

# The Depository Trust Company

# IMPORTANT

**B#:** 3325

**DATE:** April 08, 2008

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** International Services

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

**SUBJECT:** TaxRelief - Country: Brazil  
Diagnosticos da America S.A. Ord Shs ("GDR-REG S")  
R/D: 03/28/08 P/D: TBA CUSIP: 25246T206  
EDS Cut-Off Date: 04/22/08


DTC has been notified by JPMorgan Chase Bank, N.A., who acts as the sole depository bank for Diagnosticos da America S.A. Ordinary shares ("GDR-REG S"), that this issue has announced an interest on equity payment which is subject to Brazil withholding tax of 15% for entities who do not reside in a tax haven country (all others are subject to Brazil withholding tax of 25%).

Participants can use the DTC Elective Dividend System (EDS) function over the Participant Terminal System (PTS) to certify all or a portion of their position entitled to the applicable withholding tax rate.

**NOTE: THE DEADLINE FOR CERTIFYING OVER EDS IS [APRIL 22, 2008](#).**

**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.*

**JPMorgan**   
**DIAGNOSTICOS DA AMERICA S.A. –**  
**ORDINARY SHARES (GDR-REG S)**  
**CUSIP: 25246T206**  
**Record Date: March 28, 2008**  
**Pay Date: TBA**

**Interest on Equity**

JPMorgan Chase Bank, N.A. acts as the sole depository bank for **Diagnosticos da America S.A. (“GDR-REG S”)**, (CUSIP: 25246T206) American Depositary Receipt (“ADR”) program. A payment of **Interest on Equity** has been announced with respect to the ADRs representing such Diagnosticos da America S.A. Ordinary Shares (GDR-REG S).

Participants can use the DTC’s Elective Dividend System (EDS) function over the Participant Terminal System (PTS) to certify all or a portion of their position entitled to the applicable withholding tax rate.

**NOTE: THE DEADLINE FOR CERTIFYING OVER EDS IS APRIL 22, 2008.**

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

**75% Unfavorable Rate** applies to all beneficial owners with a residence in one of the following jurisdictions and/or subject to the special regulation as defined in the treaty between Brazil and Luxembourg:

**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 (For Luxembourg holding companies subject to the Luxembourg legislator Law from July 31, 1929), 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.

**IF PARTICIPANTS DO NOT CERTIFY THROUGH EDS FOR THE FAVORABLE RATE, THEY WILL RECEIVE THE PAYMENT OF INTEREST ON EQUITY WITH 25% TAX WITHHELD AND MUST CLAIM THE ADDITIONAL 10% WITHHOLDING DIRECTLY THROUGH JPMORGAN CHASE BANK / GLOBETAX.**

**American depository shares that are certified as held by non-tax haven residents due the favorable (85%) withholding tax rate are subject to a processing charge of \$0.0035 per American Depository Share.**

If you have any questions regarding the requirements for the reclaim process please contact Colleen Krenn 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.

If you wish to amend your election after the EDS deadline of April 22, 2008, please complete the Brazilian Revision Form (APPENDIX A) and mail to:

JPMorgan Chase Bank / GlobeTax  
90 Broad Street 16<sup>th</sup> Floor  
New York, NY 10004  
Attn: Colleen Krenn  
Tel: 800-929-5484  
Fax: 800-929-9986

**ALL ELECTIONS MADE THROUGH EDS ARE SUBJECT TO AUDIT OR ANY CONTROL DEEMED APPROPRIATE BY JPMORGAN CHASE BANK, N.A. (AND/OR ITS AGENTS), OR THE ISSUER. INCORRECT ELECTIONS COULD RESULT IN FINES, PENALTIES, AND SUSPENSION OF EDS ELIGIBILITY.**

**(ONLY FILE THIS FORM FOR A POST-EDS ELECTION RECLAIM)**

**Brazilian Revision Form**

**Interest on Equity**

**DIAGNOSTICOS DA AMERICA S.A. – ORDINARY SHARES (GDR-REG S)**

**CUSIP: 25246T206**

**Record Date: March 28, 2008**

**Pay Date: TBA**

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

Please be advised that we would like to amend our original elections made on behalf of our clients for the above mentioned interest on equity payment. Please see the number of American depositary shares ("ADSs") we originally received payment for as well as our new American depositary share totals outlined below. We hereby provide the following revised information of the status at the close of business on the payment record date of **March 28, 2008** of the beneficial owners of the ADRs on deposit for our account with DTC.

- 1) ADSs beneficially owned by residents of a country that is **NOT** considered a tax haven country as defined in this Notice (**85% Favorable**) ....

**Previous Share Amount Claimed** \_\_\_\_\_ **ADSs**

**New Share Amount** \_\_\_\_\_ **ADSs**

- 2) ADSs 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 (For Luxembourg holding companies subject to the Luxembourg legislator Law from July 31, 1929), 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**) ....

**Previous Share Amount Claimed** \_\_\_\_\_ **ADSs**

**New Share Amount** \_\_\_\_\_ **ADSs**

**Total Number of ADSs held by us on the record date set forth above:** \_\_\_\_\_ **ADSs**

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 Brazil**

**Indemnification**

In consideration of the services provided by JPMorgan Chase Bank, N.A. ("JPMorgan") contemplated hereby and its agents, we agree to indemnify, defend, hold and save JPMorgan, its agents, Diagnosticos da America S.A. – Ordinary Shares (GDR- REG S) and each of their respective affiliates, directors, officers, agents and employees 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.