

THE DEPOSITORY TRUST COMPANY

IMPORTANT

REVISED

B#: 9586

DATE: March 20, 2000

TO: FAST Transfer Agents

FROM: Corporate Trust Services

ATTENTION: Operations and Administrative Management

SUBJECT: New 'Pend' Feature for DWAC Deposits

Background

The Deposit/Withdrawal at Custodian (DWAC) function enables participants to submit online deposit and withdrawal requests directly to FAST transfer agents and receive same day updates to their DTC accounts after agents have approved the transactions. FAST agents are able to approve the requests up to 6:30 p.m. ET on the day the transactions are submitted, utilizing the PTS function CDWC, which automatically updates DTC's FAST balances accordingly. Unapproved requests are dropped from the system, requiring participants to re-enter all details of the requests on subsequent business days until they are approved by the agent.

DWAC Enhancement

*Effective March 30, 2000, the DWAC function will be enhanced to allow deposit requests to remain in the system for three (3) business days, inclusive of the day of request, pending agent approvals: thus, deposit transactions submitted on Monday will be available for agents to approve or cancel up to Wednesday (the third business day) until 6:30 p.m. ET, when the DWAC function closes. Transactions that have not been approved by the third business day will be flagged as a 'drop' and made available 'for inquiry only' on the next business day. **DWAC will default to current day transactions for inquiries, unless the deposit request's date of submission is entered. The date of submission is also required to approve deposit requests from a previous day.***

The new 'pend' feature is designed to provide agents more time to acknowledge (ie., approve/cancel) deposit requests and to save participants unnecessary rework. Agents that currently reject deposits at the end of the day should allow the requests to remain on the system for the three business days, pending documentation from participants. If additional information is not received, agents may then reject the items with appropriate comments.

Effective with this enhancement, DWAC also will be updated more frequently with new transactions added to the system approximately hourly, based on the following schedule:

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|--------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|
| 9:30 a.m. | 10:30 a.m. | 11:30 a.m. | 1:15 p.m. | 2:30 p.m. | 3:30 p.m. | 4:15 p.m. | 5:00 p.m. | *6:30 p.m. |
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*The last update will contain next day transactions.

Any questions regarding this notice may be directed to your Corporate Trust Services Agent Liaison.