



B #:	8725-18
Date:	5/21/2018
To:	All Participants
Category:	Dividends
From:	Supervisor, Stock Dividend Department
Attention:	Dividend Managers, Cashiers, and Reorganization Managers
Subject:	REVISED: Optional Dividend: KONINKLIJKE PHILIPS CUSIP: 500472303 Record Date: 05/08/2018 Payable Date: 06/06/2018 Rate: Gross rate 0.991704 CA Web Cut-Off: 05/30/2018 at 8:00 P.M. EDT

*****WARNING TIME CRITICAL*****

PARTICIPANTS SHOULD SUBMIT ELECTION INSTRUCTIONS THROUGH THE CORPORATE ACTION WEB INSTRUCTION TAB.

RECORD DATE POSITION INFORMATION SHOULD BE CONFIRMED THROUGH THE CA WEB.

If there are any questions regarding this Important Notice or the processing of CA Web related instructions participants should contact DTC’s Customer Help Line at (888) 382-2721.

If there are any questions regarding the Global Tax Important Notice accompanying this Important Notice please contact Joffie Sam or Sherelle Isaacs at Globe Tax, Telephone # 800-628-4646 or via e-mail at DUTCHESP@GLOBETAX.COM.

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KONINKLIJKE PHILIPS ELECTRONICS has announced a STOCK / CASH dividend. Citibank, N.A. acts as the Depository Bank for the company's New York Registry Shares ("NYRS") program.

Participants can use DTC's Corporate Actions Web ("CA Web") instructions tab to elect the **CASH** or **STOCK** option. If no election is made during the election period (May 9 – June 1), the **CASH** option is the DEFAULT.

On NYRS pay date, all owners will receive this dividend net of the full Netherlands statutory rate with the possibility to obtain a post-pay date refund as outlined in the below "ELIGIBILITY MATRIX – LONG FORM".

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DIVIDEND EVENT DETAILS	
COUNTRY OF ISSUANCE	NETHERLANDS
ISSUE	KONINKLIJKE PHILIPS ELECTRONICS
CUSIP#	500472303
UNDERLYING ISIN	NL0000009538
DEPOSITARY	CITI
NYRS RECORD DATE	MAY 8, 2018
NYRS PAY DATE	JUNE 6, 2018
GROSS DIVIDEND RATE ON PAY DATE	TBA
ORD GROSS DIVIDEND RATE ON PAY DATE)	€0.80
RATIO	1 NYRS : 1 ORD
STATUTORY WITHHOLDING RATE	15%
xBRL™	N/A

NOTE: IN ESP THERE ARE TWO ELECTION WINDOWS OPEN FOR THIS EVENT: ONE FOR THE CASH OPTION AND ONE FOR THE STOCK OPTION.

PLEASE REVIEW OPTION CHOSEN PRIOR TO SUBMISSION.

IMPORTANT CHANGES: NEW DUTCH BENEFICIAL OWNER REGISTRATION PROCESS (QUICK REFUND AND LONG FORM ONLY)

EFFECTIVE IMMEDIATELY, ALL BENEFICIAL OWNERS MUST BE REGISTERED WITH THE DUTCH TAX AUTHORITIES (DTA) THUS RESULTING IN AN ASSIGNED DUTCH TAX ID # ON FILE WITH GLOBETAX IN ORDER FOR THE BENEFICIAL OWNER'S RECLAIM TO BE FILED FOR DURING THE QUICK REFUND OR LONG FORM PROCESS. ONCE GLOBETAX RECEIVES A VALID CLAIM FROM THE BROKER, GLOBETAX WILL REQUEST THE DUTCH TAX ID # FROM THE DTA. BENEFICIAL OWNERS WITHOUT A DUTCH TAX ID # WILL EXPERIENCE A DELAY IN FILING UNTIL GLOBETAX HAS RECEIVED THE ASSIGNED TAX ID # FROM THE DTA. BROKERS ARE NOT REQUIRED TO SUBMIT A DUTCH TAX ID # IN ORDER TO FILE.

