

The Depository Trust Company

IMPORTANT

B#: 2738

DATE: November 30, 2001

TO: All Participants and DRS Transfer Agents

CATEGORY: Executive Notices

FROM: J. Trezza, Product Manager

ATTENTION: Partners/Officers, Ops Mgrs, IS Support, Transfer Mgrs

SUBJECT: Direct Registration System (DRS)
Rescheduled Processing Enhancements

Certain DRS processing enhancements were scheduled to be implemented on November 30, 2001. (See Important Notice B#2579 dated October 30, 2001). Due to procedural delays in migrating DRS eligible issuers to the Profile Modification System (Profile) relative to the events surrounding September 11, 2001, and the ensuing communication difficulties that followed, the effective date for these enhancements is being moved to Friday, December 14, 2001. DTC recognizes the effort of all industry participants to prepare for this change and anticipates no further delay in implementation.

The DRS processing changes that will go into effect on December 14 are:

1. All participant Withdrawal-by-Transfer (WT) requests that do not specify a DRS indicator in the requests will default to a DRS book-entry position (an "S" transaction).
2. All DRS eligible issuers that are not yet in the Profile must migrate to Profile.

As conveyed in Important Notices B# 2366, dated August 17, 2001, and Important Notice B# 2529, dated October 18, 2001, DTC filed the rule change, covering items 1 and 2 above, with the SEC in May 2001 (Release No. 34-44696; File No. SR-DTC-2001-7). This filing occurred at the request of industry members, including the Securities Industry Association (SIA) and the Securities Transfer Association (STA). In mid-August 2001, the SEC approved the rule filing.

Participants and DRS transfer agents with questions about DRS and Profile should contact their relationship manager.

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