

THE DEPOSITORY TRUST COMPANY

IMPORTANT

#: 0492

DATE: February 11, 1997

TO: All Participants

FROM: Sheryl Kort, Associate Director, Product Development

ATTENTION: Managing Partner/Officer, Cashier, Operations and Dividend Managers

SUBJECT: New PTS (Participant Terminal System) function, TAXI for Foreign Tax Withholding Information

Effective Wednesday, March 19, 1997, the Foreign Tax Withholding Information System ("TAXI") function will be available to Participants over PTS. TAXI is designed to assist Participants with DTC's Foreign Tax Withholding services and initially covers information for the United Kingdom and France. TAXI will be expanded shortly to cover other countries for which DTC has foreign withholding tax relief services in place, such as Canada and Switzerland. TAXI will continuously be updated as new information and arrangements evolve.

TAXI includes the following features:

- < *Main menu* - Participants can look for information based on the country or the CUSIP number of a particular issue.
- < *Customer or account type menu* - This section lists and provides legal definitions or specific beneficial owner types (for example, taxable corporations, pension funds).
- < *Legal conditions* - This section states the Participant warranties and liabilities associated with the use of DTC's Elective Dividend Service ("EDS").
- < *Documentation* - The supporting documentation required for each beneficial owner type is detailed in this section.

TAXI is a complement to DTC's current Foreign Tax Withholding Services. DTC enables Participants, through EDS, to obtain treaty and/or tax-exempt withholding rates at source on distributions paid on American Depositary Receipts (ADRs) and other foreign securities for certain countries. TAXI provides a user-friendly mechanism for Participants and simplifies how these services can be used for various customers (beneficial owners).

A jump capability between TAXI and EDS allows Participants to use the former for information, and the latter for execution.

Because a large part of the information typically contained in DTC Important Notices for foreign dividends will now be available on TAXI, the notices, particularly those of French dividends, will reference sections of TAXI. This will eliminate the need for lengthy, repetitive legal and explanatory language in these notices, allowing Participants to concentrate on relevant dividend information and time critical deadlines.

Important: Prior to using TAXI and certifying over EDS. Participants must be aware of the following:

- < Participants should read and understand the "Legal Conditions" section of TAXI, stating the warranties and representations they make, and the legal liabilities they assume, by certifying quantities over EDS.**

- C Notices, disclaimers, and limitations of liability applicable to TAXI and the foreign securities and optional dividends functions of EDS are set forth in DTC's PTS manual and DTC's Participant Operating Procedures, including Index A.**

The PTS procedures for TAXI are attached. Questions may be directed to Priya Krishnamoorthy, (212) 709-1614, or Matthew McLean, (212) 709-2339, of DTC's Product Development Department; Joseph Ranieri; (212) 709-1280, or Dick Wine, (212) 709-1273, of DTC's Dividend Department; or your Participant Services representative.



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2.49 FOREIGN TAX WITHHOLDING INFORMATION SYSTEM (TAXI)

2.49.1 Overview

The Foreign Tax Withholding Information System (TAXI) function allows the Participant to obtain information about DTC's foreign tax withholding services. The Participant may view information about the following:

- Tax Withholding Rates
- Legal Conditions
- Required Documents
- Procedure Steps To Follow
- Final Checklist

Each of these categories contains foreign tax withholding information for a specific country and beneficial owner type combination.



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2.49.2 How To Access

Step	Action
Step 1	Enter 'TAXI' when the Enter Function Prompt Screen appears (Figure 1).

```
X$V1          DEPOSITORY TRUST          MM/DD/YY
00002199-99   PARTICIPANT TERMINAL SYSTEM  HH:MM:SS

ENTER FUNCTION: TAXI
```

Figure 1. TAXI Enter Function Prompt Screen

Step 2	Press the 'ENTER' key to obtain the Foreign Tax Withholding Information System (TAXI) Disclaimer Screen (Figure 2).
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```
X$V1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99   FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
              (TAXI)

NOTICES, DISCLAIMERS, AND LIMITATIONS OF LIABILITY APPLICABLE TO TAXI
AND THE EDS FOREIGN SECURITIES AND OPTIONAL DIVIDENDS FUNCTIONS ARE
SET FORTH IN DTC'S PTS MANUAL AND DTC'S PARTICIPANT OPERATING PROCEDURES,
INCLUDING INDEX A.

