

The Depository Trust Company

IMPORTANT

Attachement

B#: 4187

DATE: January 02, 2003

TO: All Participants

CATEGORY: Operations

FROM: J. Weidman

ATTENTION: Managing Partner, Officer, Cashier, Operations Mgr.

SUBJECT: Mellon Investor Services Implementation of Fees
for Certain DRS Transactions

Participants should be advised that Mellon Investor Services, a commercial transfer agent, has notified DTC of newly implemented fees which will be effective as of **January 2, 2003**, for certain Direct Registration System (DRS) and Profile Modification System (Profile) transactions. A copy of the Mellon Investor Services notification has been attached for your convenience.

The new Mellon Investor Services fees are as follows:

- A \$50.00 processing fee for physical presentations on DRS Profile eligible transactions.
- A \$25 Profile reject fee for any profile transaction.

A more in -depth Mellon Investor Services reject methodology, which provides a complete list of the specific rejects that will be invoiced, can be viewed on the attached notice from Mellon Investor Services. DTC strongly suggest this information be shared with its participant's branch offices to avoid unnecessary fees and encourages Participants to utilize the efficiencies of the Profile system.

For those participants that are not approved users of the DTC Profile Surety Program, which entitles access to Profile, additional information about the program can be obtained from Important Notice B# 1058 dated February 21, 2002, or by contacting your Relationship Manager.

Although it has been suggested by Mellon Investor Services that DTC will be incorporating these new fees as part of the DTC billing process, DTC will not be able to accommodate these new fees. Therefore, Participants will be notified on the manner these fees will be billed at a future date.

If you have comments or questions about the notice, please contact your Relationship Manager or the undersigned.

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Mellon Investor Services

Effective January 2, 2003, Mellon Investor Services (MIS) is instituting a \$50.00 processing fee for manual broker presentations on DRS Profile eligible transactions. These are physical presentations received at MIS that contain a participant medallion guarantee and DRS number authorizing the shares be moved. The purpose behind this physical presentation fee is to encourage the utilization of the DRS profile system. The fee can be avoided by electronically submitting the transaction via DRS profile. We have also instituted a \$25 Profile reject fee for any profile transaction that rejects from the system. The imposition of this fee is to cover the expense we incur on phone calls and re-presentments from incorrect transactions. DRS Profile Rejects are items presented via Profile that are rejected for the following reason codes:

- 01 Account Number Does Not Match
- 02 N/A
- 03 Value of Transaction Exceeds Surety
- 04 Insufficient Book Entry Shares
- 05 Chilled Shares
- 06 Restricted Shares
- 07 Adverse Claim on Shares
- 08 Stop Placed on Shares
- 09 Account Closed
- 10 No longer Agent

Please note that we are **NOT** charging for Reason code 11-TIN mis-matches and reason code 99-Other.

Beginning January 2, 2003, rejected items will be billed via DTC on a monthly basis. The fees noted above, will be billed in arrears.