be claimed. (Note: The additional 10% of Netherlands withholding tax is being claimed via this split letter).  | _____  |
| 4. Shares beneficially owned by residents of Aruba, Netherlands Antilles and residents of other countries with which the Netherlands has concluded a tax convention, and for which appropriate tax affidavits are delivered herewith. (Please consult your tax counsel).   | _____  |
| 5. Shares beneficially owned by persons who cannot or do not claim the application of any tax convention concluded with the Netherlands or the Tax Regulation for the Kingdom of the Netherlands and on which 75% of the dividend is payable and subject to the full 25% Netherlands withholding Tax   | _____  |
| 6. Total shares held by us on the record date:<br>(On which the cash option was selected)  | _____  |

DTC PARTICIPANT NUMBER \_\_\_\_\_ DTC PARTICIPANT NAME: \_\_\_\_\_

PHONE NUMBER ( ) \_\_\_\_\_ PRINT NAME:- \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

MAILING ADDRESS:

STREET: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

Subject to review by the Tax Authorities in the Netherlands