

IMPORTANT NOTICE

The Depository Trust Company



#: B#6296-10
Date: March 5, 2010
To: All Participants
Category: Compliance
From: General Counsel's Office
Attention: Managing Partner/Officer Cashier/Operations Management
Subject: DTC Rule Change SR-DTC-2010-05 regarding the ID Net Service

The Depository Trust Company ("DTC") recently filed a rule change regarding the ID Net Service ("ID Net") with the Securities and Exchange Commission ("SEC") as effective upon filing, pursuant to Section 19(b)(3)(A) of the Securities and Exchange Act of 1934. ID Net allows Participants to have the ability to net all eligible affirmed institutional transactions at DTC against Continuous Net Settlement ("CNS") transactions at the National Securities Clearing Corporation ("NSCC"). The ID Net Service accepts affirmed institutional transactions from clearing agencies, other entities which have obtained an exemption from clearing agency registration from the Commission, and Qualified Vendors, and nets the broker-dealer side of such transaction with the broker-dealer's CNS obligations.

Eligibility for ID Net processing is based on the underlying security being processed, the type of transaction submitted for processing, and the timing of affirmation. Most equity securities that are eligible for CNS are eligible for ID Net processing. However, DTC initially excluded the following from ID Net: (1) Corporate and municipal bonds and Unit Investment Trust ("UIT") issues; (2) New Issue securities; (3) Securities that are IPO tracked since the use of omnibus accounts will bypass the tracking system; (4) Trades in issues that are currently undergoing a mandatory or voluntary reorganization; (5) Trades in CUSIPs with a CNS buy-in; and (6) Trades in securities appearing on the SEC's Regulation SHO list. At that time, DTC noted that since the Service was a new one and in order to ensure that the system ran smoothly, it was excluding certain securities that could potentially have a relatively high rate of delivery failure or may disrupt normal processing of transactions in the ID Net Service. It also noted that as experience with the Service grows, it would reevaluate the exclusion of certain issues.

Since the implementation of ID Net, the Service has operated with minimal disruption, thus allaying the concerns regarding the addition of certain securities previously excluded from the Service. In order to enhance processing efficiency and at the request of its Participants, DTC is expanding ID Net to allow for the addition of any security that is eligible for CNS processing from time to time and at DTC's discretion. DTC will notify its Participants via Important Notice when it decides to make a security eligible for ID Net.

Non-Confidential

DTCC is now offering enhanced access to all important notices via a new, Web-based subscription service. The new notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

To remove your name from the former system of email notifications, send a message to unsubscribe@dtcc.com.

The full text of the rule change is available at our website, www.dtcc.com. Questions or inquiries regarding this proposed rule change may be directed to Candice Fordin, Associate Counsel at email cfordin@dtcc.com or (212) 855-7632; any such comments will be forwarded to the SEC. Written comments may also be addressed to the Secretary of the Commission, Securities and Exchange Commission, 100 First Street, N.E., Washington, D.C. 20549. We request that you provide DTC with a copy of your comments.