DTC DOES NOT REQUIRE PARTICIPANTS TO USE THE EDS SYSTEM. RATHER,
PARTICIPANTS MAY CHOOSE TO BYPASS DTC AND TO DEAL DIRECTLY WITH FOREIGN
TAX AUTHORITIES.

PLEASE PRESS ENTER KEY TO CONTINUE

=====
ENTER: CONTINUE
PF8/20: END FUNCTION  PF9/21: SIGNOFF
```

Figure 2. Foreign Tax Withholding Information System (TAXI) Disclaimer Screen



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2.49.2 How To Access (continued)

Step 3 Press the 'ENTER' key to obtain the Foreign Tax Withholding Information System Main Menu Screen (Figure 3).

```

XSV1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99   FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
                MAIN MENU

                ENTER ONE OF THE FOLLOWING

                COUNTRY CODE:  __

                CUSIP:  _____

=====
ENTER:  EDIT          PF3/15: COUNTRY CODES          PF6/18: PREVIOUS
PF8/20: END FUNC     PF9/21: SIGNOFF

```

Figure 3. Foreign Tax Withholding Information System Main Menu Screen

Step 4 Enter one of the following on the Foreign Tax Withholding Information System Main Menu Screen (Section 2.49.2, Figure 3):

- Country Code: enter a valid two character ISO country code. Press the 'PF3/15' key to obtain the Country Listing Screen (Section 2.49.2, Figure 4).
- CUSIP Number: enter a valid CUSIP number.

Step 5 Press the 'ENTER' key to obtain the Category Select Screen (Figure 4).



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2.49.2 How To Access (continued)

XSV1	THE DEPOSITORY TRUST COMPANY	MM/DD/YY
00002199-99	FOREIGN TAX WITHHOLDING INFORMATION SYSTEM	HH:MM:SS
	CATEGORY SELECT	
COUNTRY: GB	UNITED KINGDOM	
	1. WITHHOLDING RATES	
	2. LEGAL CONDITIONS	
	3. REQUIRED DOCUMENTS	
	4. PROCEDURE STEPS TO FOLLOW	
	5. FINAL CHECKLIST	
	CATEGORY: _ (REQUIRED)	
	BENEFICIAL OWNER TYPE: _	
ENTER CATEGORY, AND BENEFICIAL OWNER TYPE (BLANK FOR ALL)		

ENTER: EDIT	PF3/15: BENEF OWNER TYPES	PF6/18: PREVIOUS
PF7/19: MAIN MENU	PF8/20: END FUNCTION	PF9/21: SIGNOFF

Figure 4. Category Select Screen

or

Step 6 Press any of the following:

- 'PF3/15' key to obtain the Country Listing Screen (Figure 5).
- 'PF6/18' key to return to the Foreign Tax Withholding Information System (TAXI) Disclaimer Screen.
- 'PF8/20' key to change the function.
- 'PF9/21' key to end the processing session.



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2.49.2 How To Access (continued)

XSV1	THE DEPOSITORY TRUST COMPANY		MM/DD/YY
00002199-99	FOREIGN TAX WITHHOLDING INFORMATION SYSTEM		HH:MM:SS
	COUNTRY LISTING		
CMD	COUNTRY CODE	COUNTRY NAME	
---	---	-----	
-	FR	FRANCE	
-	GB	UNITED KINGDOM	
CMD: 'S' TO INQUIRY BY COUNTRY			
=====			
ENTER: EDIT		PF6/18: PREVIOUS	PF7/19: MAIN MENU
PF8/20: END FUNC	PF9/21: SIGNOFF	PF10/22: BACKWARD	PF11/23: FORWARD

Figure 5. Country Listing Screen



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2.49.3 How To Inquire

Step	Action
Step 1	<p>Enter the following information on the Category Select Screen (Section 2.49.2, Figure 4):</p> <ul style="list-style-type: none">• Category: enter a valid category type.• Beneficial Owner Type: enter a valid beneficial owner type or leave this field blank to view information for all beneficial owner types.• Press the 'PF3/15' key to obtain the Beneficial Owner Type Screen (Figure 1).

Note: The Participant can enter S in the CMD field and press the 'ENTER' key to insert the beneficial owner type into the Beneficial Owner Type field on the Category Select Screen.

