



SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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**Form 19b-4 Information**

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change**

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change.

(a) The proposed rule change clarifies changes DTC is implementing to its Deposit Service procedures to help assure DTC's compliance with requirements of applicable laws, including economic sanctions and embargo programs administered under regulations issued by OFAC.

Revisions of DTC's written procedures incorporating the proposed rule change are attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization.

(a) DTC has not received, and does not require, Board approval for the present filing.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change.

(a) The Depository Trust Company ("DTC") is filing the proposed rule change to clarify the changes it is implementing to its Deposit Service procedures. On July 10, 2006, the SEC approved DTC's rule filing SR-DTC-2005-14 to change DTC's procedures for its Deposit, Custody, and Withdrawal-By-Transfer Services based upon guidance from the U.S. Department of The Treasury Office of Foreign Assets Control (OFAC).<sup>1</sup> Specifically, with regard to its Deposit Service procedures, DTC will require that participants provide an 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. If, however, the certificate was assigned by the party in whose name the security was registered, participants need only certify that they have screened the name of the most recent assignee and that there were no valid matches identified.

This clarification was communicated to DTC Participants in an Important Notice published on July 18, 2006, #B9959-06 (annexed hereto as Exhibit 2).

(b) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations thereunder, because it will enhance DTC's compliance with applicable laws, thereby reducing risks and associated costs to DTC and its Participants.

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<sup>1</sup> Approval Order SR-2005-14 -- [http://www.dtc.org/impNtc/mor/mor\\_2005-14.pdf](http://www.dtc.org/impNtc/mor/mor_2005-14.pdf)

4. Self-Regulatory Organization's Statement on Burden on Competition.

DTC does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others.

Written comments relating to the proposed rule change have not been solicited or received.

6. Extension of Time Period for Commission Action.

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2).

(a) The proposed rule change is to take effect pursuant to paragraph (A) of Section 19(b)(3) of the Act.

(b) The proposed rule change constitutes a stated policy, practice, or rule interpretation with respect to the meaning, administration, or enforcement of an existing rule.

(c) Not applicable.

(d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission.

9. Exhibits

Exhibit 1 - Notice of proposed rule change for publication in the Federal Register.

Exhibit 2 - Important Notice #B9959-06 published on July 18, 2006

Exhibit 3 - n/a

Exhibit 4 - n/a

Exhibit 5 - DTC Deposit Service Procedures

**EXHIBIT 1**

**SECURITIES AND EXCHANGE COMMISSION**

**(Release No. 34-\_\_\_\_\_ ; File No. SR-DTC-2006-13)**

**SELF-REGULATORY ORGANIZATIONS**

Proposed Rule Change by The Depository Trust Company (“DTC”) to clarify changes DTC is implementing to its Deposit Service procedures to help assure DTC’s compliance with requirements of applicable laws, including economic sanctions and embargo programs administered under regulations issued by OFAC. The Proposed Rule Change is based upon guidance provided by OFAC to DTC.

Revisions of DTC’s written procedures incorporating the proposed rule change are attached hereto as Exhibit 5.

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Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”), 15 U.S.C. 78s(b)(1), notice is hereby given that on \_\_\_\_\_, DTC filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by DTC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

As discussed below, this rule change clarifies the changes DTC implementing to its Deposit Service procedures.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, DTC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. DTC has prepared summaries, set forth in sections (A), (B) and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change.

(i) The Proposed Rule Change by The Depository Trust Company (“DTC”) clarifies changes DTC is implementing to its Deposit Service procedures. On July 10, 2006, the SEC approved DTC’s rule filing SR-DTC-2005-14 to change DTC’s procedures for its Deposit, Custody, and Withdrawal-By-Transfer Services based upon guidance from the U.S. Department of The Treasury Office of Foreign Assets Control (OFAC).<sup>1</sup> Specifically, with regard to its Deposit Service procedures, DTC will require that participants provide an 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. If, however, the certificate was assigned by the party in whose name the security was registered, participants need only certify that they have screened the name of the most recent assignee and that there were no valid matches identified.

This clarification was communicated to DTC Participants in an Important Notice published on July 18, 2006, #B9959-06 (annexed hereto as Exhibit 2).

