



B #:	9489-18
Date:	October 12, 2018
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	Option for Payment in VEF (Venezuelan Bolivar Fuerte) Mercantil Servicios Financieros, C.A. Series A & B Common Shares CUSIP: 587339300/587339409 Record Date:10/10/2018 Payable Date: TBD <u>CA Web Instruction Deadline</u> : 11/16/2018 8:00 P.M. E.T.

The Depository Trust Company has received the attached information in regards to Option to Receive Payment in foreign currency.

The election period will be from **October 15, 2018 to November 16, 2018.**

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Non-Confidential

Mercantil Servicios Financieros, C.A.
Series A & B Common Shares
CUSIP # 587339409 & 587339300
ADR R/D: October 10, 2018
ADR P/D: To Be Determined

J.P. Morgan has been notified by the company, **Mercantil Servicios Financieros, C.A.**, that there will be an ordinary dividend distribution paid to the holders of record on **October 10, 2018**. The ordinary dividend has been declared in Venezuelan Bolivar Fuerte ("VEF") in the amount of **VEF 17 per ordinary share**. The ADR share has a 4:1 ratio, which equates to **VEF 68.00 per Depositary share**. The ADR payment date is to be determined.

At this time DTC participants may elect to receive all or a portion of the dividend in Venezuelan Bolivar Fuerte. DTCC clients may use the DTCC Corporate Actions Web (CA Web) function in order to make a Foreign Currency election.

No action needs to be taken to receive the payment in USD. All positions that do not elect the VEF payment will be paid in USD when the currency may be converted into U.S. dollars.

Election information:

- The election period will be from **October 15, 2018 to November 16, 2018**.
- If a DTC participant does not elect to receive VEF on behalf of the individual beneficial holders by November 16, 2018, the dividend payment will be made through DTCC in U. S. Dollars at such time as the currency may be converted into U.S. dollars and J.P. Morgan ("JPM") announces a payment date.
- In order to be paid in VEF a DTC participant must enter all the information required in the VEF PAYMENT INSTRUCTIONS in the free format section of your CA Web election screen.
 - To receive payment in VEF, each DTC participant, or the beneficial owner of the securities, must have a bank account in Venezuela, and must provide a single payment instruction per beneficial account/owner to pay to such account on behalf of itself and all of its underlying beneficial holders, if any, or directly to the beneficial owner's account, as the case may be.
 - Please include the bank's BIC code and Venezuelan tax identification number registered for the VEF account on record in the reference field.
 - If a DTC participant fails to provide the proper "VEF Payment Instructions" or the payment is rejected by the institution listed on the CA Web Election screen, J.P. Morgan will make an attempt to contact the DTC participant for better instructions.
 - JPM must receive revised instructions within 10 business days from the date that the participant is contacted. Should this second attempt fail the CA Web VEF election will be reversed and the funds paid in USD when a future payment date is announced.

Please be advised that the dividend corresponding to VEF will be paid net of any fees, expenses and taxes. DTC participants and beneficial holders should consult with their own tax advisors regarding any tax consequences associated with an election to receive all or a portion of the dividend in Venezuelan Bolivar Fuerte.

By making an election pursuant to the election procedure described herein the DTC participant certifies that it has performed all necessary due diligence to satisfy itself as to the accuracy of the information provided and that each beneficial holder electing to receive VEF renounces all rights to receive the dividend in USD. The DTC participant also certifies that all tax reporting, US and/or foreign, on behalf of the beneficial holder, or the beneficial holder's account, is the sole responsibility of the DTC participant. Neither JPM nor any of its affiliated companies shall be liable for any loss or damage of any kind arising out of the use of the information contained herein, any errors or omissions in its content or the use of the election procedure described herein.

If you have any questions with regard to this distribution please contact J.P. Morgan at 1-800-929-1284.