

# The Depository Trust Company

## **IMPORTANT**

**Expiration Date extended from 12/14 to 12/21/01**

**B#:** 2637R

**DATE:** December 12, 2001

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** Nilesh Desai, Supervisor, Dividend Department

**ATTENTION:** Dividend Managers, Cashiers & Reorganization Managers

**SUBJECT:** Rights: GSE Systems, Inc.

Common CUSIP#: 36227K106 Rights Contra-CUSIP#: 36227K999

Expires: 12/21/01 (5:00 p.m. EST) R/D: 10/26/01

Rate: 0.711 rights for every share of common stock held

\*\*\*\*\* WARNING TIME CRITICAL \*\*\*\*\*

GSE Systems, Inc. ("GSE Systems") is distributing non-transferable rights (the "Rights"), to the holders of its Common Stock (the "Common Stock") as of October 26, 2001, the record date (the "Record Date"). Holders are entitled to 0.711 subscription Rights for each share of Common Stock held on the Record Date.

Fractional Rights will not be issued. The number of Rights distributed to each holder (including beneficial owners) will be rounded up to the nearest whole Right (all fractions are being rounded up).

DTC credited Rights and an additional Right if applicable, due to the round up to the nearest whole Right, to participants' accounts on 11/12/01.

**Participants may instruct DTC as to the aggregate number of additional round up Rights they require on behalf of their beneficial owners. Participants must provide written representation on their firm's letterhead and authorized by appropriate personnel. Participants should include their participant number and a contact name and telephone number where they can be reached, if necessary.**

The round up instruction must be received by DTC no later than **10:00 a.m. New York City time on November 16, 2001.**

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Participants must "Fax" the round up instructions (via telephone facsimile) to the attention of Mr. Ray Lew at DTC using only this phone number (212) 855-4545 and call (212) 855-4523 for confirmation of receipt of the round up instruction.

All round up requests received by DTC will be summarized and forwarded to the Subscription Agent, Continental Stock Transfer & Trust Company.

DTC anticipates crediting Rights, issued pursuant to round up requests, to participants on the day the round up instruction is received.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY AND PAYMENT INFORMATION.

**IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS CODE 59) FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND ANY EXTENSION OF THE EXPIRATION DATE.**

If participants have any questions concerning this Important Notice, please contact Mr. Ray Lew or Ms. Susan Alvino of DTC's Stock Dividends Department at (212) 855-4523/4532.

If participants have any questions concerning the Rights Offering, they may contact Mr. Dominick Vicante of the Subscription Agent at (212) 509-4000 (Ext. 229).