Filing by The Depository Trust Company

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * Amendment * Withdrawal * Section 19(b)(2) * Section 19(b)(3)(A) * Section 19(b)(3)(B) *

Rule

Pilot

Extension of Time Period for Commission Action * Date Expires

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 806(e)(1) * Section 806(e)(2) *

Proposed change to the DTC Fee Schedule relating to the Custody Service.

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * John Last Name * Petrofsky
Title * Senior Associate Counsel
E-mail * ipetrofsky@dtcc.com
Telephone * (813) 470-2115 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Please print)

Date 04/16/2015
By Lois J. Radisch

Managing Director and Deputy General Counsel

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.
The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3).

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e., partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.
1. **Text of Proposed Rule Change**

   (a) The purpose of the proposed rule filing submitted by The Depository Trust Company ("DTC") is to revise the DTC Fee Schedule ("Fee Schedule") as it relates to the DTC Custody Service ("Custody Service"), as more fully described below.\(^1\)

   (b) Not applicable.

   (c) Not applicable.

2. **Procedures of the Self-Regulatory Organization**

   (a) The proposed rule change has been approved by the senior management of DTC; no other action is required to be taken by DTC under its organization certificate, by-laws or Rules for a proposed rule change of this type.

3. **Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

   (a)

   **Purpose**

   The proposed rule change would revise the Fee Schedule with respect to a fee charged to Participants that use the Custody Service, as described below.

   The Custody Service provides safe keeping and physical transaction processing for securities certificates and other items (collectively, "certificates"), including certificates for securities and other assets not eligible for deposit in DTC’s core depository services.\(^2\) In utilizing the Custody Service, Participants are able to leverage DTC’s vault facility to outsource the safe keeping and subsequent physical transaction processing for certificates. DTC charges each Participant a monthly fee (currently described in the Fee Schedule as a "Long Position" Fee) of $0.70 per certificate, per month ("Current Fee") for safe keeping in the Custody Service.

   Pursuant to the proposed rule change, in order to better align fees with the cost of offering the Custody Service, DTC would revise the Fee Schedule to replace the Current

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\(^1\) Each term not otherwise defined herein has its respective meaning as set forth in the DTC Rules (the "Rules"), available at http://www.dtcc.com/legal/rules-and-procedures.aspx.

Fee with a reduced fee to be named the “Custody Certificate Position” Fee (“New Fee”). The New Fee would be a monthly fee calculated in accordance with a “tiered” fee structure taking into account the quantity of certificates held in the Custody Service for the Participant on a per account basis as follows:

<table>
<thead>
<tr>
<th>Amount ($)</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.61</td>
<td>Monthly fee per certificate, per account; fee applied for each certificate on deposit counted up to an aggregate quantity of 50,000 certificates for the account (i.e., certificates counted as 1-50,000)</td>
</tr>
<tr>
<td>0.20</td>
<td>Monthly fee per certificate, per account; fee applied for each certificate on deposit counted in excess of an aggregate quantity of 50,000 up to an aggregate quantity of 100,000 certificates for the account (i.e., certificates counted as 50,001-100,000)</td>
</tr>
<tr>
<td>0.10</td>
<td>Monthly fee per certificate, per account; fee applied for each certificate on deposit counted in excess of an aggregate quantity of 100,000 certificates for the account (i.e., certificates counted as 100,001 and above)</td>
</tr>
</tbody>
</table>

For example, a Participant with 200,000 certificates held in the Custody Service as of a month-end for one of its accounts would be charged New Fees for the month as follows for that account:

<table>
<thead>
<tr>
<th>Quantity of Certificates Counted by Tier</th>
<th>Fee Amount Per Certificate</th>
<th>Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 50,000 certificates counted</td>
<td>$0.61</td>
<td>$30,500.00</td>
</tr>
<tr>
<td>Second 50,000 certificates counted</td>
<td>$0.20</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Remaining 100,000 certificates</td>
<td>$0.10</td>
<td>$10,000.00</td>
</tr>
<tr>
<td><strong>Total New Fee for Account</strong></td>
<td></td>
<td><strong>$50,500.00</strong></td>
</tr>
</tbody>
</table>

Since the New Fee would be charged on a per account basis, a Participant with multiple accounts would be charged a New Fee amount for each account, as applicable. The amount would be calculated based upon the quantity of certificates held for that
account only (i.e., excluding certificates held for the other accounts of the Participant).\(^3\)

**Implementation Date**

The proposed rule change would take effect on May 1, 2015.

(b)

**Statutory Basis**

The proposed rule change would better align DTC’s fees with its costs of providing safe keeping for certificates in the Custody Service, and the proposed fee would apply equally in accordance with Participants’ use of the Custody Service. Therefore, DTC believes the proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (“Act”) and the rules and regulations thereunder applicable to DTC, in particular Section 17A(b)(3)(D)\(^4\) of the Act, which requires that DTC’s Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Participants.

4. **Clearing Agency’s Statement on Burden on Competition**

DTC does not believe that the proposed rule change would have any impact, or impose any burden, on competition.

