

<b>B #:</b>	5914-17
<b>Date:</b>	May 23, 2017
<b>To:</b>	All Participants, Issuers, Agents
<b>Category:</b>	Underwriting
<b>From:</b>	Underwriting Product Management
<b>Attention:</b>	Managing Partner/Officer, Cashier, Dividend Mgr., Tax Mgr., Operations Management
<b>Subject:</b>	UW Source 871(m) Enhancement

As previously outlined in Important Notice [4463-16](#), The Depository Trust Company (“DTC”) adjusted eligibility procedures to comply with Section 871(m) of the Internal Revenue Code (“section 871(m)”) effective January 1<sup>st</sup>, 2017. In an effort to streamline this process enhancements will be implemented on June 9<sup>th</sup>, 2017 to the UW Source application used by underwriters to submit eligibility requests to DTC.

### **871(m) Representations Required Prior to Security being made Eligible**

For a security to qualify for DTC eligibility, the underwriter submitting the issue to DTC must attest on behalf and as agent of the issuer, to the applicability of section 871(m) via a new Dashboard work item in UW Source prior to closing. The underwriter will be required to certify on behalf and as agent of the issuer, whether or not the security is treated as a “section 871(m) transaction,” and if it is, then whether it is a simple contract or a complex contract. If the security is treated as a “simple contract” then the delta will also be required to be provided. In addition issuers will have an ongoing requirement to provide DTC via email at [871m@dtcc.com](mailto:871m@dtcc.com), a completed 871 (m) dividend equivalent template available at [www.dtcc.com](http://www.dtcc.com) of the amount and timing of any and all future dividend equivalent amounts that are treated as being paid.

A user guide has been created to walk clients through the process and can be found on our Learning Center [here](#). Note: The Learning Center requires a username and password.

Failure to comply with this attestation in a timely manner may result in a delay in approving your DTC eligibility request.

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## **Issues being made eligible as the result of a Corporate Action**

For securities made DTC eligible as the result of a Corporate Action, where there is no underwriter eligibility request submitted through UW Source, the Agent for the Issuer must provide the Issuer's attestation to DTC through the 871(m) Attestation Form found [here](#).

For more information regarding this Important Notice please contact Dan Lachaga at [dlachaga@dtcc.com](mailto:dlachaga@dtcc.com) or 813-470-1209.