

Required fields are shown with yellow backgrounds and asterisks.

Filing by The Depository Trust Company
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input checked="" type="checkbox"/> 19b-4(f)(4)	<input type="checkbox"/> 19b-4(f)(6)
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

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) * <input type="checkbox"/>	Section 3C(b)(2) * <input type="checkbox"/>
Section 806(e)(2) * <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
 Provide a brief description of the action (limit 250 characters, required when Initial is checked *).
 Proposed Rule Change in Connection with Changes to the Account Structure of Euroclear Bank at The Depository Trust Company

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 * Aimee Last Name * Bandler
 Title * Executive Director and Associate General Counsel
 E-mail * abandler@dtcc.com
 Telephone * (212) 855-3148 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.
 (Title *)
 Date 10/24/2019 Managing Director and Deputy General Counsel
 By Lois J. Radisch
 (Name *)
 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.
 Iradisch@dtcc.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

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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.

Exhibit 1 - Notice of Proposed Rule Change *

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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)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

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.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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.

Exhibit 4 - Marked Copies

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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.

Exhibit 5 - Proposed Rule Text

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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.

Partial Amendment

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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 the Proposed Rule Change

(a) The proposed rule change of The Depository Trust Company (“DTC”) is annexed hereto as Exhibit 5.¹ The proposal would make technical amendments to Rule 34 (EB Link) in connection with changes to the account structure of Euroclear Bank SA/NV (“EB”) at DTC, as described below.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Deputy General Counsel of DTC on October 24, 2019.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The proposal would make technical amendments to Rule 34 (EB Link) in connection with changes to the account structure of EB at DTC, as described below.

(i) Background

EB was accepted by DTC as a Participant on February 18, 2016. At the time, the purpose of EB’s membership was to establish a free-of-payment (“FOP”) Account at DTC (“EB CP Account”)² to facilitate the positioning of securities (“CP Securities”) held at DTC (“EB Collateral Positioning”) for transfers on the books of EB in connection with EB collateral management services.³ To support EB Collateral Positioning, DTC filed Rule 34, which was approved by the Securities and Exchange Commission (“Commission”) on July 19, 2016.⁴

¹ Each capitalized term not otherwise defined herein has its respective meaning as set forth in the Rules, By-Laws and Organization Certificate of The Depository Trust Company (the “Rules”), available at <http://www.dtcc.com/legal/rules-and-procedures.aspx>.

² Rule 34 provides that the adjectival use of “CP” in Rule 34 refers to terms or matters relating and limited to “Collateral Positioning” under Rule 34. See id.

³ Prior to the establishment of the EB CP Account, EB had not been a DTC Participant nor had an Account at DTC.

⁴ See Securities Exchange Act Release No. 78358 (July 19, 2016), 81 FR 48482 (July 25, 2016 (SR-DTC-2016-004) (“Rule 34 Approval Order”).

Under Rule 34, a DTC Participant that is also a participant of EB (“CP Participant”) may designate a sub-account at DTC (“CP Sub-Account”) for use under Rule 34, thereby authorizing EB as its representative (“CP Representative”), and authorizing DTC to provide position and transaction information to EB and to accept EB instructions submitted on behalf of such CP Participant, with respect to the CP Sub-Account of the CP Participant.⁵

The CP Participant instructs DTC to deliver securities from the CP Participant’s Securities Account to its CP Sub-Account, in order to identify the securities that it wishes to make available for EB Collateral Positioning and collateral transfers on the books of EB (“EB Collateral Transactions”). After the CP Securities have been credited to the CP Sub-Account, EB, as CP Representative of the CP Participant, instructs DTC to make a FOP delivery of the CP Securities from the CP Sub-Account to the EB CP Account. After CP Securities have been credited to the EB CP Account, it is then EB’s responsibility to credit them to an account at EB maintained for the CP Participant, as an EB participant using EB collateral management services (“EB Collateral Participant”), for EB Collateral Transactions.

Pursuant to Rule 34, EB may also instruct DTC to make a FOP delivery of CP Securities from the EB CP Account to the Securities Account of a Participant that EB has designated to DTC as EB’s global custodian (“EB Global Custodian”) in order to liquidate CP Securities, if a CP Participant that is an EB Collateral Participant has defaulted on its obligations in respect of any EB Collateral Transaction (“EB Liquidating Transaction”).

