



<b>B #:</b>	8787-18
<b>Date:</b>	June 25, 2018
<b>To:</b>	All Participants
<b>Category:</b>	Dividends
<b>From:</b>	International Services
<b>Attention:</b>	Operations, Reorg & Dividend Managers, Partners & Cashiers
<b>Subject:</b>	<b><u>Tax Relief</u></b> – Country: RUSSIAN FEDERATION Issue Name: SBERBANK OF RUSSIA CUSIP: 80585Y308 <b><u>Record Date: 06/26/2018 Payable Date: TBD</u></b> <b><u>CA Web Instruction Deadline : 06/29/2018 8:00 P.M. ET</u></b> <b><u>Quick Refund Deadline: 08/07/2018 8:00 P.M. ET</u></b>

Participants can use DTC’s Corporate Actions Web (CA Web) service to certify all or a portion of their position entitled to the applicable withholding tax rate. Participants are urged to consult TaxInfo respectively before certifying their instructions over the CA Web.

Important: Prior to certifying tax withholding instructions, participants are urged to read, understand and comply with the information in the Legal Conditions category found on TaxInfo on the CA Web.

Questions regarding this Important Notice may be directed to GlobeTax 212-747-9100.

**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.*

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Non-Confidential

**Sberbank of Russia** has announced a dividend. J.P. Morgan acts as Depository for the company's Depository Receipt ("DR") program.


On DR Pay Date, holders may have the opportunity to receive their dividend net of the applicable withholding rate as per tax treaty rate.

**Effective January 1, 2014** there are new requirements on obtaining the treaty rate as per treaty on Russian DRs applying to any Russian DR with a record date after January 1, 2014.

**In addition to these new requirements there are also changes to withholding rates for Depository Receipts with a Russian payable date after January 1, 2015.**

**The punitive withholding rate of 30% that existed on Russian DRs with payable dates from January 1, 2014 – December 31, 2014 was abolished; the new statutory rate is 15%.**

In order to obtain a rate as per treaty tax rate, ultimate beneficial holder disclosure is now required on DRs held as of record date. DRs are to be disclosed by country of tax residence and entity type. If no disclosure is made, tax will be withheld at the maximum 15% tax rate. If disclosure is made you will receive your dividend net the applicable treaty withholding rate. Participants can use DTC's Corporate Actions Web (CA Web) function to certify all or a portion of their position entitled to the applicable withholding tax rate. Use of CA Web will permit entitlement amounts to be paid through DTC.

DIVIDEND EVENT DETAILS	
COUNTRY OF ISSUANCE	RUSSIAN FEDERATION
ISSUE	SBERBANK OF RUSSIA
CUSIP#	80585Y308
UNDERLYING ISIN	RU0009029540
DEPOSITARY	J.P. MORGAN
DR RECORD DATE	JUNE 26, 2018
DR PAY DATE	TBA
ORD GROSS DIVIDEND RATE	RUB 12.0
RATIO (DR:ORD)	1:4
STATUTORY WITHHOLDING RATE	15%
	NOT AVAILABLE

**PLEASE NOTE THAT THERE IS POTENTIAL FOR AUDIT ON YOUR DISCLOSED SHARES:**

The Russian tax authorities may audit the beneficial holders claiming through this process for up to three calendar years after dividends payment. At a minimum audits may require an original certificate of residency with specific language for any individual or entity that elects for the statutory rate, or is eligible and elects for the DTT rate, under the treaty between the country of residence and the Russian Federation. These forms may also need to be apostilled. The documents in a foreign language should be translated into Russian and the translation needs to be approved by a public notary. There is a 3 months period to provide audit documentation to the authorities with possibility for 3 months extension. Please note the Russian tax authorities maintain the right to request additional information and/or forms at any time and from time to time. Participants and beneficial holders will be responsible and liable for any tax relief and for maintenance and provision of all supporting materials. Note that audits requiring a certificate of residency to prove a tax benefit are only to be performed on those holders receiving a treaty rate. Any holders receiving a non-treaty 15% statutory rate **will not** be required to provide a certificate of residency but may be asked in an audit to provide some other more limited documentary evidence to support their initial disclosure.

