

IMPORTANT NOTICE

DTCC Deriv/SERV LLC



#: 661

DATE: June 3, 2008
TO: Distribution
FROM: Deriv/SERV Product Management
SUBJECT: Deriv/SERV MCA-Xpress May 29, 2008 Launch

DTCC Deriv/SERV is pleased to announce MCA-Xpress™, a new product and service for OTC equity derivatives that allows parties to an OTC equity derivatives transaction to negotiate and execute ISDA®-published master confirmation agreements (MCAs) online and to maintain these and manually executed MCAs in a centralized location. The platform supports all industry-published MCAs, including the ISDA® Protocol.

This release of MCA-Xpress was implemented on May 29, 2008. Key components include the following:

MCA Negotiation & Execution

Industry published MCA templates have been legally analyzed and reformatted in to an accessible and user-friendly matrix. Over 20 MCA templates have been consolidated in to 6 tabs that are categorized by major product type, sub-product type and region. Industry published MCAs can be customized in accordance with counterparty specific requirements.

MCA Storage & Retention

Previously executed MCAs can be uploaded to MCA-Xpress™ to create a comprehensive library of all pre-existing documentation. MCAs. Related documents are catalogued by counterparty, providing a safe and secure environment to archive existing documentation.

Management Reporting & Tracking

Management can view negotiations and executed documents for all counterparties, track progress and access reports summarizing the status of outstanding tasks.

Attached is the MCA-Xpress™ Supplement to the Deriv/SERV Operating Procedures for the Automated Confirmation and Matching System effective upon the implementation described above. By submitting affected transactions to the Deriv/SERV system, the User agrees to waive any applicable notice requirements relating to the changes.

Please direct any questions or comments regarding DTCC Deriv/SERV's MCA-Xpress to:

- Gina S. Ghent, First VP, New Business Ventures at 212-8555624 or gghent@dtcc.com
- Emma Lally, Equity Derivatives Business Development, London 207-650-1415 or elally@dtcc.com.

**EQUITY MCA-XPRESS™ SUPPLEMENT TO
DTCC DERIV/SERV OPERATING PROCEDURES FOR
AUTOMATED CONFIRMATION AND MATCHING SYSTEM**

I. INTRODUCTION

This Supplement is a part of the DTCC Deriv/SERV Operating Procedures Automated Confirmation and Matching System (the “Operating Procedures”), and governs Users’ use of the Company’s Equity MCA-Xpress service (“MCA-Xpress”). Capitalized terms used and not defined in this Supplement shall have the meanings assigned to such terms elsewhere in the Operating Procedures.

MCA-Xpress is intended to facilitate the process of entering into master confirmation agreements with respect to certain specified products. Each master confirmation agreement processed through MCA-Xpress (a “MCA-Xpress MCA”) shall be subject to the provisions set forth in this Supplement and the Company’s Applicable Publications, each as may be amended from time to time, whether or not a transaction governed by such MCA-Xpress MCA (a “Covered Transaction”) is confirmed through the System.

II. HOW MCA-XPRESS WORKS

The Company will allow for the electronic execution of MCA-Xpress MCAs through the use of MCA-Xpress. The Company will maintain a list of certain dealers (the “Eligible Dealers”) that have enrolled in MCA-Xpress and with respect to which parties may execute MCA-Xpress MCAs. MCA-Xpress will provide for a secure method for an Eligible Dealer to create a proposed MCA-Xpress MCA that may be viewed by a potential counterparty (a “Counterparty”) pursuant to a grant of permission by such Eligible Dealer. Such proposed MCA-Xpress MCA shall be in a form recognized by the Company (including in a table setting forth different terms and provisions depending on the product and geographic region) and shall designate, in a manner established by the Company, the differences, if any, between such proposed MCA-Xpress MCA and the standard master confirmation agreement templates published by ISDA for such product and geographic region. For the avoidance of doubt, an Eligible Dealer may specify any and all terms and provisions in a proposed MCA-Xpress MCA, notwithstanding the fact that such terms and provisions may be inconsistent with, or not contemplated by, any standard master confirmation agreement templates published by ISDA.

An Eligible Dealer and a related Counterparty may each post comments to be viewed by the other party on the terms and provisions of any proposed MCA-Xpress MCA in a manner provided by the Company. Only an Eligible Dealer may change the terms and provisions of any proposed MCA-Xpress MCA. Such terms and provisions of any proposed MCA-Xpress MCA may be changed any number of times, with the related Counterparty being notified of all such changes, in a manner provided by the Company.

Upon (i) a Counterparty (A) accepting the terms and provisions of any proposed MCA-Xpress MCA and (B) submitting such proposed MCA-Xpress MCA for execution and (ii) the Eligible Dealer designating an execution date (an “Execution Date”) for such proposed MCA-Xpress

MCA (which, for the avoidance of doubt, may be a date that is prior to or after the actual calendar date the Eligible Dealer makes such designation), in each case, in a manner established by the Company, the parties to such MCA-Xpress MCA will be deemed to have executed such MCA-Xpress MCA and such proposed MCA-Xpress MCA will become a “Confirmed MCA-Xpress MCA”. An Execution Date may be used to identify the related Confirmed MCA-Xpress MCA in a confirmation, Transaction Record or any other document applicable to a Covered Transaction. The Company shall not be responsible for a party’s failure to properly identify such Confirmed MCA-Xpress MCA.