(ii) Proposed Rule Change

EB has now applied to DTC for a delivery-versus-payment (“DVP”) Account, and its application was approved by DTC on September 20, 2019. With a DVP Account, EB will be permitted to engage in other transactions, including DVP transactions, at DTC, in addition to the FOP deliveries provided for under Rule 34.⁶ EB has also requested that the new DVP Account

⁵ In addition, Rule 34 provides that the CP Participant has to be a user of the DTCC Euroclear Global Collateral Ltd. (“DEGCL”) Inventory Management Service (“DEGCL IMS”). DEGCL is a United Kingdom joint venture of The Depository Trust & Clearing Corporation, the corporate parent of DTC, and Euroclear S.A./N.V. (“Euroclear”). As noted in the Rule 34 Approval Order, DTC understands that by providing Participants with a mechanism for EB Collateral Positioning, Rule 34 indirectly supports the DEGCL IMS service. DEGCL IMS is operated by EB and other entities in the Euroclear group, as the service provider to DEGCL, in accordance with appropriate agreements among them and in compliance with applicable regulatory requirements. There is no direct relationship between DTC and DEGCL IMS.

⁶ DTC understands that EB performs certain functions of a clearing agency with respect to U.S. securities for its U.S. participants pursuant to an exemption from clearing agency registration approved by the Commission (the “EB Exemption”). See Self-Regulatory Organizations; Morgan Guaranty Trust Company of New York, Brussels Office, as Operator of the Euroclear System; Order Approving Application for Exemption From Registration as a Clearing Agency, Securities Exchange Act Release No. 39643

(“New EB Account”) become its main Securities Account, and that the EB CP Account become a sub-account of the New EB Account.

In light of this development, DTC has reviewed Rule 34 and determined that, although no substantive changes may be necessary, it would be preferable to clarify certain provisions of Rule 34 to more accurately reflect the new EB account structure. Specifically, DTC is proposing to make minor technical amendments to Rule 34 that would (i) more clearly differentiate between the EB CP Account and other Securities Accounts of EB, and (ii) expressly provide EB with the option to instruct DTC to deliver CP Securities from the EB CP Account to another Securities Account of EB for EB Liquidating Transactions if a CP Participant that is an EB Collateral Participant has defaulted on one of its EB Collateral Transaction obligations.

A. EB Collateral Positioning

Currently, the language of Rule 34 reflects that the EB CP Account is the only EB Account at DTC.⁷ In particular, Rule 34 defines the Securities Account established by EB for purposes of Rule 34 as the “EB Account.” However, because EB’s application to establish a DVP Account has been approved by DTC, the Securities Account established by EB for Rule 34 will no longer be the only EB Account. Therefore, to more clearly differentiate between the EB CP Account and other Securities Accounts of EB that may be established, including, but not limited to the New EB Account, DTC is proposing to change the defined term in Rule 34 from “EB Account” to “EB CP Account.” In addition, to conform with that change, DTC is proposing to replace the current title of Rule 34, “EB Link,” with a new title, “EB Collateral Positioning,” and to delete the defined term “EB Link” from Rule 34.

B. EB Liquidating Transactions

Rule 34 currently provides that EB may instruct DTC to deliver CP Securities from the EB CP Account to the EB Global Custodian in connection with an EB Liquidating Transaction. With its new account structure, EB may process EB Liquidating Transactions through its own DVP Securities Accounts, including the New EB Account, and may no longer require an EB Global Custodian. Therefore, DTC is proposing to amend Rule 34 to expressly provide EB with the option to deliver CP Securities from the EB CP Account to another Securities Account of EB for EB Liquidating Transactions. Specifically, the proposed rule change would provide that “EB

(February 11, 1998), 63 FR 8232 (February 18, 1998); Self-Regulatory Organizations; Morgan Guaranty Trust Company, Brussels Office, as Operator of the Euroclear System and Euroclear Bank, S.A.; Order Approving Application to Modify an Existing Exemption From Clearing Agency Registration, Securities Exchange Act Release No. 43775 (December 28, 2000), 66 FR 819 (January 4, 2001); and Euroclear Bank SA/NV; Order of the Commission Approving an Application To Modify an Existing Exemption From Clearing Agency Registration, Securities Exchange Act Release No. 79577 (December 16, 2016), 81 FR 93994 (December 22, 2016) (File No. 601-01).

