

IMPORTANT NOTICE



#: Z#0021
DATE: February 28, 2007
TO: All Participants
FROM: William Aimetti, DTCC Chief Operating Officer
SUBJECT: All DTCC Subsidiaries Prepared for Upcoming Change in DST

The Depository Trust & Clearing Corporation (DTCC) has completed internal testing and updates to its software systems, network hardware, servers and desktops in preparation for the upcoming change in Daylight Savings Time (DST). DTCC expects all subsidiaries will operate normally to support clearance and settlement of close to \$5 trillion in securities transactions, and does not anticipate the DST change to have any negative impact on its computer systems or customers.

Effective March 2007, the new schedule for DST in the U.S, Canada and Bermuda will impact date and time processing functions in computers and applications, as well as electronic devices that have built-in DST rules. With the change, DST is extended by four weeks, starting three weeks earlier than usual on March 11 and ending one week later on November 4. In the U.S., the time change is part of the Energy Policy Act of 2005; Canada and Bermuda adopted the new schedule to remain consistent with U.S. time.

DTCC wants to assure customers that business activities will not be impacted by this upcoming change in the clocks. Similar to contingency plans and efforts for Y2K, DTCC has been working closely with hardware and software vendors for the past several months. DTCC is confident its systems are prepared to handle all normal clearing and settlement activities. DTCC will also have extra staff on hand on the night of March 10 to monitor and address any issues if they emerge during the time changeover.

In 2006, DTCC settled in excess of \$1.5 quadrillion in securities transactions. Because of its vital role ensuring the safety, certainty and soundness of the U.S. capital markets, DTCC has developed an extensive business continuity program which includes a fully redundant, self-healing telecom network, multiple data centers and operating sites throughout the U.S. This business continuity program was rigorously tested on 9/11 and in the following days and weeks, and again with the northeastern power blackout in the summer of 2003.

Most companies rely on automated time adjustments to their systems. As a result, failure to take appropriate action could result in the time being off by one hour for four weeks each year for computers and applications in the U.S., Canada and Bermuda. Countries that interact with these three could also be affected.