



A GUIDE TO MAKING BEO CORPORATE SECURITIES ELIGIBLE FOR DEPOSIT AT DTC

At any given point in time, The Depository Trust Company (“DTC”) is processing hundreds of new book-entry-only (“BEO”) securities issues for eligibility for deposit into one of DTC’s programs. It is imperative that underwriters, agents, and counsel adhere to the requirements regarding timing of notice and submission of documentation set forth in this guide when seeking to make Corporate BEO securities DTC-eligible.¹

The best time to contact DTC is when other parties in your working group are brought on board. **Do not wait until the pricing date or until your offering document is SEC-effective.**

A) DTC Underwriting Department Approval

A DTC Participant, usually the underwriter or placement agent, must provide certain information to DTC’s Underwriting Department. At a minimum, both a preliminary offering document (drafts are fine to start with) and a completed and signed Eligibility Questionnaire must be submitted as soon as possible, but at least *ten business days* prior to the date the issue is to be made eligible for deposit at DTC (“Eligibility Date”); *one month* is suggested for unusual or new types of securities. Contacting DTC after the pricing date will result in late fees and potential closing delays.

New Types of Corporate Securities, Rule 144A Issues, and Issues with Ownership Restrictions

Completed Eligibility Questionnaires and related documents (fewer than 20 pages) regarding these issues may be telecopied to DTC’s Underwriting Department at (212) 855-3728. Questions regarding these items may be directed to (212) 855-3704.

All lengthy documents (20+ pages) and those Eligibility Questionnaires sent by courier, standard mail, overnight mail, or by any similar means should be addressed to:

Supervisor; Underwriting Department
The Depository Trust Company
55 Water Street 19th Floor
New York, NY 10041-0099

SEC-registered Corporate Issues (other than the above), as well as non-Rule 144A issues that have a DTC-qualifying exemption from SEC registration

Completed Eligibility Questionnaires and related documents (fewer than 20 pages) regarding these issues may be telecopied to DTC’s Underwriting Department at (212) 855-3726. Questions regarding these items may be directed to (212) 855-3706.

All lengthy documents (20+ pages) and those Eligibility Questionnaires sent by courier, standard mail, overnight mail, or by any similar means should be addressed to the Underwriting Department at the above address.

¹This guide relates to Corporate BEO securities, which are processed by *both* DTC’s General Counsel’s Office and DTC’s Underwriting Department; certificated securities and most municipal securities are handled by DTC’s Underwriting Department without the direct involvement of DTC’s General Counsel’s Office.

B) DTC General Counsel's Office Approval

There is an approval interlock between the Underwriting Department and the General Counsel's Office; both departments require notification. A separate and parallel line of communication must be established with DTC's General Counsel's Office **at the same time that an offering document is submitted to DTC's Underwriting Department** for review. **Submission of an offering document to Underwriting does not constitute notice to DTC's General Counsel's Office.**

To alert the General Counsel's Office, a draft of the Letter of Representations ("LOR") and the cover page and securities description section of the preliminary offering document should be telecopied to the appropriate contact person (*see below*) at (212) 855-3274 (or delivered) as soon as possible. A lead time of at least *ten business days* is needed, and **the deal is not "live" for General Counsel's Office purposes until a draft LOR has been delivered.** *One month* review time is suggested for unusual or new types of securities.

DTC provides form LORs and form LOR riders for many security types; please retain originals in your files and photocopy them as needed. **Retyped form letters will not be accepted** (proof-reading them would create needless, time-consuming DTC review). Model LORs and riders are provided as a guide whenever possible for unusual items. Unusual terms must be negotiated in conjunction with the Underwriting Department, and thus require more review time.

The final LOR is based on the *final* offering document. If a final offering document is not available, reliance is placed upon written final information provided by the Participant to DTC's Underwriting Department. If DTC's Underwriting Department does not receive the offering document for review in a timely manner, LOR processing may be delayed. Keep in mind that any last-minute changes to an offering document may affect the final LOR.

DTC General Counsel's Office personnel are assigned to deals on the basis of the first significant letter of the issuer's name as follows:

<u>Letter</u>	<u>Contact Person</u>	<u>Telephone Number</u>
A-C	Declan Lewis	(212) 855-3316
D-F	Debra Hawksby	(212) 855-3268
G-K	Matt Whaley	(212) 855-3309
L-P	John Drennan	(212) 855-3276
Q-U	Ada DeJesus-Boddie	(212) 855-3033
V-Z	Andrea Olejar	(212) 855-3310

Also, please feel free to call the BEO hotline at (212) 855-3211 for further DTC contact information regarding these and other security types.