⁷ See supra note 3.

may, from time to time . . . (iii) in connection with an EB Liquidating Transaction, instruct the Corporation to make a Free Delivery of CP Securities from the EB CP Account⁸ to the Securities Account of the EB Global Custodian or to another Securities Account of EB, whereupon such Securities shall no longer be CP Securities [emphasis added].”

In addition, DTC is proposing to make conforming changes to the definitions of “CP Securities” and “EB Global Custodian.”

(b) Statutory Basis

DTC believes that the proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the “Act”), and the rules and regulations thereunder applicable to DTC, in particular Section 17A(b)(3)(F) of the Act.⁹

Section 17A(b)(3)(F) of the Act requires, *inter alia*, that the rules of the clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions.¹⁰ The proposed rule change would make minor technical amendments to Rule 34 in connection with changes requested by EB to its account structure at DTC in order to (i) clearly differentiate between the EB CP Account and other Securities Accounts of EB, and (ii) expressly provide EB with the option, under specific circumstances, to instruct DTC to deliver securities from the EB CP Account to another Securities Account of EB. By amending Rule 34 in this manner, the proposed rule change would enhance the clarity and transparency of Rule 34 so that Participants may better understand how to use Rule 34 for EB Collateral Positioning, which would allow Participants to more accurately and efficiently deploy their securities collateral for EB Collateral Transactions. Therefore, DTC believes that the proposed rule change is designed to promote the prompt and accurate clearance and settlement of securities collateral transactions, consistent with the requirements of the Act, in particular Section 17A(b)(3)(F), cited above.

4. Self-Regulatory Organization’s Statement on Burden on Competition

DTC believes that the proposed rule change would not have an impact on competition.¹¹ The proposed rule change would make minor technical amendments to Rule 34 in connection with changes requested by EB to its account structure at DTC by (i) clearly differentiating between the EB CP Account and other Securities Accounts of EB, and (ii) expressly providing EB with the option, under specific circumstances, to instruct DTC to deliver securities from the EB CP Account to another Securities Account of EB. The proposed rule change would not make any substantive changes to the rights and obligations of Participants or other interested parties

⁸ As noted above, pursuant to the proposed rule change, DTC would change the defined term “EB Account” to “EB CP Account.”

⁹ 15 U.S.C. 78q-1(b)(3)(F).

¹⁰ Id.

¹¹ 15 U.S.C. 78q-1(b)(3)(I).

under Rule 34, and so would not affect such rights and obligations. Therefore, DTC believes that the proposed rule change to make technical amendments to Rule 34 would not have an impact on competition.¹²

5. Self-Regulatory Organization’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 been solicited or received. DTC will notify the Commission of any written comments received by DTC.

6. Extension of Time Period for Commission Action

Not applicable.

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

(a) The proposed rule changes are to take effect immediately upon filing pursuant to Section 19(b)(3)(A) of the Act.¹³

(b) The proposed rule change effects a change in an existing service of DTC that would not (i) adversely affect the safeguarding of securities or funds in the custody or control of DTC or for which it is responsible, or (ii) significantly affect the respective rights or obligations of DTC or persons using this service,¹⁴ as it would only make technical amendments to Rule 34 without any significant impact on the rights and obligations of Participants or other interested parties.

(c) Not applicable.

(d) Not applicable.

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

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

¹² Id.

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(4).

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Not applicable.

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 changes to the Rules.

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-[_____]; File No. SR-DTC-2019-010)

[DATE]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change in Connection with Changes to the Account Structure of Euroclear Bank at The Depository Trust Company

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on October __, 2019, 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 by the clearing agency. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(4) thereunder.⁴ 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

The proposed rule change⁵ of DTC would make technical amendments to Rule 34 (EB Link) in connection with changes to the account structure of Euroclear Bank SA/NV (“EB”) at DTC, as described below.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(4).

