

KEY ELEMENTS OF THE INSURANCE LETTER FOR THE FAST BALANCE AGREEMENT

- * 1. Must be on the letterhead of the insurance broker or agent or the company(ies).
 - * 2. Must be manually signed.
 - 3. State the limits and deductibles of the insurance policy.
 - **4. Name the transfer agent as the insured.
 - 5. Specify that the coverage is in force at the address where the transfer agent will be processing securities.
 - 6. Give the in-force dates of the policy.
 - 7. State the types of activities covered. Coverage should include transportation of securities (mail, armored carrier, etc.) and securities handling.
 - 8. The policy should be in the form of Bankers Blanket Bond Standard Form 24, or similar coverage containing Central Handling of Securities Rider.
 - 9. The insurance must cover any securities received from DTC and/or held by the transfer agent on their premise (list the address) on behalf of DTC under the FAST Balance Agreement.

In case of a FAST Processor Agreement (ie. private label), the agent's insurance must cover securities handled on the processor's premise. The processor's name and address must be specified on the letter.
 - 10. Where layers of insurance are in force, the letter should cover each of the insurance policies.
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- * Lloyds' London Coverage: a letter from Lloyd's attorney in the U.S. is acceptable.
 - ** Additional documentation is required if the transfers will be handled by a processor; the processor must be named as an insured under the transfer agent's policy.