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### FEES & DEADLINES

FILING METHOD	BATCH	PAYMENT METHOD	TAX RELIEF FEE	FINAL SUBMISSION DEADLINE (ESP)
<b>RELIEF AT SOURCE</b>	PAYMENT ON PAY DATE	VIA DTC	UP TO \$0.008 PER DR	06/29/2018 8:00 P.M. EST
<b>QUICK REFUND</b>	IMMEDIATELY FOLLOWING DR PAY DATE	VIA DTC	UP TO \$0.008 PER DR	08/07/2018 8:00 P.M. EST

## ELIGIBILITY MATRIX – RELIEF AT SOURCE/QUICK REFUND

RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS		DOCUMENTATION REQUIRED
<b>TAX RATE - 0%</b>	15%	RUSSIAN UNIT INVESTMENT TRUSTS SUPRANATIONAL / WORLD EXEMPT ENTITY SOVEREIGN / GOVERNMENT ENTITY  <b>NOTE:</b> SOVEREIGN AND / OR SUPRANATIONAL ENTITIES ARE GRANTED EXEMPTION ON A CASE BY CASE BASIS AT THE DISCRETION OF THE RUSSIAN CUSTODIAN BANK OR ISSUER. ACCORDINGLY, NEITHER GLOBETAX NOR THE DEPOSITARY CAN ENSURE EXEMPTION WILL BE GRANTED. THESE ENTITIES MUST BE DISCLOSED AT THE BENEFICIAL OWNER LEVEL.		1. <a href="#">COVER LETTER – SCANNED COPY</a> 2. <a href="#">SUMMARY</a> 3. EXHIBIT C – CONDITIONAL RATE REQUEST
<b>DTT - 5%</b>	10%	DISCLOSED AND APPLYING FOR THE DTT RATE OF:	KUWAIT, QATAR, SAUDI ARABIA	1. <a href="#">COVER LETTER – SCANNED COPY</a> 2. <a href="#">SUMMARY</a>
<b>DTT - 10%</b>	5%	DISCLOSED AND APPLYING FOR THE DTT RATE OF:	ALBANIA, ARMENIA, AZERBAIJAN, BELGIUM, BOSTWANA, CHILE, CHINA, CROATIA, CYPRUS, CZECHIA, DENMARK, EGYPT, GREECE, HUNGARY, INDIA, IRAN, IRELAND, ISRAEL, ITALY, KAZAKHSTAN, REPUBLIC OF KOREA (SOUTH), KYRGYZSTAN, LATVIA, LEBANON, LITHUANIA, MACEDONIA, MALTA, MEXICO, MOLDOVA, MONGOLIA, MOROCCO, NAMIBIA, NORWAY, POLAND, SINGAPORE, SLOVAKIA, SLOVENIA, TAJIKISTAN, TURKEY, TURKMENISTAN, UNITED KINGDOM, UNITED STATES OF AMERICA, UZBEKISTAN	1. <a href="#">COVER LETTER – SCANNED COPY</a> 2. <a href="#">SUMMARY</a>
<b>DTT- 12%</b>	3%	DISCLOSED AND APPLYING FOR THE DTT RATE OF:	FINLAND	1. <a href="#">COVER LETTER – SCANNED COPY</a> 2. <a href="#">SUMMARY</a>
<b>RUSSIAN TAX RATE - 13%</b>	2%	DISCLOSED AND APPLYING FOR THE TAX RATE OF:	RUSSIAN FEDERATION	1. <a href="#">COVER LETTER – SCANNED COPY</a> 2. <a href="#">SUMMARY</a>

<p><b>DISCLOSED STATUTORY WITHHOLDING RATE</b> - <b>15%</b></p>	<p>0%</p>	<p>DISCLOSED HOLDERS OF DTT COUNTRIES NOT APPLYING FOR DTT RATES  OR  DISCLOSED HOLDERS OF NON DTT COUNTRIES</p>	<p>1. <a href="#">COVER LETTER</a> – SCANNED COPY 2. <a href="#">SUMMARY</a></p>
<p><b>NON-DISCLOSURE/ STATUTORY WITHHOLDING RATE-</b> <b>15%</b></p>	<p>0%</p>	<p>NON-DISCLOSED HOLDERS</p>	<p>*NONE  * Russia technically requires disclosure of all DR positions, even those held by investors in countries that do not have a tax treaty that allows for a reduced withholding rate. <b>Consequently, J.P. Morgan will request aggregate disclosure of positions by individuals and entities residing in countries subject to the standard withholding rate of 15 percent.</b></p>

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

**Note:** There are some countries with double taxation treaties with the Russian Federation that have multiple withholding rates. The lower reclaim rate applies to the Relief at source and quick refund process. The higher reclaim rates generally apply to conditional situations (i.e. holding a minimum amount of outstanding shares or a special entity type). For more information please contact GlobeTax.

