

The Depository Trust Company

IMPORTANT

B#: 3487-08

DATE: May 14, 2008

TO: All Participants

CATEGORY: Compliance/Executive/Operations/International

FROM: General Counsel's Office

ATTENTION: Managing Partner/Compliance Officer/General Counsel's Office

SUBJECT: Foreign Ownership of Communications and Maritime Issues and Other Specialized Ownership Restrictions

As discussed in Important Notice B#4335-88 dated June 16, 1988, and B#8266-89 dated August 28, 1989, DTC announced its procedures relating to the deposit and availability of DTC's book-entry services for foreign-owned shares of certain United States communication and maritime issues. These procedures have commonly become known as "Seg 100" procedures. The procedures allow Participants to identify foreign-owned shares on deposit at DTC by effecting book-entry transactions into Segregation Account #100 on DTC's records.

On July 31, 1991, DTC expanded the Seg 100 program to include other securities with other specialized ownership restrictions pursuant to applicable law that are based on the beneficial owner's residence, domicile or citizenship. For example, certain issues contain restrictions on the number of shares that may be beneficially owned by citizens or residents of a particular region. For these DTC-eligible issues, Participants must use Seg 100 to identify to DTC shares held by them on behalf of owners subject to these restrictions.

Participants are free to "move" securities positions back and forth between their general free accounts and their Seg 100 accounts, as appropriate, to reflect changes in the amount of foreign-owned or ownership-restricted shares on deposit at DTC.

DTC periodically reports to the transfer agents of issues with specialized ownership restrictions, which includes communications and maritime issues, the total holdings in Participants' Seg 100 accounts for each involved CUSIP. Each transfer agent will note its records accordingly, and in the instance where holdings of an issue with specialized ownership restrictions exceed the applicable limitation on quantity, and the increase in shares with specialized ownership restrictions registered in the name of Cede & Co. caused the

limitation to be exceeded, the transfer agent will advise DTC of the amount of shares by which Cede & Co.'s restricted ownership position must be reduced. DTC will immediately reverse credits made by Participants to their Seg 100 accounts on a "last in – first out" basis. These actions will be communicated to Participants. **Upon such notification from DTC, Participants are required to immediately withdraw from their accounts any such shares. Failure to do so will result in notification by DTC to the Participant's Regulator, and may also result in DTC imposing certain disciplinary sanctions, including fines, and/or operational limitations.**

Details about the "Seg 100" account procedures may be found in the attached Important Notices and the DTC Deposits Service Guide.

Questions regarding any of the foregoing may be referred to your Relationship Manager.

ATTACHMENT

The Depository Trust Company

IMPORTANT

B# 4335-88
DATE: June 16, 1988
TO: All Participants

Participants may deposit foreign-owned shares of communications and maritime issues into a special account at DTC. Necessary reporting arrangements have been worked out between DTC and the transfer agents for these issues, as listed herein, and as updated periodically as Exhibit A to the respective communication and maritime certificates.

Foreign-owned shares of communications and maritime issues could not be deposited with DTC due to alien ownership restrictions on the percentage of these shares that may be beneficially owned by aliens, and the inability to identify the amount of foreign-owned holdings registered in the name of Cede & Co., DTC's nominee. In many instances, non-fungible domestic and foreign share certificates evidence respective ownership in these issues.

DTC has developed a new "Segregation" account, identified as "Segregation Account #100", ("Seg-100"), (Seg-100") for use by Participants in identifying to DTC foreign-owned shares. Participants are free to "move" securities positions back and forth between their General accounts and their "Seg-100" accounts, as appropriate, to reflect changes in the amount of foreign-owned shares on deposit at DTC. However, foreign-owned shares must be deposited and maintained in the "Seg-100" account until acquired by a U.S. resident. The PTS "SEG" and "RSEG" functions have been modified to allow Participants to enter an "F" in the serial number field for each line item segregating a Foreign Security. DTC will convert the "F" to serial number 100 for the Daily Participant Activity Statement and for the PTS Confirmation. Ticket. Participants may otherwise process these transactions exactly as they would any other transactions involving the use of a segregation account.

DTC will report to the transfer agents for the communications and maritime issues, the total holdings in Participants' "Seg-100" accounts for each involved CUSIP number. The transfer agents will note their records accordingly, and in a rare instance where total alien holdings in an issue may exceed statutory limitations, and indeed the increase in foreign-owned shares registered in the name of Cede & Co. caused the statutory limitation to be exceeded, the transfer agents will advise DTC of the amount of shares by which "Cede & Co." foreign-ownership must be reduced. DTC will immediately reverse credits made by Participants to their "Seg-100" accounts on a "last in - first out" basis. Participants will be required to immediately withdraw from their accounts in DTC, any such foreign-owned shares. Participants are reminded that Certificates as to Citizenship which they

have executed for DTC continue to prohibit holdings of foreign-owned shares of communications and maritime issues in Participants' General accounts.

Participants should note that, as with share positions in all other segregation accounts in DTC, share positions in the "Seg-100" account may not be pledged under DTC's Collateral Loan Program.

We are pleased that with the cooperation of the involved transfer agents, the foregoing serves to eliminate yet another impediment to book-entry processing of securities transactions and that furthermore International Securities Clearing Corporation (ISCC) linkages with foreign clearing corporations are facilitated by these new procedures.

Questions regarding any of the foregoing may be referred to your Participant Relationship Manager.

THE DEPOSITORY TRUST COMPANY

IMPORTANT

August 28, 1989

B-8266-89

TO: All Participants

ATTENTION: Managing Partner/Officer, Cashier, Operations Manager

SUBJECT: Foreign Ownership of Communications and Maritime Issues
on Deposit at DTC

On June 16, 1988, DTC announced to Participants new procedures designed to accommodate the depositing of foreign-owned shares of communications and maritime issues at DTC (Important Notice #B-4435-88). These procedures have commonly become known as "Seg 100" procedures. The procedures allow Participants to identify foreign-owned shares on deposit at DTC by effecting book-entry transactions into Segregation Account #100 on DTC's records.

Now that DTC and its Participants have had more than one year's operating experience with these procedures and as a result of recent inquiries and comments received regarding them, it may be useful to clarify certain aspects of the procedures:

- ° Under the Seg 100 procedures, a Participant is required to withdraw immediately from its DTC general account any foreign-owned shares which cannot be credited to the Participant's Seg 100 account because of foreign ownership limitations. DTC will cooperate with the issuer and its transfer agent to facilitate the withdrawal and will disclose to the issuer the Participant's name and the number of shares to be withdrawn. Participants should be aware that issuers may place restrictions on such shares.
- ° Upon request by the Issuer or its transfer agent, DTC provides periodic reports which list individual Participant names and their positions which are segregated in the "Seg 100" account.

Questions regarding any of the foregoing may be referred to your Participant Services Representative or to the undersigned at (212) 898-3270.

Frank Petrillo
Vice President
Controls & Procedures

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