5. **Clearing Agency’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

Written comments relating to the proposed rule change have not yet been solicited or received. DTC will notify the Securities and Exchange Commission (the “Commission”) of any written comments received by DTC.

6. **Extension of Time Period for Commission Action**

DTC does not consent to an extension of the time period specified in Section 19(b)(2)\(^5\) of the Act for Commission action.

7. **Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)**

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\(^3\) Using the example above, a Participant with two accounts, each with a deposit of 200,000 certificates, would be charged a New Fee amount of $50,500.00 per account, or total New Fees of $101,000.00.


(a) This filing is made pursuant to Section 19(b)(3)(A)\(^6\) of the Act and subparagraph (f)(2)\(^7\) of Securities Exchange Act Rule 19b-4. The proposed rule change is to take effect on May 1, 2015.

(b) The proposed rule change establishes or changes a due, fee, or other charge applicable only to DTC Participants.

(c) Not applicable.

(d) Not applicable.

8. **Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission**

The proposed rule change is not based on the rules of another self-regulatory organization or the Commission.

9. **Exhibits**

Exhibit 1A - Notice of proposed rule change for publication in the Federal Register.

Exhibit 2 - Not applicable.

Exhibit 3 - Not applicable.

Exhibit 4 - Not applicable.

Exhibit 5 - Proposed Revisions to the text of the Fee Schedule.

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Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to a DTC Custody Service Fee Change

Pursuant to Section 19(b)(1)\(^1\) of the Securities Exchange Act of 1934 ("Act") and Rule 19b-4\(^2\) thereunder, notice is hereby given that on April __, 2015, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared primarily by DTC. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A)\(^3\) of the Act and Rule 19b-4(f)(2)\(^4\) thereunder. The proposed rule change was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

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The proposed rule change consists of a change to DTC’s Fee Schedule ("Fee Schedule") with respect to the DTC Custody Service.\(^5\)

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, DTC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. DTC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The proposed rule change would revise the Fee Schedule with respect to a fee charged to Participants that use the Custody Service, as described below.

The Custody Service provides safe keeping and physical transaction processing for securities certificates and other items (collectively, “certificates”), including certificates for securities and other assets not eligible for deposit in DTC’s core depository services.\(^6\) In utilizing the Custody Service, Participants are able to leverage DTC’s vault facility to outsource the safe keeping and subsequent physical transaction processing for certificates. DTC charges each Participant a monthly fee (currently

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described in the Fee Schedule as a “Long Position” Fee) of $0.70 per certificate, per month ("Current Fee") for safe keeping in the Custody Service.

Pursuant to the proposed rule change, in order to better align fees with the cost of offering the Custody Service, DTC would revise the Fee Schedule to replace the Current Fee with a reduced fee to be named the “Custody Certificate Position” Fee ("New Fee"). The New Fee would be a monthly fee calculated in accordance with a “tiered” fee structure taking into account the quantity of certificates held in the Custody Service for the Participant on a per account basis as follows:

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For example, a Participant with 200,000 certificates held in the Custody Service as of a month-end for one of its accounts would be charged New Fees for the month as follows for that account:

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<td></td>
</tr>
</tbody>
</table>

Since the New Fee would be charged on a per account basis, a Participant with multiple accounts would be charged a New Fee amount for each account, as applicable. The amount would be calculated based upon the quantity of certificates held for that account only (i.e., excluding certificates held for the other accounts of the Participant).  

Implementation Date

The proposed fee change would take effect on May 1, 2015.

2. Statutory Basis

   Using the example above, a Participant with two accounts, each with a deposit of 200,000 certificates, would be charged a New Fee amount of $50,500.00 per account, or total New Fees of $101,000.00.
The proposed rule change would better align DTC’s fees with its costs of providing safe keeping for certificates in the Custody Service, and the proposed fee would apply equally in accordance with Participants’ use of the Custody Service. Therefore, DTC believes the proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (“Act”) and the rules and regulations thereunder applicable to DTC, in particular Section 17A(b)(3)(D)\(^8\) of the Act, which requires that DTC’s Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Participants.

(B) **Clearing Agency’s Statement on Burden on Competition**

DTC does not believe that the proposed rule change would have any impact, or impose any burden, on competition.

(C) **Clearing Agency’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

Written comments relating to the proposed rule change have not yet been solicited or received. DTC will notify the Commission of any written comments received by DTC.

III. **Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)\(^9\) of the Act and paragraph (f) of Rule 19b-4\(^10\) thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily

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may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission’s Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-DTC-2015-004 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-DTC-2015-004. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s Internet website (http://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld
from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of DTC and on DTCC’s website (http://dtcc.com/legal/sec-rule-filings.aspx). All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-DTC-2015-004 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.11

Secretary

**Bold, underlined** text indicates additions.

**Bold, strikethrough** text indicates deletions.

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**DTC Fee Schedule**

<table>
<thead>
<tr>
<th>Fee Name</th>
<th>Amount ($)</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>***</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Custody Services</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Custody (Core Services)</td>
<td>***</td>
<td></td>
</tr>
<tr>
<td>Long Position</td>
<td>0.70</td>
<td>Per-certificate-per-month</td>
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<td>Custody Certificate Position</td>
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