

# The Depository Trust Company

# **IMPORTANT**

**B#:** 4019

**DATE:** November 20, 2002

**TO:** Participants and Other Users

**CATEGORY:** Executive Notices

**FROM:** Product Management

**ATTENTION:** Managing Partner/Officer, Operations Manager

**SUBJECT:** 2003 Revisions of DTC Service Fees

The DTCC Board of Directors has adopted fee adjustments to select DTC product lines. Continuing the corporation's approach to the pricing of services, these changes will:

- Set fees generally according to cost,
- Establish pricing on a product-by-product basis, and
- Use fees, where appropriate, to discourage manual or exception processing and to encourage immobilization and dematerialization

As a result, DTC is increasing certain fees while decreasing others to more closely align these services and their respective costs. These fee changes are expected to increase DTC revenue by \$6.5 million in 2003. It is anticipated that these fee changes will yield an average monthly increase of less than 1% per participant (based upon actual activity from July through September of this year). An individual Participant's bill may show a greater or smaller increase, or in some cases a modest decrease, based upon the Participant's own service mix.

The specific DTC fee revisions can be found in the attached document, and an appropriate rule filing will be made with the Securities and Exchange Commission. If you have any questions about the changes to the fee schedule, or about the impact to your firm's future bills, please contact your Relationship Manager for assistance. These new fees will be effective January 1, 2003.

John Abel, Director  
Product Marketing and Development

# **2003 REVISED DTC SERVICE FEES**

<b><u>Service</u></b>	<b><u>Present Fee</u></b>	<b><u>Proposed Fee</u></b>
<b>A. ASSET SERVICING</b>		
<b>1. Deposit Automation Management (DAM) Deposits</b>		
• Deposit-Less Active Day	\$3.08	\$2.15
• Deposit-Active Night	\$1.16	\$2.15
• Previous Reverse Splits	\$4.26	\$6.25
• Deposit at Custodian (DWAC)	\$0.62	\$1.00
• Legal Exam	\$4.26	\$6.25
• Deposit Mail Issues	\$0.90	\$1.05
• Deposit-Active Day	\$2.08	\$2.15
• Record Date Surcharge	\$2.18	\$5.00
• Bearer Deposit	\$5.13	\$6.25
• Non-Transferable	\$4.26	\$6.25
• DAM Rejects	\$32.32	\$41.00
<b>2. P&amp;I</b>		
• CMO P&I Fee	\$2.18	\$2.60

<b>3. Branch Deposit Service (BDS)</b>		
• Branch Rejects	\$32.32	\$41.00
• Process Response To Error	\$0.41	\$0.60
• Process Same Day Rejects	\$3.27	\$4.50
• Bearer Rejects	\$32.32	\$41.00
• Retransmit To the Securities Information Corporation (SIC)	\$1.50	\$1.75
• Add Branch Items	\$1.73	\$2.75
• Municipal Branch Deposit Rejects	\$32.32	\$41.00
<b>4. Withdrawal-By-Transfer</b>		
• Direct Registration System (DRS) Certificate	N/A	\$1.00
• Fast T/A COD (DWAC)	\$0.62	\$1.00
• Direct Mail by Depository (DMD) Returns	N/A	\$25.00
• WT Rejects	\$32.32	\$41.00
• WT Mail Issues	\$0.90	\$1.05
<b>5. New York Window (NYW)</b>		
• Funds Only Settlement Service (FOSS) Receive/Deliver/Reclaim	\$8.40	\$10.15
• Envelop Settlement Service Receive/Deliver/Reclaim	\$8.40	\$10.15
• Over The Window (OTW) Receive	\$13.20	\$14.95
<b>6. LENS</b>		
• PTS Per-Page Charge	\$0.41	\$0.48
• Web Monthly Subscription Fee	\$999.00	\$1,100.00

**7. Data Sales**

- |                            |     |          |
|----------------------------|-----|----------|
| • Dividend Update Files    | N/A | \$150.00 |
| • Description Update Files | N/A | \$75.00  |

**8. Participant Inquiry Service (PINS)**

- |                          |        |        |
|--------------------------|--------|--------|
| • PINS Photocopy Request | \$7.72 | \$8.00 |
|--------------------------|--------|--------|

