

The Depository Trust Company

IMPORTANT

B#: 0519-06

DATE: November 08, 2006

TO: All Domestic Participants

CATEGORY: Executive Notices

FROM: General Counsel's Office

ATTENTION: Managing Partner/Officer, Operations Officer, Compliance Officer

SUBJECT: Reminder of the Implementation of OFAC Certification
of Deposits from Domestic Participants Created via
CCF Expectancy Files

As indicated in Important Notice B#0117-06, DTC will be implementing phase two of the deposit certification program on **Friday, December 8, 2006**. This program requires participants to provide an Office of Foreign Assets Control ("OFAC") certification on each deposit indicating that each certificate attached to the deposit has been screened, as to the party in whose name the deposited security is registered, against OFAC's list of Specially Designated Nationals and against OFAC's regulations (collectively referred to as the "OFAC List") and that there were no valid matches identified by such comparison. Please note that if the certificates have been assigned by the party in whose name the securities are registered, participants need only certify that they have screened the name(s) of the most recent assignee(s) and that there were no valid matches identified.

This phase will involve deposits created via Computer-to-Computer Facility (CCF) expectancy files which require systemic enhancements by participants. Please note that the new version of the CCF expectancy files must be transmitted to DTC starting on the evening of December 7th or the morning of December 8th for the work of December 8th or future dates. The expectancy files must reflect the new systemic changes required for the OFAC certification. Once these changes are implemented by DTC, any deposit missing the required certification will show a reject message on the Deposit Automation Management (DAM) deposit ticket and will be rejected if the deposit is submitted to DTC without the certification. Valid DAM deposit tickets created prior to December 8th will not be

impacted by this change. In addition, Branch Deposit Service (BDS) messaging for the OFAC certification will also commence on December 8th.

Participant testing for this phase began on Monday, October 23, 2006. **If your firm did not perform a test of the new version of its DAM or BDS expectancy file, and OFAC certification exception processing for BDS deposits, you should contact Joseph Clemente, Product Manager (212-855-2425) to make arrangements for testing.**

General questions regarding this notice may be directed to your DTCC Account Executive or to Relationship Services. Specific questions related to the deposit operations process should be directed to Robert Petrizzo, Director of Deposit Operations (212-855-2565). Other questions or comments concerning the OFAC regulations being implemented at DTC should be directed to Patrick Mapp, Compliance Director (212-855-3690).