⁵ Each capitalized term not otherwise defined herein has its respective meaning as set forth in the Rules, By-Laws and Organization Certificate of The Depository

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

In its filing with the Commission, the clearing agency 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. The clearing agency 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 proposal would make technical amendments to Rule 34 (EB Link) in connection with changes to the account structure of EB at DTC, as described below.

(i) Background

EB was accepted by DTC as a Participant on February 18, 2016. At the time, the purpose of EB's membership was to establish a free-of-payment ("FOP") Account at DTC ("EB CP Account")⁶ to facilitate the positioning of securities ("CP Securities") held at DTC ("EB Collateral Positioning") for transfers on the books of EB in connection with

Trust Company (the "Rules"), available at <http://www.dtcc.com/legal/rules-and-procedures.aspx>.

⁶ Rule 34 provides that the adjectival use of "CP" in Rule 34 refers to terms or matters relating and limited to "Collateral Positioning" under Rule 34. See id.

EB collateral management services.⁷ To support EB Collateral Positioning, DTC filed Rule 34, which was approved by the Commission on July 19, 2016.⁸

Under Rule 34, a DTC Participant that is also a participant of EB (“CP Participant”) may designate a sub-account at DTC (“CP Sub-Account”) for use under Rule 34, thereby authorizing EB as its representative (“CP Representative”), and authorizing DTC to provide position and transaction information to EB and to accept EB instructions submitted on behalf of such CP Participant, with respect to the CP Sub-Account of the CP Participant.⁹

The CP Participant instructs DTC to deliver securities from the CP Participant’s Securities Account to its CP Sub-Account, in order to identify the securities that it wishes to make available for EB Collateral Positioning and collateral transfers on the books of EB (“EB Collateral Transactions”). After the CP Securities have been credited to the CP Sub-Account, EB, as CP Representative of the CP Participant, instructs DTC to make a FOP delivery of the CP Securities from the CP Sub-Account to the EB CP Account.

⁷ Prior to the establishment of the EB CP Account, EB had not been a DTC Participant nor had an Account at DTC.

⁸ See Securities Exchange Act Release No. 78358 (July 19, 2016), 81 FR 48482 (July 25, 2016 (SR-DTC-2016-004) (“Rule 34 Approval Order”).

⁹ In addition, Rule 34 provides that the CP Participant has to be a user of the DTCC Euroclear Global Collateral Ltd. (“DEGCL”) Inventory Management Service (“DEGCL IMS”). DEGCL is a United Kingdom joint venture of The Depository Trust & Clearing Corporation, the corporate parent of DTC, and Euroclear S.A./N.V. (“Euroclear”). As noted in the Rule 34 Approval Order, DTC understands that by providing Participants with a mechanism for EB Collateral Positioning, Rule 34 indirectly supports the DEGCL IMS service. DEGCL IMS is operated by EB and other entities in the Euroclear group, as the service provider to DEGCL, in accordance with appropriate agreements among them and in compliance with applicable regulatory requirements. There is no direct relationship between DTC and DEGCL IMS.

After CP Securities have been credited to the EB CP Account, it is then EB's responsibility to credit them to an account at EB maintained for the CP Participant, as an EB participant using EB collateral management services ("EB Collateral Participant"), for EB Collateral Transactions.

Pursuant to Rule 34, EB may also instruct DTC to make a FOP delivery of CP Securities from the EB CP Account to the Securities Account of a Participant that EB has designated to DTC as EB's global custodian ("EB Global Custodian") in order to liquidate CP Securities, if a CP Participant that is an EB Collateral Participant has defaulted on its obligations in respect of any EB Collateral Transaction ("EB Liquidating Transaction").