**B. Networking (CCF Files)**

- |   |                              |  |
|---|------------------------------|--|
| • ACATS Settling Origination Receive and Deliver Instructions | \$120.00 per month           | \$7.00 per transmission with a minimum fee of \$120.00 per month                     |
| • ACATS Settling Organization Reject Report                   | \$120.00 per month           | \$7.00 per transmission with a minimum fee of \$120.00 per month                     |
| • ACATS EOD Member Report                                     | \$120.00 per month           | \$7.00 per transmission with a minimum fee of \$120.00 per month                     |
| • ACATS EOD Deliver Instruction Report                        | \$120.00 per month           | \$7.00 per transmission with a minimum fee of \$120.00 per month                     |
| • ACATS EOD Receive Instruction Report                        | \$120.00 per month           | \$7.00 per transmission with a minimum fee of \$120.00 per month                     |
| • ACATS EOD Settlement/Option Report                          | \$120.00 per month           | \$7.00 per transmission with a minimum fee of \$120.00 per month                     |
| • ACATS Multi-Cycle Participant Activity                      | \$120.00 per month per slice | \$7.00 per transmission per slice with a minimum fee of \$120.00 per month per slice |

• Automated Call Lottery Results	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• ACATS Fund/Serve Deliver Instruction Mid-Day	\$120.00 per month	\$7.00 per transmission with a minimum fee of \$120.00 per month
• ACATS Fund/Serve Member Firm Report	\$120.00 per month	\$7.00 per transmission with a minimum fee of \$120.00 per month
• ACATS Fund/Serve Receive Instruction Mid-Day	\$120.00 per month	\$7.00 per transmission with a minimum fee of \$120.00 per month
• DWIZ Agent Change File	\$32.00 per month	\$7.00 per transmission with a minimum fee of \$32.00 per month
• Participant Closing Balances - Compressed Format	\$90.00 per month	\$7.00 per transmission with a minimum fee of \$90.00 per month
• Participant Closing Balances	\$93.00 per month	\$7.00 per transmission with a minimum fee of \$93.00 per month
• CMO Trade Adjustments	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• CMO Rates Information	\$62.00 per month per slice	\$7.00 per transmission per slice with a minimum fee of \$62.00 per month per slice
• Collateral Loan Statement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month

• MMI Cash Settlement Dividend Allocation File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Cash Settlement Dividend Projection File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Cash Settlement Dividend Unallocated File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Cash Settlement End Of Day Unallocated Funds File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Cash Settlement Projection File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Cash Settlement Reorganization Allocation File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Cash Settlement Reorganization Projection File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Cash Settlement Reorganization Unallocated File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• End Of Day Cash Settlement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Cash Settlement Activity	\$62.00 per month per slice	\$7.00 per transmission per slice with a minimum fee of \$62.00 per

		month per slice
• Dividend/Reorganization Cash Settlement Information	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Cash Settlement Unallocated Funds File	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Expanded Dividend And Proxy System Announcements	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Reorganization/Record Date Position	\$56.00 per month	\$7.00 per transmission with a minimum fee of \$56.00 per month
• Participant Receive/Deliver Activity (Compressed) -- First Slice	\$120.00 per month	\$7.00 per transmission with a minimum fee of \$120.00 per month
• Participant Account Activity -- Compressed (First Slice)	\$120.00 per month	\$7.00 per transmission with a minimum fee of \$120.00 per month
• Participant Receive/Deliver Activity 06:30 Cut	\$120.00 per month	\$7.00 per transmission with a minimum fee of \$120.00 per month
• Elective Dividend System Information Via DTF/DF2	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Legal Deposits	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Participant Account Activity 06:30	\$120.00 per month	\$7.00 per transmission with a

Cut		minimum fee of \$120.00 per month
• Dividend & Proxy System Reports	\$62.00 per month per slice	\$7.00 per transmission per slice with a minimum fee of \$62.00 per month per slice
• EOD DWAC Accepts And Rejects Via DTF	\$55.00 per month	\$7.00 per transmission with a minimum fee of \$55.00 per month
• EDS Paying Agent Report Via DTF	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Eligible Corporate Security File Adjustments	\$32.00 per month	\$7.00 per transmission with a minimum fee of \$32.00 per month
• Eligible Haircut Security File Adjustments	\$32.00 per month	\$7.00 per transmission with a minimum fee of \$32.00 per month
• Eligible Municipal Security File Adjustments	\$32.00 per month	\$7.00 per transmission with a minimum fee of \$32.00 per month
• MBS P & I Announcements	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MBS P & I Announcements (User Specific Version)	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Preliminary Dividend Cash Settlement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month