NON-US DOCUMENTATION REQUIREMENT CHANGES

THE BELOW REQUIREMENTS ARE EFFECTIVE IMMEDIATELY. FURTHER DETAILS REGARDING DOCUMENTATION CAN BE FOUND IN THE "**ELIGIBILITY MATRIX – QUICK REFUND/LONG FORM**" TABLE:

NON-US FAVORABLE 10%

- COR
 - TAX YEAR THE SAME AS ORD PAYABLE DATE

NON-US EXEMPT 0%

DTT CLAIMS

- COR
 - TAX YEAR THE SAME AS ORD PAYABLE DATE
 - MUST STATE EXEMPTION FROM ALL TAXES

DUTCH DOMESTIC LAW CLAIMS

- COR
 - TAX YEAR THE SAME AS ORD PAYABLE DATE
 - MUST STATE EXEMPTION FROM ALL TAXES
- RELEVANT DIVIDEND NOTES
 - PENSIONS ARE REQUIRED TO PROVIDE PENSION PLAN AND/OR ANNUAL ACCOUNTS
 - NON-PENSIONS ARE REQUIRED TO PROVIDE ARTICLES OF ASSOCIATION AND/OR TRUST DEED
- DTA RESERVES THE RIGHT TO REQUEST FURTHER DOCUMENTS TO PROVE EXEMPTION

FEES & DEADLINES

FILING METHOD	BATCH	PAYMENT METHOD	DSC FEE	MINIMUM FEE PER BENEFICIAL OWNER	FINAL SUBMISSION DEADLINE (ESP)
CASH OPTION	PRIMARY LONG FORM BATCH	CHECK	UP TO \$0.01 PER NYRS	\$25.00	JUNE 29, 2018 8PM EST
CASH OPTION	LONG FORM	CHECK	UP TO \$0.01 PER NYRS	\$25.00	OCTOBER 31, 2023
STOCK OPTION	LONG FORM	CHECK	UP TO \$0.01 PER NYRS	\$25.00	OCTOBER 31, 2023

ELIGIBILITY MATRIX – LONG FORM

RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED	SIGNATURE REQUIRED
UNFAVORABLE 15%	0%	NON-TREATY COUNTRIES	NONE	N/A
FAVORABLE 10% POST PAY DATE	5%	AZERBAIJAN, BAHRAIN, CZECH REPUBLIC, CHINA, HONG KONG, INDONESIA, KUWAIT, OMAN, PORTUGAL, QATAR, SAUDI ARABIA, SLOVAK REPUBLIC, SOUTH AFRICA, TAIWAN, UNITED ARAB EMIRATES, VENEZUELA	<ol style="list-style-type: none"> ESP SUBMISSION OR COVER LETTER (EXHIBIT A) CERTIFICATE OF RESIDENCY (COR)^ 	<ol style="list-style-type: none"> YES – DTC PARTICIPANT N/A
FAVORABLE 10% POST PAY DATE	5%	GHANA, JAPAN, UNITED KINGDOM	<ol style="list-style-type: none"> ESP SUBMISSION OR COVER LETTER (EXHIBIT A) CERTIFICATE OF RESIDENCY (COR)^ 	<ol style="list-style-type: none"> YES – DTC PARTICIPANT N/A
EXEMPT 0% POST PAY DATE	15%	U.S. ARTICLE 36 - CHARITIES under 501(c)(3), 509(a)(1), 509(a)(2), 509(a)(3), 17-(b)	<ol style="list-style-type: none"> ESP SUBMISSION OR COVER LETTER (EXHIBIT A) 	<ol style="list-style-type: none"> YES – DTC PARTICIPANT
EXEMPT 0% POST PAY DATE	15%	U.S. ARTICLE 35 - PENSIONS and IRAs under 401(a), 401(k), 457(b), 403(b), 408, 408(a)	<ol style="list-style-type: none"> ESP SUBMISSION OR COVER LETTER (EXHIBIT A) 	<ol style="list-style-type: none"> YES – DTC PARTICIPANT
EXEMPT 0% (FOREIGN TAX EXEMPT) POST PAY DATE	15%	ANY ENTITY DOMICILED IN A COUNTRY IN WHICH IT IS NOT SUBJECT TO TAX ON PROFITS, AS LONG AS THAT STATE HAS AN EXCHANGE OF TAX INFORMATION AGREEMENT IN PLACE WITH THE NETHERLANDS, & THAT ENTITY WOULD NOT BE SUBJECT TO PROFITS TAX IN THE NETHERLANDS IF IT WERE BASED THEREIN.	<ol style="list-style-type: none"> ESP SUBMISSION OR COVER LETTER (EXHIBIT A) CERTIFICATE OF RESIDENCY (COR)^ ARTICLES OF ASSOCIATION, TRUST DEED, ANNUAL ACCOUNT, AND/OR PENSION PLAN^ 	<ol style="list-style-type: none"> YES – DTC PARTICIPANT N/A N/A