(ii) Proposed Rule Change

EB has now applied to DTC for a delivery-versus-payment ("DVP") Account, and its application was approved by DTC on September 20, 2019. With a DVP Account, EB will be permitted to engage in other transactions, including DVP transactions, at DTC, in addition to the FOP deliveries provided for under Rule 34.¹⁰ EB has also requested that

¹⁰ DTC understands that EB performs certain functions of a clearing agency with respect to U.S. securities for its U.S. participants pursuant to an exemption from clearing agency registration approved by the Commission (the "EB Exemption"). See Self-Regulatory Organizations; Morgan Guaranty Trust Company of New York, Brussels Office, as Operator of the Euroclear System; Order Approving Application for Exemption From Registration as a Clearing Agency, Securities Exchange Act Release No. 39643 (February 11, 1998), 63 FR 8232 (February 18, 1998); Self-Regulatory Organizations; Morgan Guaranty Trust Company, Brussels Office, as Operator of the Euroclear System and Euroclear Bank, S.A.; Order Approving Application to Modify an Existing Exemption From Clearing Agency Registration, Securities Exchange Act Release No. 43775 (December 28, 2000), 66 FR 819 (January 4, 2001); and Euroclear Bank SA/NV; Order of the Commission Approving an Application To Modify an Existing Exemption From Clearing Agency Registration, Securities Exchange Act Release No. 79577 (December 16, 2016), 81 FR 93994 (December 22, 2016) (File No. 601-01).

the new DVP Account (“New EB Account”) become its main Securities Account, and that the EB CP Account become a sub-account of the New EB Account.

In light of this development, DTC has reviewed Rule 34 and determined that, although no substantive changes may be necessary, it would be preferable to clarify certain provisions of Rule 34 to more accurately reflect the new EB account structure. Specifically, DTC is proposing to make minor technical amendments to Rule 34 that would (i) more clearly differentiate between the EB CP Account and other Securities Accounts of EB, and (ii) expressly provide EB with the option to instruct DTC to deliver CP Securities from the EB CP Account to another Securities Account of EB for EB Liquidating Transactions if a CP Participant that is an EB Collateral Participant has defaulted on one of its EB Collateral Transaction obligations.

A. EB Collateral Positioning

Currently, the language of Rule 34 reflects that the EB CP Account is the only EB Account at DTC.¹¹ In particular, Rule 34 defines the Securities Account established by EB for purposes of Rule 34 as the “EB Account.” However, because EB’s application to establish a DVP Account has been approved by DTC, the Securities Account established by EB for Rule 34 will no longer be the only EB Account. Therefore, to more clearly differentiate between the EB CP Account and other Securities Accounts of EB that may be established, including, but not limited to the New EB Account, DTC is proposing to change the defined term in Rule 34 from “EB Account” to “EB CP Account.” In addition, to conform with that change, DTC is proposing to replace the current title of

¹¹ See supra note 7.

Rule 34, “EB Link,” with a new title, “EB Collateral Positioning,” and to delete the defined term “EB Link” from Rule 34.

B. EB Liquidating Transactions

Rule 34 currently provides that EB may instruct DTC to deliver CP Securities from the EB CP Account to the EB Global Custodian in connection with an EB Liquidating Transaction. With its new account structure, EB may process EB Liquidating Transactions through its own DVP Securities Accounts, including the New EB Account, and may no longer require an EB Global Custodian. Therefore, DTC is proposing to amend Rule 34 to expressly provide EB with the option to deliver CP Securities from the EB CP Account to another Securities Account of EB for EB Liquidating Transactions. Specifically, the proposed rule change would provide that “EB may, from time to time . . . (iii) in connection with an EB Liquidating Transaction, instruct the Corporation to make a Free Delivery of CP Securities from the EB CP Account¹² to the Securities Account of the EB Global Custodian or to another Securities Account of EB, whereupon such Securities shall no longer be CP Securities [emphasis added].”

In addition, DTC is proposing to make conforming changes to the definitions of “CP Securities” and “EB Global Custodian.”

¹² As noted above, pursuant to the proposed rule change, DTC would change the defined term “EB Account” to “EB CP Account.”

2. Statutory Basis

DTC believes that the proposed rule change is consistent with the requirements of the Act, and the rules and regulations thereunder applicable to DTC, in particular Section 17A(b)(3)(F) of the Act.¹³

Section 17A(b)(3)(F) of the Act requires, inter alia, that the rules of the clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions.¹⁴ The proposed rule change would make minor technical amendments to Rule 34 in connection with changes requested by EB to its account structure at DTC in order to (i) clearly differentiate between the EB CP Account and other Securities Accounts of EB, and (ii) expressly provide EB with the option, under specific circumstances, to instruct DTC to deliver securities from the EB CP Account to another Securities Account of EB. By amending Rule 34 in this manner, the proposed rule change would enhance the clarity and transparency of Rule 34 so that Participants may better understand how to use Rule 34 for EB Collateral Positioning, which would allow Participants to more accurately and efficiently deploy their securities collateral for EB Collateral Transactions. Therefore, DTC believes that the proposed rule change is designed to promote the prompt and accurate clearance and settlement of securities collateral transactions, consistent with the requirements of the Act, in particular Section 17A(b)(3)(F), cited above.

