

The Depository Trust Company
IMPORTANT

B#: 2471
DATE: September 26, 2001
TO: All Participants
CATEGORY: Compliance
FROM: General Counsel's Office
ATTENTION: Managing Partner/Officer, Cashier
SUBJECT: MJK Clearing, Inc., Participant #139

Effective September 25, 2001, The National Securities Clearing Corporation ceased to act for MJK Clearing, Inc. (see attached National Securities Clearing Corporation Important Notice #A5324). Effective Wednesday, September 26, 2001, The Depository Trust Company has ceased to act for MJK Clearing, Inc., Participant number 139. Participants are advised that no instructions will be accepted for any delivery of securities to the account of MJK Clearing, Inc.

Questions regarding this notice should be directed to Diane Brennan, Director, Risk Management at (212) 855-3320.

Larry E. Thompson
Managing Director and
Deputy General Counsel



National Securities Clearing Corporation

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IMPORTANT

A# 5324
P&S# 4894

September 25, 2001

TO: ALL NSCC PARTICIPANTS

**ATTENTION: MANAGING PARTNER/OFFICER
CASHIER
MANAGER, P & S DEPARTMENT
FUND/SERV PARTICIPANTS
INSURANCE PROCESSING SERVICE PARTICIPANTS
ACATS PARTICIPANTS
MUNICIPAL BOND COMPARISON PARTICIPANTS
CHIEF FINANCIAL OFFICER**

**SUBJECT: NSCC CEASES TO ACT FOR MJK CLEARING, INC.
Participant No. 139 MJK Clearing, Inc.
Participant No. 0223 for MJK Clearing, Inc./Miller
Johnson Steichen Kinnard, Inc.**

Today, September 25, 2001, NSCC ceased to act for MJK Clearing, Inc., Member Nos. 0139 and 0223 ("MJK"). Please note the following details on how pending transactions will be processed by NSCC:

NSCC has adopted a policy of guaranteeing CNS trades from the later of either (a) midnight of the day the trades are reported to members as compared or recorded, or (b) midnight of T + 1. In addition, NSCC has the ability to guarantee, but not the obligation to guarantee, CNS trades which were reported to Members as compared or recorded on the day NSCC ceases to act for a Member.

I. NSCC has determined to guarantee CNS trades as follows:

1. CNS transactions with MJK, previously compared or recorded for Trade Dates September 21 and 24, 2001 (Settlement Dates September 26 and 27) or before will be routinely processed and guaranteed by NSCC.

2. **A subsequent Important Notice will detail how CNS transactions with MJK for Trade Date September 25 (Settlement Date September 28, 2001), will be processed.**
3. CNS transactions with MJK for Trade Dates prior to September 25, 2001 (Settlement Dates of September 27 and prior) that were not reported as compared or recorded will be deleted from the comparison operation.
4. As of September 26, 2001, NSCC will not accept any CNS trade input, including not only original trade data but also supplemental input. Any items subsequently entered will be deleted.
5. Pursuant to Rule 18, NSCC will attempt to complete all RVP/DVP transactions in CNS securities of which NSCC was aware as of today. Members are advised that by completing any RVP/DVP transaction they shall be conclusively presumed to have waived any claim with respect to such completed RVP/DVP transaction, including, but not limited to, any net equity claim, against (i) MJK, (ii) MJK's appointed trustee or receiver (or any successor trustee or receiver), if any, or (iii) the Securities Investor Protection Corporation.

II. With respect to ACATS activity, the following will apply:

1. ACATS CNS items due to settle on September 26, 2001 and thereafter will be deleted by NSCC and cash adjustments, if any, will be reversed.
2. ACATS non-CNS items due to settle on September 26, 2001 and thereafter will be deleted by NSCC and cash adjustments, if any, will be reversed.
3. ACATS Fund/SERV transactions due to settle on September 26, 2001 or thereafter will be deleted.
4. As of September 25, 2001, NSCC will not accept ACATS transfer initiation requests for the MJK Accounts.

III. With respect to non-CNS activity, the following shall apply:

1. Security Balance Orders including CNS Receive and Deliver Orders with MJK for Settlement Dates September 26 and 27, should be sold out or bought in by the member named thereon without unnecessary delay in the best available market and all such close-outs must be accounted for to NSCC in accordance with Rule 18. Members will be contacted by NSCC regarding accounting procedures in respect of these transactions.
2. **A subsequent Important Notice will detail how Security Balance Orders including Receive and Deliver Orders with MJK for Settlement Date September**

28 will be handled.

3. Security Balance Orders for Settlement Date September 25, 2001 or prior, shall be settled between the member named thereon and MJK and not through the facilities of NSCC.
4. Compared Non-CNS Municipal Bond transactions with MJK should be settled between the member named thereon and MJK and not through the facilities of NSCC.
5. Networking Dividend payments due for settlement on September 26, 2001 will be included in the Networking System. Networking Dividend payments due for settlement on September 27, 2001 and thereafter will be deleted.
6. Fund/SERV transactions due for settlement on September 26, 2001 and thereafter, will be deleted from the Fund/Serv System and must be settled directly between the Fund Member and MJK.
7. As of September 26, 2001, NSCC will not accept any trade input, including not only original trade data but also supplemental input. Any items subsequently entered will be deleted.

Questions regarding this notice should be directed to Kevin Brennan, Director, Enterprise Service Center at (212) 855-1608.

Karen L. Saperstein
Managing Director