## PROCESS STEPS

- Go to <https://esp.globetax.com/> and disclose your ultimate beneficial owners by
  - Country of Tax Residence
  - Entity Type (either legal entity or individual)
- Sign the ESP generated cover letter and summary and email scanned copy to GlobeTax
- Use the ESP generated share summary at applicable rate as per treaty to complete your withholding rate certification at DTC's CA Web

**IMPORTANT: TO RECEIVE YOUR DIVIDEND WITH APPLICABLE RATE AS PER TREATY YOU MUST BOTH COMPLETE THE DISCLOSURE TO GLOBETAX AND A CORRESPONDING CA WEB CERTIFICATION AT DTC.**

# ESP

powered by **GLOBETAX**

J.P. Morgan 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 J.P. Morgan 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 email a scanned copy to [RussiaESP@globetax.com](mailto:RussiaESP@globetax.com).

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

<https://ESP.GlobeTax.com>

Please contact [support@globetax.com](mailto:support@globetax.com) at 212-747-9100 if you have any questions about this process.

## CONTACT DETAILS

<b>PRIMARY CONTACT</b>	NICOLE BRODIE
<b>DOMESTIC PHONE (U.S.)</b>	1-800-929-5484
<b>DOMESTIC FAX (U.S.)</b>	1-800-929-9986
<b>INTERNATIONAL PHONE</b>	1-212-747-9100
<b>INTERNATIONAL FAX</b>	1-212-747-0029
<b>GROUP EMAIL</b>	<a href="mailto:RUSSIAESP@GLOBETAX.COM">RUSSIAESP@GLOBETAX.COM</a>
<b>COMPANY</b>	GLOBETAX SERVICES, INC.
<b>STREET ADDRESS</b>	ONE NEW YORK PLAZA, 34 <sup>TH</sup> FLOOR
<b>CITY/STATE/ZIP</b>	NEW YORK, NY 10004
<b>ADDITIONAL CONTACTS</b>	DIANA CAMEJO

## FREQUENTLY ASKED QUESTIONS (FAQs)

<p><b>Do I need to provide a certificate of residency (“COR”)?</b></p>	<p>For relief at source and quick refund processes, the ESP generated forms will be required at the time of election. However, CORs will be required in the event of an audit for those disclosing for treaty benefits and you will be liable to maintain and provide these in that event. It is expected that CORs must be translated into Russian and apostilled, legalized or notarized and that they must be issued as of the calendar year.</p>
<p><b>Is it required to use ESP to disclose?</b></p>	<p>If you are not able to utilize the ESP system please contact GlobeTax to obtain copies of the ESP forms to submit manually.</p>
<p><b>Why should I complete the ESP disclosure before elections at DTC?</b></p>	<p>The ESP system will provide clients with an aggregate of their disclosed DRs by withholding maximum tax treaty and statutory rate. This information should be used to make your DTC elections by withholding rate as per treaty.</p>
<p><b>Is there a difference between the relief at source and quick refund?</b></p>	<p>The process steps are the same for both processes. However, the relief at source period is shorter and involves payment of your dividend with tax relief on pay date. The quick refund is a longer period for submission and will involve payment of your tax relief after pay date.</p>
<p><b>Is there opportunity for standard refund?</b></p>	<p>At this time there is no defined standard refund. Please contact GlobeTax for additional information.</p>
<p><b>Will GlobeTax provide vouchers on behalf of the Depository Bank?</b></p>	<p>Yes, the issuance of vouchers will be facilitated through GlobeTax and is subject to a fee of up to \$0.01 per DR. Please contact GlobeTax for additional information.</p>
<p><b>Can residents of a DTT country with an entity type considered transparent disclose their DRs to receive the dividend at the double tax treaty rate?</b></p>	<p>The DRs of transparent entities should be disclosed at the ultimate beneficial holder level, provided, however, that the transparency requirements and the eligibility of the rate rather than the 15% are unclear and untested under Russian laws. Always check the specifics of the relevant tax treaty to ensure you are properly disclosing the DRs of the entity and country of tax residence with respect to the Russian Federation.</p>
<p><b>Will J.P. Morgan/GlobeTax accept claims filed directly to them by beneficial owners?</b></p>	<p>J.P. Morgan/GlobeTax only accepts claims filed by the DTC Participant who held the securities through DTC and only to the extent that the DTC has reported these holdings to us as valid.</p>

## FORMS AND ATTACHMENTS

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

### COVER LETTER

*\*\*For Non-ESP users ONLY*



JPM Cover Letter

### COVER LETTER EXCEL BREAKDOWN

*\*\*For Non-ESP users*



Exhibit B

### CONDITIONAL RATES BREAKDOWN



Exhibit C