¹³ 15 U.S.C. 78q-1(b)(3)(F).

¹⁴ Id.

(B) Clearing Agency's Statement on Burden on Competition

DTC believes that the proposed rule change would not have an impact on competition.¹⁵ The proposed rule change would make minor technical amendments to Rule 34 in connection with changes requested by EB to its account structure at DTC by (i) clearly differentiating between the EB CP Account and other Securities Accounts of EB, and (ii) expressly providing EB with the option, under specific circumstances, to instruct DTC to deliver securities from the EB CP Account to another Securities Account of EB. The proposed rule change would not make any substantive changes to the rights and obligations of Participants or other interested parties under Rule 34, and so would not affect such rights and obligations. Therefore, DTC believes that the proposed rule change to make technical amendments to Rule 34 would not have an impact on competition.¹⁶

(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 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) of the Act¹⁷ and paragraph (f) of Rule 19b-4 thereunder.¹⁸ At any time within 60 days of

¹⁵ 15 U.S.C. 78q-1(b)(3)(I).

¹⁶ Id.

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f).

the filing of the proposed rule change, the Commission summarily 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-2019-010 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-DTC-2019-010. 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 a.m. and 3:00 p.m. 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-DTC-2019-010 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.¹⁹

Secretary

¹⁹ 17 CFR 200.30-3(a)(12).

Bold, underlined text indicates proposed added language.

~~Bold, strikethrough text~~ indicates proposed deleted language.

**RULES, BY-LAWS
AND ORGANIZATION CERTIFICATE
OF
THE DEPOSITORY TRUST COMPANY**

RULE 34

EB LINKCOLLATERAL POSITIONING

Section 1. For purposes of this Rule 34:

“Collateral Positioning” means the Free Delivery of CP Securities by a CP Participant to its CP Sub-Account and the Free Delivery of such CP Securities from its CP Sub-Account to the EB CP Account, so that EB may credit such CP Securities to an account it maintains for such CP Participant, for use in EB Collateral Transactions. The adjectival use of “CP” throughout this Rule 34 refers to terms or matters relating and limited to “Collateral Positioning” under this Rule 34.

“CP Participant” means a Participant for which the Corporation maintains a CP Sub-Account. A CP Participant must also be an EB Collateral Participant and a user of DEGCL IMS, in accordance with applicable EB agreements, rules, and procedures, and such user agreements and terms and conditions of usage as DEGCL shall require for DEGCL IMS.

“CP Representative” means a Participant authorized by a CP Participant to provide instructions, on its behalf, for the Delivery of CP Securities from the CP Sub-Account to the EB CP Account, and to receive the CP Securities Report and Delivery Information with respect to its CP Sub-Account, as provided in this Rule 34.

“CP Securities” means Eligible Securities that a CP Participant designates as such by instructing the Corporation to make a Free Delivery thereof to its CP Sub-Account, which are credited to the CP Sub-Account or the EB CP Account. Securities shall cease being CP Securities when credited to any ~~Non-CP Account or Securities Account of another Participant~~ **a CP Sub-Account or** the EB CP Account, ~~including an Account of the EB Global Custodian.~~

“CP Securities Report” means, with respect to a CP Sub-Account, the following information identifying the CP Securities that are, at the time of such report, credited to such CP Sub-Account: (i) the CUSIP, ISIN, or other identification number of the CP Securities, and (ii) the number of shares or other units or principal amount of the CP Securities.

“CP Sub-Account” means, with respect to a CP Participant, the sub-account within a Securities Account of the CP Participant that is so designated by the CP Participant.

“DEGCL” means DTCC-Euroclear Global Collateral Ltd., a company organized in the United Kingdom that is a joint venture between DTCC and Euroclear.

