

THE DEPOSITORY TRUST COMPANY

IMPORTANT

Reminder

B#: 5377

DATE: December 14, 1998

TO: All Participants

FROM: Participant Services Division

ATTENTION: Managing Partner/Officer, Cashier, Contingency Planning Officer

SUBJECT: PTS Share Agreements

As we approach the millennium, uninterrupted processing is of ever increasing importance within the financial services community. This is evidenced by the major industry campaign which has been underway for some time to ensure that the processing capabilities of all involved entities are year 2000 (Y2K) compliant.

In addition to Y2K compliance, another important factor in ensuring uninterrupted processing is the ability to operate in the event of a disaster. DTC continually urges Participants to examine the extent to which they are prepared to operate with the depository in the event of an unforeseen emergency. In this regard, Participants are encouraged to install back-up systems to be used in the event of a communications line or equipment problem that prevents their ability to interface with DTC, or a fire, explosion etc. which prohibits access to the work site.

One such back-up possibility is a PTS Share Agreement¹ which enables a Participant to access its DTC account(s) through another Participant's PTS equipment. A share agreement can also be reciprocal, enabling either Participant to access its DTC account(s) through the other's PTS

¹ between two direct Participants

equipment. To be most effective, share agreements should be executed with Participants in different buildings and/or locations, thereby limiting the possibility of both being affected by the disaster.

In view of the ever growing importance of uninterrupted processing, DTC strongly urges Participants to review their existing Share Agreements and, where necessary, establish new or additional ones. If none presently exist, Participants should establish unilateral or reciprocal Share Agreements.

To establish a PTS Share Agreement, a Participant must send the completed agreement (see attached exhibits) on its letterhead to DTC's Director of Compliance at the address shown. PTS Share Agreements will result in the following actions by the Participant's Relationship Manager upon being informed of a disaster:

- C verify the existence of the Share Agreement, and contact the other Participant to determine which of its terminals and printers will be used for the emergency period,
- C set up temporary password[s] and printer access, and notify both Participants,
- C delete the temporary password[s] and printer access once the emergency has been resolved

To terminate a Share Agreement, the Participant should notify the Director of Compliance in writing by registered mail at least 10 business days prior to the effective date.

For additional information on PTS Share Agreements, contact your Relationship Manager or Ingrid Williams of DTC's Compliance Department at [212] 855- 4948.

Ken Scholl
Vice President

PTS Share Agreement
[To Be Retyped on A's Letterhead]

The Depository Trust Company
55 Water Street - 50th Floor
New York, New York 10041

[DATE]

Attention: Director of Compliance

_____ [A] _____ hereby requests the Depository Trust Company ("DTC"), to permit access to _____ [A] _____'s DTC account through DTC Participant Terminal System Equipment ("PTS Equipment") installed in the offices of _____ [B] _____ so that the PTS Equipment installed in _____ [B] _____'s offices can be used to effect all transactions and receive all information in respect of _____ [A] _____'s DTC account which may be effected or received through PTS Equipment.

In order to induce DTC to permit access to _____ [A] _____'s DTC account through PTS Equipment installed in _____ [B] _____'s offices, _____ [A] _____ and _____ [B] _____ hereby, jointly and severally, indemnify and hold DTC harmless from and against any and all claims, losses, damages or liabilities, including, without limitation, court costs and attorney's fees and disbursements, arising out of or based upon such access.

_____ [A] _____ may at any time terminate the access to its DTC account through PTS Equipment installed in _____ [B] _____'s offices by giving DTC written notice of such termination not less than 10 business days prior to the effective date of such termination. Such notice from _____ [A] _____ shall be sent to DTC's Director of Compliance, shall be sent by registered mail, return receipt requested, or delivered by hand, with a receipt requested, and shall be deemed given upon receipt by DTC. The foregoing indemnification shall survive such termination.

Very truly yours,

[A's Participant Name]

[B's Participant Name]

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Reciprocal PTS Share Agreement
[To be Retyped on A's or B's Letterhead]

The Depository Trust Company
55 Water Street - 50th Floor
New York, New York 10041

[DATE]

Attention: Director of Compliance

Gentlemen:

_____ [A] _____ hereby requests The Depository Trust Company ("DTC") to permit access to _____ [A] _____'s DTC account through DTC Participant Terminal System Equipment ("PTS Equipment") installed in the offices of _____ [B] _____ so that the PTS Equipment installed in _____ [B] _____'s offices can be used to effect all transactions and receive all information in respect of _____ [A] _____'s DTC account which may be effected or received through PTS Equipment.

_____ [B] _____ hereby requests DTC to permit access to _____ [B] _____'s DTC account through PTS Equipment installed in the offices of _____ [A] _____ so that the PTS Equipment installed in _____ [A] _____'s offices can be used to effect all transactions and receive all information in respect of _____ [B] _____'s DTC account which may be effected or received through PTS Equipment.

In order to induce DTC to permit the access described above to the DTC accounts of _____ [A] _____ and _____ [B] _____, _____ [A] _____ and _____ [B] _____ hereby, jointly and severally, indemnify and hold DTC harmless from and against any and all claims, losses, damages or liabilities, including, without limitation, court costs and attorney's fees and disbursements, arising out of or based upon such access to either of such DTC accounts.

_____ [A] _____ or _____ [B] _____ may at any time terminate the access described above to its DTC account by giving DTC written notice of such termination not less than 10 business days prior to the effective date of such termination. Such notice shall be sent to DTC's Director of Compliance, shall be sent by registered mail, return receipt requested, or delivered by hand, with a receipt requested, and shall be deemed given upon receipt by DTC. The foregoing indemnification shall survive such termination.

Very truly yours,

[A's Participant Name]

[B's Participant Name]

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____