```
XSV1                THE DEPOSITORY TRUST COMPANY                MM/DD/YY
00002199-99        FOREIGN TAX WITHHOLDING INFORMATION SYSTEM        HH:MM:SS

COUNTRY: GB                UNITED KINGDOM

CMD  CATG SEL  TYPE  BENEFICIAL OWNER TYPE DESCRIPTION
-----
-    -        01  Individuals
-    -        02  Taxable Corporations
-    -        03  Mutual Funds
-    -        04  Pension funds including IRA's
-    -        05  Trusts (other than pension funds) or estates
-    -        06  Charities and other tax-exempt entities
-    -        07  Partnerships
-    -        08  Limited Liability Corporations
-    -        09  Subchapter S Corporations
ENTER EITHER 'S' OR 'X' ON COMMAND COLUMN OR ENTER CATEGORY NUMBER (IF KNOWN)
CMD: 'S' BENEFICIAL OWNER TYPE SELECTION
     'X' TO VIEW EXPANDED BENEFICIAL OWNER TYPE DESCRIPTION

=====
ENTER:  EDIT                PF6/18:  PREVIOUS        PF7/19:  MAIN MENU
PFB/20: END FUNC          PF9/21:  SIGNOFF        PF10/22: BACKWARD       PF11/23: FORWARD
```

Figure 1. Beneficial Owner Type Screen



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2.49.3 How To Inquire (continued)

Step 2 Press the 'ENTER' key to obtain one of the following screens depending upon the category type selected:

- Withholding Rates Screen (Figure 2)
- Legal Conditions Screen (Figure 3)
- Required Documents Screen (Figure 4)
- Procedure Steps To Follow Screen (Figure 5)
- Final Checklist Screen (Figure 6)

```
XSV1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99  FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
              WITHHOLDING RATES                      PAGE: 001

COUNTRY: GB   UNITED KINGDOM                       SKIP TO PAGE: ___
TYPE : 01     Individuals

-----
Withholding Rates

Pursuant to treaty, the UK Board of Inland Revenue permits DTC Participants to
use the so-called "H Arrangement" through DTC for a tax credit subject to
withholding tax. Complete exemption from withholding tax is not available from
the UK.

Treaty withholding rate:  15%
Non-treaty rate:         20%
Tax-exempt rate:         Not applicable

-----
PF8/20: END FUNC  PF9/21: SIGNOFF  PF6/18: PREVIOUS  PF7/19: MAIN MENU
PF10/22: BACKWARD PF11/23: FORWARD
```

Figure 2. Withholding Rates Screen



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2.49.3 How To Inquire (continued)

```
XSV1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99  FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
                                     LEGAL CONDITIONS  PAGE: 001

COUNTRY: GB          UNITED KINGDOM
TYPE : 01           Individuals
-----
Legal Conditions

The following certifications and liabilities apply to the use of EDS for every
country.

Participants use the EDS system to certify electronically that specified
quantities of a non-US CUSIP are entitled to favorable tax treatment
("Electronic Certification"). Favorable tax treatment may be a reduced rate
of non-resident withholding taxes, or complete exemption from withholding
taxes. For some countries, a tax credit related to the issuer's payment of
home country tax may be available. Favorable tax treatment may be pursuant to
-----
PF8/20: END FUNC  PF9/21: SIGNOFF  PF6/18: PREVIOUS  PF7/19: MAIN MENU
PF10/22: BACKWARD PF11/23: FORWARD
```

Figure 3. Legal Conditions Screen

```
XSV1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99  FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
                                     REQUIRED DOCUMENTS  PAGE: 001