*NOTE: All documents listed in [BLUE font](#) are generated by GlobeTax's ESP website after submission of beneficial owner data

^NOTE: These documents are to be kept on file in case of DTA request. They are not required to be sent to GlobeTax upon ESP submission or filing. GlobeTax will request these documents from you if they are requested by the DTA. Scans will suffice. COR must be same year as ORD pay date.

DESCRIPTION OF VARIOUS DOCUMENTATION

DOCUMENT NAME	DESCRIPTION
APPENDIX A (COVER LETTER)	A listing of the beneficial owner's details, taxpayer ID numbers, number of DRS, and entity type (charity or pension). The cover letter is provided to BNY Mellon by the participant, either through ESP submission or through traditional hard copy reclaim cover letter.
IRS FORM 6166	https://www.irs.gov/individuals/international-taxpayers/form-6166-certification-of-u-s-tax-residency
ARTICLES OF ASSOCIATION	A document specifying the regulations for the operations of a legal entity. The articles of association define the entity's purpose, organizational structure, and how financial records are maintained.

CONTACT DETAILS

PRIMARY CONTACT	JOFFIE SAM
DOMESTIC PHONE (U.S.)	1-800-628-4646
DOMESTIC FAX (U.S.)	1-800-633-4646
INTERNATIONAL PHONE	1-212-747-9100
INTERNATIONAL FAX	1-212-747-0029
EMAIL ADDRESS	JOFFIE_SAM@GLOBETAX.COM
GROUP EMAIL	DUTCHESP@GLOBETAX.COM
COMPANY	GLOBETAX SERVICES INC.
STREET ADDRESS	ONE NEW YORK PLAZA, 34 TH FLOOR
CITY/STATE/ZIP	NEW YORK, NY 10004
ADDITIONAL CONTACTS	SHERELLE ISAACS

ESP

powered by **GLOBETAX**

Citibank offers ESP powered by GlobeTax, an electronic withholding tax submission system. This system allows for the secure and simplified transfer of beneficial owner level data from the Participant to Citibank and creates applicable documentation on the Participants behalf. Submit the data online through the web site below, print out the document on letterhead, sign, and mail to Citibank / GlobeTax.

These claims should be submitted through the following web site. (Requires a one-time registration)

<https://ESP.GlobeTax.com>

Please contact support@globetax.com at 212-747-9100 if you have any questions about this process.

FREQUENTLY ASKED QUESTIONS (FAQs)

