

# The Depository Trust Company

# IMPORTANT

**B#:** 2309

**DATE:** October 11, 2007

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** International Services

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

**SUBJECT:** Tax Relief - Country: Brazil  
EMBRAER CUSIP: 29081M102  
Record Date: 09/27/07 Payable Date: 10/22/07

The Depository Trust Company has received the attached information regarding certain tax refunds on the above captioned interest on equity payment.

As directed in the notice, participants that have qualified beneficial holders that expect to benefit from the procedure should provide the required documentation.

**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.*



**EMBRAER**  
**CUSIP: 29081M102**  
**Record Date: September 27, 2007**  
**Pay Date: October 22, 2007**

### **Interest on Equity**

JPMorgan Chase Bank acts as the sole depository bank for **Embraer**, (CUSIP: 29081M102) American Depositary Receipt ("ADR") program. Embraer has recently announced a payment of **Interest on Equity**.

JPMorgan will issue checks to all Participants on the ADR paydate of October 22, 2007.

Participants can use the BRAZILIAN RECORD DATE POSITION STATEMENT to certify all or a portion of their position entitled to the applicable withholding tax rates.

**NOTE: JPMORGAN CHASE BANK / GLOBETAX MUST RECEIVE THE RECORD DATE POSITION STATEMENT ON OR BEFORE OCTOBER 18, 2007 BY 5PM EST.**

The various Brazilian withholding tax rates that may be applicable are as follows:

**75% Unfavorable Rate** applies to beneficial holders who are resident in a tax haven country listed below and the Participant provides the Record Date Position Statement no later than **October 18, 2007** at 5PM EST to:

JPMorgan Chase Bank / GlobeTax  
90 Broad Street 16<sup>th</sup> Floor  
New York, NY 10004  
Attn: Brett Lewis

#### **Tax Haven Countries**

Andorra, Anguilla, Antigua and Barbuda, Netherlands Antilles, Aruba, Bahamas, Bahrain, Barbados, Belize, Bermuda, Campione D' Italia, Channel Islands, Cayman Islands, Cyprus, Singapore, Cook Islands, Costa Rica, Djibouti, Dominican Republic, United Arab Emirates, Gibraltar, Grenada, Hong Kong, Labuan, Lebanon, Liberia, Liechtenstein, Luxembourg, Macau, Island of the Madeira, Maldives, Malta, Isle of Man, Marshall Islands, Mauritius, Monaco, Montserrat, Nauru, Niue, Oman, Panama, St. Kitts and Nevis, American Samoa, Samoa, San Marino, Saint Vincent and the Grenadines, St. Lucia, Seychelles, Tonga, Turks and Caicos, Vanuatu, U.S. Virgin Islands, and British Virgin Islands

**85% Favorable Rate** applies to beneficial owners who are not resident in a tax haven country as defined above and are therefore not subject to the additional 10% withholding tax applied to residents of tax haven countries.

**Shares that are not certified as held by tax haven residents due the unfavorable (75%) withholding tax rate are subject to a depository service charge of up to \$0.0035 per ADR.**

The attached **Record Date Position Statement** needs to be provided to JPMorgan Chase Bank / GlobeTax no later than October 18, 2007 at **5:00 PM EST**:

If you have any questions regarding the requirements for the reclaim process please contact Brett Lewis at JPMorgan Chase Bank / GlobeTax; 90 Broad Street 16<sup>th</sup> Floor; New York, NY 10004; Tel: 800-929-5484; Fax: 800-929-9986

**Long-Form Claims**

Residents of Japan can claim a refund of 2.5%, (13.5% withholding) in the name of the ultimate beneficial owner, by filing a claim directly to JPMorgan Chase Bank / GlobeTax based on the respective treaty between Japan and Brazil. Questions about the documentation requirements may be directed to Brett Lewis at 800-929-5484 or 1-212-747-9100 for international callers.

Revisions to the record date position statement must be processed through JPMorgan Chase Bank / GlobeTax, however, there is no guarantee of success for these types of long-form claims. Long-form claims are subject to a depositary service charge of \$0.005 per ADR share with a minimum of \$25.00 applied on a per beneficial owner basis.

**Brazilian Record Date Position Statement**

**Interest on Equity**

**EMBRAER**

**CUSIP: 29081M102**

**Record Date: September 27, 2007**

**Pay Date: October 22, 2007**

Mail or Hand Deliver to:  
**JPMORGAN CHASE BANK**  
**C/O GLOBETAX**  
**90 BROAD STREET 16<sup>TH</sup> FLOOR**  
**NEW YORK, NY 10004**  
**ATTN: BRAZIL**

**IMPORTANT: This completed form must be received by us on or prior to October 18, 2007.**

In accordance with your request we furnish below information of the status at the close of business on the dividend record date of **September 27, 2007** of the beneficial owners of the ADRs on deposit for our account with DIC.

**ADRs**

- 1) ADRs beneficial owned by residents of a country that is **NOT** considered a tax haven country as defined in this Notice **(85% Favorable)** \_\_\_\_\_
- 2) ADRs beneficially owned by residents of any of the following countries: Andorra, Anguilla, Antigua and Barbuda, Netherlands Antilles, Aruba, Bahamas, Bahrain, Barbados, Belize, Bermuda, Campione D' Italia, Channel Islands, Cayman Islands, Cyprus, Singapore, Cook Islands, Costa Rica, Djibouti, Dominican Republic, United Arab Emirates, Gibraltar, Grenada, Hong Kong, Labuan, Lebanon, Liberia, Liechtenstein, Luxembourg, Macau, Island of the Madeira, Maldives, Malta, Isle of Man, Marshall Islands, Mauritius, Monaco, Montserrat, Nauru, Niue, Oman, Panama, St. Kitts and Nevis, American Samoa, Samoa, San Marino, Saint Vincent and the Grenadines, St. Lucia, Seychelles, Tonga, Turks and Caicos, Vanuatu, U.S. Virgin Islands, and British Virgin Islands **(75% Unfavorable)** \_\_\_\_\_

**Total Number of ADRs held by us on the record date:** \_\_\_\_\_

DIC PARTICIPANT NUMBER \_\_\_\_\_ DIC PARTICIPANT NAME: \_\_\_\_\_

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

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

MAILING ADDRESS:

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**Subject to review by the Tax Authorities in Brazil**

**Indemnification**

In consideration of the services provided by JPMorgan Chase Bank ("JPMorgan") contemplated hereby and the assistance provided by the issuer of the ADRs (the "Issuer"), we agree to indemnify, defend, hold and save JPMorgan, the Issuer and their respective affiliates, and the respective directors, officers, agents and employees of JPMorgan, the Issuer and each of their affiliates from and against any and all costs, damages or liabilities (including, without limitation, tax payments, interest charges, penalties or other costs assessed by relevant tax and administrative authorities, and the reasonable fees and disbursements of counsel) as a result of any deficiency or inaccuracy in the information provided in or in connection with this document