“DEGCL IMS” means the “Inventory Management Service” provided by DEGCL, operated for DEGCL by Euroclear and EB, with respect to CP Participants and CP Securities.

“Delivery Information” means, with respect to any CP Sub-Account at the time such information is provided, the information that (x) specified CP Securities have been Delivered into or out of the CP Sub-Account; (y) an instruction has been given to the Corporation by the CP Participant to Deliver specified CP Securities out of the CP Sub-Account; and (z) specifies those CP Securities referenced in (x) and (y) of this definition by CUSIP, ISIN, or other identification number and the number of shares or other units or principal amount thereof.

“DTCC” means The Depository Trust & Clearing Corporation, a company organized in New York that is the corporate parent of the Corporation and a party to the DEGCL joint venture.

“EB” means Euroclear Bank SA/NV, a company organized in Belgium that is an international central securities depository and a Participant.

“EB CP Account” means the Securities Account of EB established pursuant to this Rule 34 for Collateral Positioning.

“EB CMS” means those collateral management services provided by EB, on its books and records, to EB Collateral Participants which EB offers as “collateral management services”, “CMS”, or its “Collateral Highway”, pursuant to applicable agreements, rules and procedures of EB concerning the provision of such services.

“EB Collateral Participant” means a participant of EB that has, in accordance with EB agreements, rules, and procedures, elected to use EB CMS.

“EB Collateral Transaction” means, with respect to an EB Collateral Participant, any transfer on the books of EB of CP Securities in connection with EB CMS, pursuant to applicable agreements of such EB Collateral Participant with its counterparty EB Collateral Participant and agreements, rules and procedures of EB, but excluding EB Liquidating Transactions.

“EB Global Custodian” means ~~the~~ Participant **(other than EB)** through which EB **may** hold Eligible Securities other than CP Securities, and which is designated by EB as the EB Global Custodian for purposes of Section 5(iii) of this Rule 34. EB shall, in a manner specified by the Corporation, notify the Corporation of the designation of its EB Global Custodian, **if any**.

~~“EB Link” means the arrangement between the Corporation, CP Participants and EB provided in this Rule 34 for the purpose of Collateral Positioning.~~

“EB Liquidating Transaction” means a transfer on the books of EB of CP Securities from an EB Collateral Participant’s collateral account to a non-collateral account at EB in order to liquidate CP Securities when an EB Collateral Participant has defaulted on its obligations in respect of any Collateral Transaction.

“Euroclear” means Euroclear SA/NV, a company organized in Belgium that is the corporate parent of EB and a party to the DEGCL joint venture.

“Non-CP Account” means, with respect to a CP Participant, any Securities Account of a CP Participant or sub-account of a Securities Account of such CP Participant other than its CP Sub-Account.

Section 2. Establishment of a CP Sub-Account for a CP Participant; Authorization of Representative. A Participant may, in the manner specified by the Corporation, request that the Corporation establish and maintain for such Participant a CP Sub-Account. The request to establish the CP Sub-Account shall constitute: (i) the authorization of EB to be such Participant’s CP Representative; and (ii) the representation and warranty of the requesting Participant that (x) it is an EB Collateral Participant and a user of DEGCL IMS, and (y) it shall conduct business in the CP Sub-Account as provided in this Rule 34 and otherwise pursuant to the Rules and Procedures of the Corporation, and in compliance with applicable law. The Corporation may accept or rely upon any instruction given to it by the CP Representative as though such instruction had been received from the CP Participant for which the CP Representative is acting. Each CP Participant’s CP Representative shall be EB.

Section 3. Establishment of EB CP Account; Credit of CP Securities at EB. EB may, in the manner specified by the Corporation, request that the Corporation establish and maintain the EB CP Account. The request to establish and maintain the EB CP Account shall constitute the representation and warranty of EB that the CP Securities Delivered to such EB CP Account are and shall be held by it for EB Collateral Transactions. When CP Securities are Delivered to the EB CP Account from a CP Sub-Account, EB shall credit those CP Securities to an account it maintains for such CP Participant, for use in EB Collateral Transactions.