GENERAL QUESTIONS

WILL I RECEIVE A DECLARATION IN LIEU OF DIVIDEND NOTE (“DLD” or “CERT”) FOR MY ARTICLE 35 PENSIONS OR ARTICLE 36 CHARITIES?	NO , ALL DECLARATION IN LIEU OF DIVIDEND NOTES ARE MAINTAINED BY GLOBETAX, TO BE RELEASED ONLY UPON WRITTEN REQUEST BY THE PARTICIPANT.
AM I REQUIRED TO FILE THROUGH ESP?	NO , YOU MAY SUBMIT A TRADITIONAL CLAIM THROUGH STANDARD MAIL IF YOU CANNOT SUBMIT CLIENT DATA THROUGH ESP. WE STRONGLY SUGGEST LOGGING IN TO ESP TO DOWNLOAD THE TEMPLATE PROVIDED WHEN PREPARING YOUR CLAIM, REGARDLESS OF YOUR ULTIMATE SUBMISSION METHOD.
IS THERE ANY CASE IN WHICH A U.S. RESIDENT 401(a), 401(K), 457(b), 403(b), IRA, ROTH IRA, EMPLOYEE PENSION PLAN OR SIMPLE RETIREMENT ACCOUNT WOULD NOT QUALIFY FOR TREATY BENEFITS UNDER ARTICLE 35 OF THE TREATY BETWEEN THE U.S. AND THE NETHERLANDS FOR THE AVOIDANCE OF DOUBLE TAXATION?	YES , FOR INSTANCE, THESE ACCOUNT TYPES WILL NOT BE CONSIDERED ELIGIBLE FOR TREATY BENEFITS UNDER ARTICLE 35 OF THE TREATY BETWEEN THE U.S. AND THE NETHERLANDS FOR THE AVOIDANCE OF DOUBLE TAXATION IN ANY TAXABLE YEAR IF LESS THAN 70% OF THE TOTAL AMOUNT OF WITHDRAWALS FROM SUCH U.S. TRUST DURING THAT YEAR IS USED TO PROVIDE PENSION, RETIREMENT OR OTHER EMPLOYEE BENEFITS AS MEANT IN ARTICLE 35 OF THE ABOVE MENTIONED TREATY.
WILL CITIBANK, N.A. ACCEPT CLAIMS FILED DIRECTLY TO THEM BY BENEFICIAL OWNERS?	CITIBANK, N.A. ONLY ACCEPTS CLAIMS FILED BY THE DTC PARTICIPANT WHO HELD THE SECURITIES THROUGH DTC AND ONLY TO THE EXTENT THAT DTC HAS REPORTED THESE HOLDINGS TO US AS VALID.
IS THERE A POSSIBILITY OF AUDIT BY THE LOCAL TAX AUTHORITY?	YES , THE DTA RESERVES THE RIGHT TO REQUEST FURTHER INFORMATION AND DOCUMENTATION REGARDING SUBMITTED CLAIMS.

LONG FORM QUESTIONS

WILL I BE PAID THROUGH DTC FOR CLAIMS SUBMITTED THROUGH THE LONG FORM PROCESS?	NO , YOU WILL BE PAID BY CHECK.
DO I NEED TO PHYSICALLY SEND ANY DOCUMENTS TO CITIBANK, N.A. IN ORDER TO PARTICIPATE IN THE QUICK REFUND PROCESS?	ARTICLE 35 U.S. PENSION & IRAS AND ARTICLE 36 U.S. CHARITABLE ENTITIES MUST ONLY PROVIDE THE BENEFICIAL OWNER BREAKDOWN VIA ESP. NON-U.S. EXEMPT ENTITIES MUST PROVIDE THE BENEFICIAL OWNER BREAKDOWN VIA ESP AND COR, TRUST DEED, ANNUAL ACCOUNT, AND/OR PENSION PLAN UPON REQUEST. NON-US ENTITIES CLAIMING THE FAVORABLE RATE MUST PROVIDE THE BENEFICIAL OWNER BREAKDOWN VIA ESP AND THE COR UPON REQUEST.

