

# **IMPORTANT NOTICE**

**The Depository Trust Company**



**B#:** 5288-09  
**Date:** July 2, 2009  
**To:** All Participants  
**Category:** Dividends  
**From:** International Services  
**Attention:** Operations, Reorg & Dividend Managers, Partners & Cashiers  
**Subject:** Procedures for certain tax refunds - Country: Spain  
Red Electrica De Espana, S.A.  
CUSIP: 756568101  
Record Date: 06/30/09 Payable Date: 07/20/09

The Depository Trust Company has received from The Bank of New York Mellon, the attached information regarding certain tax refunds on the above captioned dividend.

As directed in the notice, participan

Non-Confidential

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To remove your name from the former system of email notifications, send a message to [unsubscribe@dtcc.com](mailto:unsubscribe@dtcc.com).



THE BANK OF NEW YORK MELLON

c/o Globe Tax Services, Inc.

90 Broad Street, 16<sup>th</sup> Floor

New York, NY 10004

## IMPORTANT NOTICE

### RED ELECTRICA DE ESPANA SA

**ADR Record Date: June 30, 2009**

**ADR Paydate: July 20, 2009**

As Depository for the American Depositary Shares ("ADSs") of **Red Electrica de Espana SA**, CUSIP: 756568101 BNY Mellon / GlobeTax is distributing this important notice announcing tax refund procedures for residents of the United States.

On **July 20, 2009**, BNY Mellon will pay **82%** of the dividend to all DTC Participants, representing payment of the **Red Electrica de Espana SA** dividend of **0.1662 Euro per ADS (0.831 Euro per Ordinary Share)**. This dividend is subject to **18% withholding tax** under Spanish law. Under the Income Tax convention between the United States and Spain, U.S. residents are eligible for reduced Spanish withholding tax (for most people, at a rate of 15% rather than the usual 18%) on the dividends paid by **Red Electrica de Espana SA**.

For reasons of cost effectiveness, only those ADR holders with more than **14,000 ADRs** may file using the standard refund process. All tax reclaims submitted through BNY Mellon / GlobeTax are subject to a depository service charge of up to **\$0.005 per share with a minimum of \$25.00** in addition to any fees charged to BNY Mellon to facilitate the reclaim process. If you have any questions with respect to this matter, please contact Brett Lewis of BNY Mellon / GlobeTax at (800) 915-3536 [facsimile (800) 985-3536].

### QUICK FILING PROCEDURES FOR U.S. RESIDENTS DOCUMENTATION REQUIREMENTS – U.S. RESIDENTS (required for each Beneficial Owner)

1. **BNY MELLON FILING COVER LETTER**: This cover letter must be submitted on the company letterhead of the DTC Participant. The cover letter should state the name, address, fiscal residence, taxpayer I.D., number of ADR shares, and the amount to be refunded for each ADR beneficial owner on the record date for which a claim is submitted. The format for the cover letter can be found in the following pages of this notice.
2. **CERTIFICATE OF RESIDENCY**: U.S. residents need to submit an **ORIGINAL** IRS Form 6166 signed and stamped by the Internal Revenue Service, which will verify the Beneficial Owner's name, tax identification number, and status as a resident of the United States. **This Form 6166 must mention the United States – Spain Income Tax convention and must be dated within 11 months of submission to the BNY Mellon.**

When you have received Form 6166 from the IRS, please send **both** the BNY Mellon Filing Cover Letter and original IRS Form 6166 **together** to:

**BNY Mellon / GlobeTax**  
**90 Broad Street, 16<sup>th</sup> Floor**  
**New York, NY 10004-2205**  
**Attn: Red Electrica de Espana, S.A.**

All DTC Participants who wish to file a request for a refund of excess withholding tax must submit the required documentation to the above address.

**15% WITHHOLDING TAX:**

Algeria, Argentina, Armenia, Australia, Austria, Azerbaijan, Belgium, Belarus, Bolivia, Bulgaria, Brazil, Canada, Croatia, Cuba, Czech Republic, Denmark, Ecuador, Estonia, Finland, France, Georgia, Germany, Hungary, Iceland, India, Indonesia, Ireland, Italy, Japan, Kazakhstan, Kyrgyzstan, Korea, Latvia, Lithuania, Luxembourg, Macedonia, Mexico, Moldavia, Morocco, Netherlands, New Zealand, Norway, Philippines, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Sweden, Switzerland, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, United Kingdom, Uzbekistan, and Vietnam

**10% WITHHOLDING TAX:**

Chile, China, Greece, Israel, Malta, Thailand, Venezuela

**FILING DEADLINES:**

The filing deadline for the quick process is **July 16, 2009 by 5 P.M. EST** for receipt by BNY Mellon / GlobeTax.

**ESP Electronic Submission Portal**

powered by **GLOBETAX**

BNY Mellon, now 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 BNY Mellon and creates applicable documentation on the Participants behalf.

Submit the data online through the web site below, print out the documents on letterhead and sign them, and mail to BNY Mellon / GlobeTax along with the necessary Certification of Residency (Form 6166 for U.S. entities). To be qualified under the quick refund process the hard copy documentation must be received by July 16, 2009 but claims can generally be submitted through the system until May 1, 2013 for the standard refund process.

