

# IMPORTANT NOTICE

**The Depository Trust Company**



**#:** B7559-10  
**Date:** November 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-2010-15 relating to the FAST balance certificate

The Depository Trust Company ("DTC") recently filed a rule change with the Securities and Exchange Commission ("SEC") pursuant to Section 19(b)(2) of the Securities and Exchange Act of 1934. The purpose of the change is to update DTC's requirements relating to the FAST balance certificate.

Recently, FAST transfer agents have requested that DTC remove the requirement for it to custody a balance certificate because the agent electronically confirms the balance with DTC on a daily basis. DTC has considered such request and at this time is proposing to remove the requirement that FAST transfer agents maintain a balance certificate for certain issuers that are participating<sup>1</sup> in the direct registration system ("DRS").

Since issuers that participate in DRS have acknowledged that the use of electronic registration of securities is a valid method to evidence ownership of shares and in an effort to reduce the costs and risks associated with the creation, storage and replacement of balance certificates, DTC will remove the requirement for FAST transfer agents to maintain a physical balance certificate for those exchange listed issues that are DRS eligible and participating. However, DTC will continue to reserve its rights to draw down from the FAST balance and receive a physical certificate, to be registered in DTC's nominee name of Cede & Co, reflecting any amount of shares up to and including the total amount of shares outstanding due DTC from those FAST transfer agents.

The full text of the rule change is available at our website, [www.dtcc.com](http://www.dtcc.com). Questions or inquiries regarding this proposed rule change may be directed to Candice Fordin, Associate Counsel at email [cfordin@dtcc.com](mailto: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

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<sup>1</sup> DRS provides registered owners with the option of holding their assets on the books and records of the transfer agent in book-entry form. Shares are considered DRS eligible if the issuer's bylaws permit the issuance of book entry shares and the CUSIP number has been designated as FAST eligible by DTC. DTC Participating means the issuer is permitted to participate in the DRS program and issue DRS shares.

Non-Confidential

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Commission, 100 First Street, N.E., Washington, D.C. 20549. We request that you provide DTC with a copy of your comments.