

The Depository Trust Company  
**IMPORTANT**

**B#:** 3014  
**DATE:** February 08, 2002  
**TO:** All participants  
**CATEGORY:** Dividends  
**FROM:** Anthony Capizzi, Domestic Tax Services, Dividend Dept.  
**ATTENTION:** Managing Partner/Officer, Cashier, Dividend Mgr. Tax Mgr.  
**SUBJECT:** American Shared Hospital Services  
CUSIP# 029595105  
2001 Tax Information

The Following correspondence containing tax information was received by the Depository Trust Company.  
If applicable please consult your tax advisor to assure proper treatment of this event.

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# American Shared Hospital Services

Four Embarcadero Center Suite 3700 San Francisco, CA 94111-4107 (415) 788-5300 (415) 788-5660 FAX www.ashs.com

February 6, 2002

Anthony Capizzi  
DTC

VIA FACSIMILE to 212-855-4737

Dear Mr. Capizzi,

American Shared Hospital Services paid its first dividend on April 2, 2001. In mid-January 2002 our accountants, Moss Adams LLP advised us that this dividend is a **non-taxable** return of capital.

We notified American Stock Transfer & Trust Company and they issued 1099's indicating non-taxable to the shareholders of record. However, the brokerage houses have evidently not received communication that this is a non-taxable distribution.

Can you please spread the word to the brokerage houses that this dividend was non-taxable?

If you have any questions, please feel free to contact me at the above address, or at my direct phone line 209-838-1011.

Thank you,

  
Norm Houck  
Controller

Cc: Stanley Tepper, American Stock Transfer & Trust Company  
Craig Tagawa, American Shared Hospital Services