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

<https://www.globetaxesp.com>

Please contact Mr. Brett Lewis at 1-800-915-3536 if you have any questions about this process.

**LONG FORM FILING PROCEDURE – FOR ALL SHAREHOLDERS**

Under the provisions of the Double Taxation Treaty, **shareholders generally have four years from the local payment date to file a claim** with BNY Mellon/ GlobeTax. Claims submitted after the quick process deadline of July 16, 2009 must be sent to BNY Mellon / GlobeTax.

Claims submitted after **July 16, 2009** will require:

1. **BNY MELLON FILING COVER LETTER**: This cover letter must be submitted on the company letterhead of the DTC Participant. The cover letter should state the name, address, fiscal residence, taxpayer I.D., number of ADR shares, and the amount to be refunded for each ADR beneficial owner on the record date for which a claim is submitted. The format for the cover letter can be found in the following pages of this notice.
2. **CERTIFICATE OF RESIDENCY (or Petición de Devolución for non-U.S. residents)**: U.S. residents need to submit an **ORIGINAL** IRS Form 6166 signed and stamped by the Internal Revenue Service, which will verify the Beneficial Owner's name, tax identification number, and status as a resident of the United States. **This Form 6166 must mention the United States – Spain Income Tax convention and must be dated within 11 months of submission to BNY Mellon.**

**Petición de Devolucion** must be completed by the country of residence of the beneficial owner and must cover the period of the dividend. These forms are only available for the following countries. (Germany, Belgium, Denmark, Netherlands, United Kingdom, and Sweden) A copy of these forms is available through BNY Mellon / GlobeTax by calling Brett Lewis at (800) 915-3536 or (212) 747-9100. Residents of all other countries must provide an original Certification of Residency signed and stamped by their country of residence.

**\*\*\*The Spanish Tax Authority may require additional documentation to file Standard Long Form tax reclaims after the posting of this Important Notice. If you have any questions with respect to this matter, please contact Brett Lewis of BNY Mellon / GlobeTax at (800) 915-3536 [facsimile (800) 985-3536].**

To obtain the appropriate forms, please contact:

**BNY Mellon / GlobeTax  
90 Broad Street, 16th Floor  
New York, New York 10004-2205  
Attn: Ryan Stewart  
Telephone (800) 915-3536**

**QUICK REFUND PROCESSING IS SUBJECT TO A TAX RELIEF FEE OF \$0.0035 PER ADS CHARGED ON A PER BENEFICIAL OWNER BASIS IN ADDITION TO ANY FEES CHARGED TO BNY MELLON TO FACILITATE THE RECLAIM.**

**STANDARD TAX RECLAIM PROCESSING IS SUBJECT TO A TAX RELIEF FEE OF \$0.005 PER ADS CHARGED ON A PER BENEFICIAL OWNER BASIS IN ADDITION TO ANY FEES CHARGED TO BNY MELLON TO FACILITATE THE RECLAIM.**

*BNY Mellon*

**SAMPLE FORMAT FOR COVER LETTER TO THE BNY MELLON / GLOBETAX  
CLAIMS WILL NOT BE ACCEPTED WITHOUT THIS COVER LETTER**

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[DATE]

BNY Mellon / GlobeTax  
90 Broad Street, 16<sup>th</sup> Floor  
New York, NY 10004-2205  
Attn.: Red Electrica de Espana, S.A.

Enclosed please find tax reclamation documents which we have submitted on behalf of our clients who have had excess tax withheld on Spanish ADRs. We, **[NAME OF DTC PARTICIPANT]**, also identified as DTC participant number **[DTC PARTICIPANT NUMBER]**, hereby state that each beneficial owner cited below held the respective amount of shares on the record date of **June 30, 2009** for the security **Red Electrica de Espana S.A.**

Below is the list of beneficial owners and their holdings. As required, original Certification of Residency, issued within the last 11 months (for each beneficial owner) is attached. **The ratio is 5 ADR's Share to 1 Ordinary share.** The information is as follows:

<u>Name &amp; address</u>	<u>Fiscal residence</u>	<u>TIN/SSN</u>	<u># of ADR shares</u>	<u>Refund Amount</u>
1)				
2)				
3)				
4) etc.				
			Grand Total	_____

We ask that BNY Mellon, as Depository, present these excess withholding tax refund requests on behalf of the above beneficial owners. Should you have any questions, please contact the undersigned at **[SIGNATORY'S TELEPHONE NUMBER]**.

**Indemnification**

Participants will be fully liable for all withholding taxes and any claims, penalties or interest to the Spanish Tax Authorities ("charge=backs"), including without limitations, any foreign exchange fluctuations associated with such funds at the time due or payable. BNY Mellon shall not be liable for the failure to secure any refund.

Sincerely,

\_\_\_\_\_  
[Signature of authorized signatory for DTC Participant]  
**[NAME AND TITLE OF AUTHORIZED OFFICER FOR DTC PARTICIPANT]**

PAYMENT ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_