COUNTRY: GB          UNITED KINGDOM
TYPE : 01           Individuals
-----
Required Documentation

- None required at the time elections are made over EDS.
- Upon audit the DTC Participant must be able to provide Inland Revenue with
  Supporting Documentation.
-----
PF8/20: END FUNC  PF9/21: SIGNOFF  PF6/18: PREVIOUS  PF7/19: MAIN MENU
PF10/22: BACKWARD PF11/23: FORWARD
```

Figure 4. Required Documents Screen



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2.49.3 How To Inquire (continued)

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XSV1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99   FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
              PROCEDURE STEPS TO FOLLOW                PAGE: 001

COUNTRY: GB      UNITED KINGDOM
TYPE : 01        Individuals
-----
Steps to follow

- Make sure that prior to certifying over EDS you have read over all of
  the DTC procedures on TAX1 dealing with the "foreign securities
  function" of EDS for the UK, such as Expanded Beneficial Owner
  Description and Legal Conditions.

-----
PF8/20: END FUNC  PF9/21: SIGNOFF  PF6/18: PREVIOUS  PF7/19: MAIN MENU
PF10/22: BACKWARD PF11/23: FORWARD
```

Figure 5. Procedure Steps To Follow Screen

```
XSV1          THE DEPOSITORY TRUST COMPANY          MM/DD/YY
00002199-99   FOREIGN TAX WITHHOLDING INFORMATION SYSTEM  HH:MM:SS
              FINAL CHECKLIST                          PAGE: 001

COUNTRY: GB      UNITED KINGDOM
TYPE : 01        Individuals
-----
Final Checklist

- Make sure that your organization's customer records are in order, as
  Inland Revenue may contact Participants directly, as part of an audit.

-----
PF8/20: END FUNC  PF9/21: SIGNOFF  PF6/18: PREVIOUS  PF7/19: MAIN MENU
PF10/22: BACKWARD PF11/23: FORWARD
```

Figure 6. Final Checklist Screen



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2.49.3 How To Inquire *(continued)*

Step 3 Press any of the following:

- 'PF6/18' key to return to the previous screen.
- 'PF7/19' key to return to the Foreign Tax Withholding Information System Main Menu Screen.
- 'PF8/20' key to change the function.
- 'PF9/21' key to end the processing session.
- 'PF10/22' key to scroll backward.
- 'PF11/23' key to scroll forward.



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2.49.4 Messages And Corrections

<u>Message</u>	<u>Reason</u>	<u>Corrective Action</u>
E001 INVALID PFKEY WAS PRESSED PLEASE TRY AGAIN	The Participant pressed an invalid PF key.	Press a valid PF key.
E002 COUNTRY CODE ENTERED IS INVALID RE-ENTER DATA	The Participant entered an invalid country code.	Press the 'PF3/15' key to obtain the Country Listing Screen that contains the valid country codes
E003 CUSIP ENTERED IS INVALID RE-ENTER DATA	The Participant entered an invalid CUSIP number.	Enter a valid CUSIP number.
E004 LAST PAGE OF DATA MAKE ANOTHER SELECTION	The Participant reached the last page of data.	Press the 'PF10/22' key to scroll backward.
E005 FIRST PAGE OF DATA MAKE ANOTHER SELECTION	The Participant reached the first page of data.	Press the 'PF11/23' key to scroll forward.
E006 NO DATA FOR REQUEST MAKE ANOTHER SELECTION	The Skip To Page value was not found on the file.	Make another selection.
E007 COUNTRY NOT TAXI ELIGIBLE RE-ENTER DATA	The Participant entered a country that is not contained on the Country Listing Screen.	Re-enter the country. Press the 'PF3/15' key to obtain the Country Listing Screen that contains the valid country codes.
E008 CUSIP NOT TAXI ELIGIBLE RE-ENTER DATA	The Participant entered a CUSIP number that is not eligible for the TAXI function.	Re-enter the CUSIP number.