Each of the parties to a Confirmed MCA-Xpress MCA shall be deemed to agree that:

(1) notwithstanding any provisions in any applicable Master Documents or other documentation, such Confirmed MCA-Xpress MCA shall constitute an acceptable method under such applicable Master Documents or other documentation for evidencing the terms to be specified in a master confirmation agreement with respect to products to which such Confirmed MCA-Xpress MCA relates; and

(2) a Confirmed MCA-Xpress MCA shall have the same legal effect as a fully executed master confirmation agreement or amended and restated master confirmation agreement, as the case may be, entered into pursuant to and subject to the terms of the applicable Master Documents or other documentation and shall evidence an agreement between the two parties to such Confirmed MCA-Xpress MCA whose terms and provisions will be set forth in, governed by, construed in accordance with and subject to such Confirmed MCA-Xpress MCA, such Master Documents or other documentation, this Supplement and the Operating Procedures (including the applicable appendices thereto, if any).

Parties to a Confirmed MCA-Xpress MCA may amend the terms thereof by executing an amended and restated Confirmed MCA-Xpress through MCA-Xpress in the manner described above. For the avoidance of doubt, an Eligible Dealer may, but is not required to, designate a new Execution Date with respect to such amended and restated Confirmed MCA-Xpress. Upon the execution of such amended and restated Confirmed MCA-Xpress MCA, the Confirmed MCA-Xpress MCA for purposes of MCA-Xpress shall be such amended and restated Confirmed MCA-Xpress MCA. Unless otherwise expressly agreed to by the parties, no amended and restated Confirmed MCA-Xpress MCA shall have any retroactive effect on any Covered Transactions entered into prior to the actual calendar date of execution of such amended and restated Confirmed MCA-Xpress MCA. Subject to Section VI below, the Company shall maintain copies of, and parties to Confirmed MCA-Xpress MCAs shall have access to, a record of the terms and provisions of such Confirmed MCA-Xpress MCA.

Parties may supersede or amend any terms and conditions set forth in a Confirmed MCA-Xpress MCA through the use of side agreements or any other means acceptable to such parties. However, the terms of any such agreement will not form the part of any record maintained by the Company with respect to such Confirmed MCA-Xpress MCA.

III. DOCUMENT AND FILE STORAGE

The Company will allow parties to upload and store documents and files in MCA-Xpress (including, but not limited to, previously executed master confirmation agreements) in a manner established by the Company (such stored documents and files, the “Stored Files”). A party may permit any other party to view Stored Files that such party submitted to MCA-Xpress.

IV. FEES

Fees for use, if any, of MCA-Xpress shall be as set forth in Appendix A to the Operating Procedures, as amended from time to time.

V. LIMITATIONS OF RESPONSIBILITY

The MCA-Xpress service is provided “as is”. Without limiting any other provisions of the Operating Procedures (including, without limitation, the Important Legal Information section), the Company shall have no responsibility or liability for the sufficiency or reasonableness of any terms or provisions set forth in any MCA-Xpress MCA (whether the Covered Transactions related thereto are confirmed through the System or outside of the System). In addition, the Company makes no representation as to whether the terms and provisions set forth in any MCA-Xpress MCA accurately reflect the terms and provisions of any standard ISDA templates applicable to a product or geographic region. The parties to a MCA-Xpress MCA shall be responsible for verifying that Covered Transactions do not specify features that are inconsistent with or unsupported by the terms set forth in such MCA-Xpress MCA. The use of such inconsistent or unsupported features may result in an improperly documented Covered Transaction or may result in a Covered Transaction inconsistent with the intent of the parties thereto. The Company shall have no responsibility for any Covered Transactions confirmed outside the System, and shall have no responsibility for any Covered Transaction confirmed through the System except to the extent provided in the Operating Procedures, including the relevant Appendices to the Operating Procedures.

With respect to the Stored Files, MCA-Xpress is provided solely as a storage facility and the Company will not have any responsibility or liability for any Stored File (including the improper uploading thereof), and expressly disclaims any knowledge of the contents of any Stored Files, including, but not limited to, the terms and provisions of any previously executed master confirmation agreements.

Parties using MCA-Xpress shall be responsible for the granting of permission to view any MCA-Xpress MCA or Stored File and ensuring that such action does not violate any agreements (e.g., any confidentiality agreements) or restrictions (including pursuant to applicable law) prohibiting or limiting the dissemination or distribution of such MCA-Xpress MCA, Stored File or the contents thereof. The Company shall have no responsibility or liability for the violation of any such agreements or restrictions.

VI. TERMINATION

A party using MCA-Xpress may terminate its use of MCA-Xpress upon at least five (5) New York business days' notice to the Company (such party, a "Terminating User"). Such termination may or may not be made in connection with any notice of a prospective modification to this Supplement or any publications of the Company thereunder. From the effective date of such termination, a Terminating User will be denied access to MCA-Xpress, provided that, unless otherwise expressly agreed to by the parties, such termination shall have no effect on any MCA-Xpress MCAs previously executed by such Terminating User or Stored Files submitted by such Terminating User to MCA-Xpress prior to the effective date of termination ("Prior MCA-Xpress Records").

Upon providing notice to terminate its use of MCA-Xpress, a Terminating User will have ten (10) New York business days to transfer copies of any related Prior MCA-Xpress Records to their own systems, in a manner established by the Company. Thereafter, a Terminating User may gain access to any related Prior MCA-Xpress Records by request to the Company and the payment of a fee (if any) determined by the Company in its sole discretion. All Prior MCA-Xpress Records will be subject to the Company's document retention policies, as such policies may be amended from time to time.

A Terminating User of MCA-Xpress shall not accrue fee obligations, if any, for the use of MCA-Xpress from the effective date of the termination onwards. For the avoidance of doubt, the foregoing shall not prohibit the Company from charging a previous user of MCA-Xpress a fee in connection with accessing Prior MCA-Xpress Records, in accordance with the immediately preceding paragraph.

Important Legal Information

The Important Legal Information provisions of the Operating Procedures shall be applicable to each User's use of MCA-Xpress.

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