<p>DOES THE LONG FORM PROCESS HAVE A MINIMUM POSITION REQUIREMENT PER BENEFICIAL OWNER? WHAT WILL THE FEE BE IF A BENEFICIAL OWNER'S CLAIM IS FOR LESS THAN \$50?</p>	<p>NO, ALL CLAIMS WILL BE PROCESSED THOUGH THERE IS A MINIMUM FEE OF \$25 PER BENEFICIAL OWNER. CITIBANK, N.A. WAIVES THE \$25 MINIMUM ON AN EXCEPTIONAL BASIS IN FAVOR OF A SPLIT OF THE RECLAIMED FUNDS (50/50) FOR ANY BENEFICIAL OWNER RECLAIMING LESS THAN \$50.</p>
<p>IS THE LONG FORM PROCESS FREE OF CHARGE?</p>	<p>NO. THIS TAX RECLAIM ASSISTANCE SERVICE IS WHOLLY VOLUNTARY AND DISCRETIONARY. FEES WILL BE CHARGED FOR THIS ASSISTANCE SERVICE OF UP TO \$0.01 PER NYRS FOR STANDARD LONG FORM RECLAIMS WITH A MINIMUM OF \$25.00. RECLAIMS RECEIVED POST DEADLINE CANNOT BE ASSURED AND MAY BE SUBJECT TO A PER BENEFICIARY FEE AS WELL AS OTHER CHARGES, FEES OR EXPENSES PAYABLE BY OR DUE TO CITIBANK, N.A. OR ITS AGENTS, INCLUDING THE TAX AUTHORITIES. IN ADDITION, CHARGES MAY APPLY TO ANY LONG FORM CLAIMS REJECTED OR NOT ACCEPTED BY THE TAX AUTHORITY. FEES PAID TO CITIBANK, N.A. MAY BE SHARED WITH ITS AGENTS.</p>
<p>IS THIS LONG FORM PROCESS FOR TAX RELIEF OFFERED BY CITIBANK, N.A. AN OPTIONAL PROCESS?</p>	<p>YES, THIS IS A DISCRETIONARY, OPTIONAL SERVICE.</p>

STOCK OPTION QUESTIONS

<p>CAN I RECLAIM THE WITHHOLDING TAX IF I HAVE ELECTED STOCK INSTEAD OF CASH?</p>	<p>YES, PHILIPS WILL BE WITHHOLDING 15% ON THE NOMINAL VALUE OF THIS DIVIDEND. ELIGIBLE ENTITIES CAN RECLAIM THIS 15%.</p>
<p>WHAT ENTITIES ARE ELIGIBLE TO RECLAIM THE 15% STOCK OPTION?</p>	<p>THE STOCK OPTION HAS THE SAME ELIGIBILITY AS THE CASH OPTION. PLEASE SEE ELIGIBILITY MATRIX.</p>
<p>CAN I RECLAIM MY STOCK THROUGH EDS?</p>	<p>NO, YOU WILL NEED TO CLAIM VIA ESP OR TRADITIONAL LONG FORM</p>
<p>WHAT DOCUMENTS DO I NEED TO SEND TO CITIBANK / GLOBETAX IN ORDER TO RECLAIM ON MY STOCK ELECTION?</p>	<p>ARTICLE 35 U.S. PENSION & IRAS AND ARTICLE 36 U.S. CHARITABLE ENTITIES MUST ONLY PROVIDE THE BENEFICIAL OWNER BREAKDOWN VIA ESP. NON-U.S. EXEMPT ENTITIES MUST PROVIDE THE BENEFICIAL OWNER BREAKDOWN VIA ESP AND COR, TRUST DEED, ANNUAL ACCOUNT, AND/OR PENSION PLAN UPON REQUEST. NON-US ENTITIES CLAIMING THE FAVORABLE RATE MUST PROVIDE THE BENEFICIAL OWNER BREAKDOWN VIA ESP AND THE COR UPON REQUEST.</p>
<p>WILL THE PER NYRS RECLAIM CHARGE BE DIFFERENT ON STOCK POSITION?</p>	<p>NO, THE PRICING IS THE SAME FOR RECLAIMS ON STOCK OR CASH POSITIONS.</p>

FORMS AND ATTACHMENTS

**Double click on respective icon to view attachment.*

APPENDIX A – COVER LETTER

***For Non-ESP users ONLY*



APPENDIX A.pdf

APPENDIX A – EXCEL BREAKDOWN

***For Non-ESP users ONLY*



EXCEL
BREAKDOWN.xls