Section 4. Free Deliveries of CP Securities by a CP Participant. A CP Participant may, from time to time, instruct the Corporation to: (i) make a Free Delivery of Eligible Securities from a Non-CP Account of such CP Participant to its CP Sub-Account, whereupon such Securities shall be CP Securities; (ii) make a Free Delivery of such CP Securities from its CP Sub-Account to a Non-CP Account of such CP Participant, whereupon such Securities shall no longer be CP Securities; or (iii) make a Free Delivery of such CP Securities from its CP Sub-Account to the Securities Account of another Participant, whereupon such Securities shall no longer be CP Securities.

Section 5. Free Deliveries of CP Securities by EB. EB may, from time to time: (i) instruct the Corporation, as CP Representative of the CP Participant, to make a Free Delivery of CP Securities from the CP Sub-Account of the CP Participant to the EB CP Account; (ii) instruct

the Corporation to make a Free Delivery of CP Securities from the EB CP Account to the CP Sub-Account from which those CP Securities were originally Delivered; or (iii) in connection with an EB Liquidating Transaction, instruct the Corporation to make a Free Delivery of CP Securities from the EB CP Account to the Securities Account of the EB Global Custodian or to another Securities Account of EB, whereupon such Securities shall no longer be CP Securities.

Section 6. CP Securities Report. The Corporation shall provide to EB, as CP Representative of the CP Participant, once each Business Day at such time as the Corporation may agree, a CP Securities Report with respect to the CP Securities then credited to the CP Sub-Account of such CP Participant. The Corporation shall provide such CP Securities Report to EB through such dedicated communications channels, satisfactory to the Corporation in its sole discretion, as EB shall specify and arrange for the Corporation to use for this purpose.

Section 7. Delivery Information. The Corporation shall provide to EB, as CP Representative of the CP Participant, Delivery Information with respect to each Delivery to and from the CP Sub-Account. The Corporation shall provide such Delivery Information to EB through such dedicated communications channels, satisfactory to the Corporation in its sole discretion, as EB shall specify and arrange for the Corporation to use for this purpose.

Section 8. Deliveries of Securities. All Deliveries of Securities pursuant to this Rule 34 shall be subject to the terms and conditions of these Rules and the Procedures applicable to Deliveries of Securities more generally. Referring in particular, but without limitation, to Section 1 of Rule 9(B), in the event that there has been a Free Delivery of CP Securities from the CP Sub-Account of a CP Participant to the EB CP Account, and the CP Participant nevertheless instructs the Corporation to Deliver such CP Securities to another Account, the Corporation shall not act on an instruction from such CP Participant to Deliver such CP Securities from its CP Sub-Account to a Non-CP Account or to the Securities Account of another Participant unless such CP Securities have first been Delivered, pursuant to an instruction given by EB to the Corporation, from the EB CP Account to the CP Sub-Account from which they originated. Only Free Deliveries of CP Securities are permitted by this Rule 34.

Section 9. Certain Other Matters. The Corporation shall have no liability:

- (a) to any CP Participant as a result of the Corporation:
 - (1) acting on instructions from EB pursuant to Section 5 of this Rule 34 to Deliver CP Securities (even if the Corporation has received conflicting instructions with respect to the same Securities on the same Business Day from such CP Participant pursuant to Section 4 of this Rule 34);
 - (2) providing the CP Securities Report relating to such CP Participant to EB pursuant to Section 6 of this Rule 34; or
 - (3) providing the Delivery Information relating to such CP Participant to EB pursuant to Section 7 of this Rule 34;
- (b) to EB as a result of the Corporation acting on instructions from a CP Participant pursuant to Section 4 of this Rule 34 to Deliver CP Securities (even if the Corporation has received

conflicting instructions with respect to the same CP Securities on the same Business Day from EB pursuant to Section 5 of this Rule 34);

(c) to any CP Participant or EB as a result of (i) any loss or liability suffered or incurred by such CP Participant or EB arising out of or relating to the matters subject to this Rule 34, unless caused directly by the Corporation's gross negligence, willful misconduct, or violation of Federal securities law for which there is a private right of action; or (ii) any force majeure, market disruption, or technical malfunction that prevents the Corporation from performing its obligations to the parties pursuant to this Rule 34; or

(d) to any third party for any reason, including, without limitation, DEGCL.