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2.49.4 Messages And Corrections (continued)

<u>Message</u>	<u>Reason</u>	<u>Corrective Action</u>
E009 EITHER ENTER COUNTRY OR CUSIP, NOT BOTH	The Participant entered the country code and the CUSIP number.	Enter the country code or the CUSIP number.
E010 DB2 LOCKOUT ERROR PLEASE TRY AGAIN	A systems problem occurred.	Try to access the TAXI function at a later time.
E011 DB2 CONNECTION ERROR PLEASE TRY AT A LATER TIME	A systems problem occurred.	Try to access the TAXI function at a later time.
E012 MUST ENTER COUNTRY OR CUSIP	The Participant did not enter the country code or CUSIP number.	Enter the country code or CUSIP number.
E013 ITEM DOES NOT EXIST ON DATABASE NOTIFY RDP PGM SUPPORT	A systems problem occurred.	Contact DTC's RDP Programming Support department.
E014 VALID COMMAND IS 'S' RE-ENTER DATA	The Participant did not enter S in the CMD field on the Country Listing Screen.	Enter S in the CMD field on the Country Listing Screen.
E015 ONLY ONE COMMAND IS ALLOWED RE-ENTER DATA	The Participant did not enter S in the CMD field on the Country Listing Screen.	Enter S in the CMD field on the Country Listing Screen.
E016 MUST ENTER A COMMAND	The Participant did not enter S in the CMD field on the Country Listing Screen.	Enter S in the CMD field on the Country Listing Screen.



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2.49.4 Messages And Corrections (continued)

<u>Message</u>	<u>Reason</u>	<u>Corrective Action</u>
E017 DB2 ERROR NOTIFY RDP PGM SUPPORT	A systems problem occurred	Contact DTC's RDP Programming Support department.
E018 CATEGORY ENTERED IS INVALID RE-ENTER DATA	The Participant did not enter a valid category in the Category field on the Category Select Screen.	Enter 1, 2, 3, 4 or 5 in the Category field on the Category Select Screen.
E019 MUST ENTER A CATEGORY	The Participant did not enter a valid category in the Category field on the Category Select Screen.	Enter 1, 2, 3, 4 or 5 in the Category field on the Category Select Screen.
E020 VALID COMMANDS ARE 'S' OR 'X' RE-ENTER DATA	The Participant did not enter S or X in the CMD field on the Beneficial Owner Type Screen.	Enter S or X in the CMD field on the Beneficial Owner Type Screen.
E021 ONLY ONE COMMAND SELECTION ALLOWED RE-ENTER DATA	The Participant did not enter S or X in the CMD field on the Beneficial Owner Type Screen.	Enter S or X in the CMD field on the Beneficial Owner Type Screen
E022 ONLY ONE CATEGORY SELECTION ALLOWED RE-ENTER DATA	The Participant entered more than one category in the Category field on the Category Select Screen.	Enter only one category in the Category field on the Category Select Screen.
E023 VALID CATEGORIES ARE 1 THRU 5 RE-ENTER DATA	The Participant entered an invalid category in the Category field on the Category Select Screen, and entered S in the CMD field.	Enter only one category in the Category field on the Category Select Screen, and do not enter S in the CMD field.



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2.49.4 Messages And Corrections *(continued)*

<u>Message</u>	<u>Reason</u>	<u>Corrective Action</u>
E024 CATEGORY IS NOT ALLOWED RE-ENTER DATA	The Participant entered X and a category number on the same line.	Enter X and a category number on different lines
E025 MUST ENTER A COMMAND OR A CATEGORY	The Participant did not enter any data and pressed the 'ENTER' key.	Enter all required data and press the 'ENTER' key.
E027 SKIP TO PAGE IS INVALID RE-ENTER DATA	The Participant did not enter a valid number in the Skip To Page field.	Enter a valid number in the Skip To Page field.
E028 THE ONLY VALID KEY IS 'ENTER' PLEASE TRY AGAIN	The Participant entered a command or category and pressed the 'PF10/22' or 'PF11/23' key.	Enter a command or a category and press the 'ENTER' key
E029 BENEFICIAL OWNER TYPE DOES NOT EXIST RE-ENTER DATA	The Participant entered an invalid beneficial owner type.	Enter a valid beneficial owner type.