Telecopied documents of 20 pages or fewer may be sent to the appropriate DTC General Counsel's Office contact at (212) 855-3274. Any documents consisting of more than 20 pages should be delivered by courier, standard mail, overnight mail, or by any similar means and should be addressed to:

[Person's Name]; General Counsel's Office
The Depository Trust Company
55 Water Street 49th Floor
New York, NY 10041-0099

C) DTC Acknowledgment

Send final executed LORs to DTC's General Counsel's Office contact for acknowledgment after DTC's Underwriting Department has received the final offering document (or, if no final offering document is involved in the transaction, final information regarding the offering) and approved the issue for eligibility, but before the Eligibility Date. A minimum of two original LORs is required since we retain one originally executed (signed in ink) copy of the LOR. Counterpart signatures are acceptable. Telecopied signatures are not accepted by DTC, so plan the execution of the LOR accordingly. DTC is always the last party to receive the LOR and stamp its acknowledgment of receipt of a reasonable number of original LORs, if needed.

DTC does not deliver the LOR at closing; therefore, arrange delivery and/or pick up of the LOR if you expect same-day/overnight processing. If you are located in New York City and would like an immediate return of executed LORs, please make an appointment (within a specific time frame) with the proper DTC contact and arrange for your messenger to wait for an acknowledged copy. Such appointments require confirmation from the DTC contact; if you simply leave a message, the DTC contact may not be available. Unannounced or late items cannot supersede items that arrive with appropriate notice and are closing on the same day. If appropriate contact is not made with DTC Underwriting and the General Counsel's Office prior to the Eligibility Date, the issue will be reviewed and processed on a *best-efforts-only* basis.

D) Delivering the Securities

If DTC is to have custody of the physical certificate, it must be delivered to the:

Interface Department
The Depository Trust Company
55 Water Street First Sublevel
New York, NY 10041-0099

by 12:00 noon ET the business day before the Eligibility Date, signed and ready to be deposited into the vault. A Receipt and Safekeeping Agreement is automatically provided. If you would like to review the form of agreement, you may contact DTC's Interface Department at (212) 855-8820 or (212) 855-8821.

Securities that are to be held by a subcustodian for DTC under existing contractual relationships must be confirmed by 9:00 a.m. ET on the morning of closing. This is referred to as a "FAST" closing. We suggest that the securities be delivered to the subcustodian by 1:00 p.m. ET the business day before the Eligibility Date.

E) Releasing the Securities

After DTC's General Counsel's Office and Underwriting Department approve your issue for eligibility, the securities are processed for closing. To release the securities position, contact DTC's Closings Desk at (212) 855-3753 by 1:15 p.m. ET on the Eligibility Date.

F) Termination of an Offering of Securities

In the event that the issuance is discontinued prior to the closing date, notify the General Counsel's Office contact of such event. All documentation for that transaction will be discarded at that time unless you request that the General Counsel's Office contact return the documentation. If, at a later date, the issue is reactivated, reinstate the eligibility process.

G) Post-Closing – Overallocments, Greenshoes, Reopenings

In the event of an increase in the amount of an outstanding issue of Securities, other than via the Deposit/Withdrawal at Custodian function, DTC must receive a transmittal letter referencing the LOR² for the previously deposited Securities and a revised Schedule A referencing the new Securities. Questions regarding the form of transmittal letter should be directed to the General Counsel's Office contact person assigned to your issue. Concurrently, DTC's Underwriting Department must be notified of the CUSIP number of the new Securities and of the amount by which the issuance will be increased. An eligibility questionnaire and the cover page of the offering document must be faxed to DTC's Underwriting Department at (212) 855-3726 or (212) 855-3728 no fewer than *two business days* prior to the Eligibility Date.

In the event of an increase in the amount of an outstanding issue of Securities whose LOR is over one year old, a copy of the previously executed LOR must also be presented to DTC's General Counsel's Office. In this event, please deliver to DTC's General Counsel's Office: (a) a transmittal letter including contact information; (b) a copy of the LOR relating to the initial deposit of Securities; and (c) an updated or revised Schedule A.

H) Registration of Rule 144A Securities

DTC provides model exchange letters regarding registrations of already DTC-eligible Rule 144A Securities. At a minimum, you must provide written notice of: (a) the closing date stated on the LOR for the Rule 144A Securities; (b) the CUSIP number(s) of the Rule 144A Securities previously deposited with DTC and the CUSIP number(s) of the newly registered Securities to be deposited with DTC; and (c) whether the Rule 144A Securities will be transferred into newly registered Securities on a mandatory or voluntary basis. In addition, it would be helpful if you were to provide the effective date of the Registration Statement as well as the date upon which you desire the Rule 144A Securities to be available for transfer into newly registered Securities. Such notice should be sent in hard copy to DTC's General Counsel's Office and by telecopy to DTC's Underwriting Department, Attention: Supervisor, at (212) 855-3726, and to DTC's Reorganization Department, Attention: Supervisor, at (212) 855-5488. For all convertible securities, it is imperative to notify DTC's Underwriting Department as soon as possible, but in no event fewer than *three business days* prior to the date that you desire the Rule 144A Securities to be available for transfer into newly registered Securities.

I) Further Information

For further information, visit our website at "www.DTC.org."

²The LOR must not be older than one calendar year to use this procedure.



Corporate **BEO**

Closing Timeline

KEY:

- P = Pricing date of the Securities.*
- P-(#) = Number of business days preceding the pricing date.
- P+(#) = Number of business days following the pricing date.

*Assuming a P+3 closing date.