• MMI Final Dividend Cash Settlement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Eligible Money Market Instrument Security File Updates	\$32.00 per month	\$7.00 per transmission with a minimum fee of \$32.00 per month
• MMI Preliminary Reorganization Cash Settlement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MMI Final Reorganization Cash Settlement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Reorganization/Record Date Position For MMI Issues	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MTN - Issuance, Cancellation, And Withdrawal Activity	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MTN Issuance, Cancellation And Withdrawal Activity Via DF2	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Federal Reserve MTN - Issuance, Cancellation, And Withdrawal Activity	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• MTN Issuance, Cancellation And Withdrawal Activity History	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Municipal Bond System Announcement Compressed Version	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month

• Municipal Bond System Announcements	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Dividend/Reorganization Cash Settlement Information	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Automated Call Lottery Results	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Withdrawal-By-Transfer Detail Balances	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Participant Account Return Payment Orders	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Dividend & Proxy System Reports	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Dividend & Proxy System Reports (New)	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Participant Specific Lottery Information	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Reorganization Envelope Data (Expanded Version)	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Reorganization/Record Date Position	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month

• Reorganization Envelope Data	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Same Day Cash Settlement	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Next Day Allocation Of Stock Loan Cash Settlement Activity	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Next Day Projected Stock Loan Cash Settlement Information	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Stock Loan Cash Settlement Activity	\$62.00 per month per slice	\$7.00 per transmission per slice with a minimum fee of \$62.00 per month per slice
• Creates Unallocated Stock Loan Cash Settlement Files Via DTF	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Creates Unallocated Stock Loan Cash Settlement Files Via DTF	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Withdrawal-By-Transfer Items Completed	\$93.00 per month	\$7.00 per transmission with a minimum fee of \$93.00 per month
• DTF File Of Restricted Transfer Agents	\$62.00 per month	\$7.00 per transmission with a minimum fee of \$62.00 per month
• Withdrawal-By-Transfer Detail	\$62.00 per month	\$7.00 per transmission with a

Balances

minimum fee of \$62.00 per month

## C. SETTLEMENT

### 1. Settlement

• Continuous Net Settlement (CNS) Delivery	\$0.18	\$0.17
• Institutional Delivery	\$0.18	\$0.17
• Delivery Drop	\$0.66	\$0.44
• Memo Segregation	\$0.11	\$0.10
• Reclaim Receive	\$0.26	\$0.50
• Money Market Instrument (MMI) DO Receive	\$0.38	\$0.56
• Inventory Management System (IMS) Delivery	N/A	\$0.006
• MMI Issuance Receiver	\$0.38	\$0.56
• Night Delivery	\$0.15	\$0.17
• Reclaim Delivery	\$0.44	\$0.50

### 2. Underwriting

• Complex Book-Entry-Only	\$187.00 for BEO issues with one CUSIP and \$336.00 for BEO issues with multiple CUSIPs.	\$400.00 for a complex BEO issue regardless of the number of CUSIPs
• Submission of Letter of Representation (LOR) versus a Blank Letter of Representation (BLOR)	N/A	\$300.00

• CMO Surcharge	\$336.00 for each CMO issue (the complex BEO fee)	\$400.00 per CMO issue (the complex BEO fee) plus an additional \$50.00 per CUSIP after the fifth CUSIP.
• Basic Book-Entry-Only	\$187.00 for BEO issues with one CUSIP and \$336.00 for BEO issues with multiple CUSIPS.	\$250.00 for a basic BEO issue regardless of the number of CUSIPs.
• MMI Eligibility	N/A	\$250.00 per program eligibility request

**D. INTERNATIONAL / TAX SERVICES**

• Foreign Tax Service	\$25.00	\$27.00
• U.S. Tax Withholding Post-payable Adj.	N/A	\$38.00
• Foreign Tax Rebill	\$35.00	\$38.00
• EDS Foreign Currency	\$25.00	\$27.00