(ii) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the rules and regulations thereunder, because it will enhance DTC’s compliance with applicable laws, thereby reducing risks and associated costs to DTC and its Participants.

#### B. Self-Regulatory Organization's Statement on Burden on Competition.

DTC does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

#### C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others.

Written comments relating to the proposed rule change have not been solicited or received.

### III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and paragraph (f) of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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<sup>1</sup> Approval Order SR-2005-14 -- [http://www.dtc.org/impNtc/mor/mor\\_2005-14.pdf](http://www.dtc.org/impNtc/mor/mor_2005-14.pdf)

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

- Electronic comments may be submitted by using the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>), or send an e-mail to [rule-comment@sec.gov](mailto:rule-comment@sec.gov). Please include File No. [XX] on the subject line.
- Paper comments should be sent in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington D.C. 20549-9303.

All submissions should refer to File Number [XX]. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C 552, will be available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington D.C. 20549-9303. Copies of such filing also will be available for inspection and copying at the principal office of DTC. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submission should refer to the file number above and should be submitted within \_\_\_\_\_ days after the date of publication.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Nancy M. Morris

# The Depository Trust Company

## IMPORTANT

**B#:** 9959-06

**DATE:** July 18, 2006

**TO:** All Participants

**CATEGORY:** Executive Notices

**FROM:** General Counsel's Office

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

**SUBJECT:** Approval of Rule Filing SR-DTC-2005-14 regarding OFAC Procedures for the DTC Deposit, Custody, and Withdrawal- By-Transfer Services

The Securities and Exchange Commission has approved The Depository Trust Company's ("DTC's") Rule Filing SR-DTC-2005-14 to change DTC's procedures for its Deposit, Custody, and Withdrawal-By-Transfer Services. These changes are based upon guidance from the U.S. Department of The Treasury Office of Foreign Assets Control (OFAC). The internet link to the approval order is provided below.

**DTC will require that participants provide an 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. If, however, the certificate was assigned by the party in whose name the security was registered, participants need only certify that they have screened the name of the most recent assignee and that there were no valid matches identified. PLEASE NOTE: This is a modification of the certification requirement that was published in the June 30, 2006 Important Notice, #B9899-06.**

Approval Order SR-2005-14 -- [http://www.dtc.org/impNtc/mor/mor\\_2005-14.pdf](http://www.dtc.org/impNtc/mor/mor_2005-14.pdf)

For your convenience, also attached are the internet links to the DTC important notices published on June 30, 2006 (B#9899-06) and March 31, 2006 (B#9382-06), which discuss the planned implementation dates and CCF & PTS system modifications for the Deposit Service changes.

Important Notice B#9899-06 -- [http://www.dtc.org/impNtc/exe/exe\\_9899-06.pdf](http://www.dtc.org/impNtc/exe/exe_9899-06.pdf)

Important Notice B#9382-06 -- [http://www.dtc.org/impNtc/exe/exe\\_9382-06.pdf](http://www.dtc.org/impNtc/exe/exe_9382-06.pdf)

Questions or inquiries regarding this Important Notice should be addressed to Patrick Mapp, Compliance Director, at (212) 855-3690.

**EXHIBIT 5**

**Double underlined boldfaced** text indicates additions

~~**Bold underlined**~~ text indicates deletion

# Introduction

## (Deposits)

### Overview

This section describes DTC's Deposits products. Each section includes an overview of a product and how it works, as well as a list of associated Participant Terminal System (PTS) functions you can use to access the product.

### Overview

**Warning!** Although DTC makes every effort to provide you with timely information, you are primarily responsible for obtaining such information without relying on DTC. We recommend that you reconcile your records with DTC's before and after making a deposit and before and after any critical dates.

- In order to receive immediate credit in its securities account at DTC for a deposit of registered securities, a Participant will be required to **provide an 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. If, however, the certificate was assigned by the party in whose name the security was registered, participants need only certify that they have screened the name of the most recent assignee and that there were no valid matches identified. certify to DTC that it has compared the parties identified on the deposited certificate (e.g., the issuer, the party in whose name the deposited security is registered and all assignees) against the list of targeted countries, Specially Designated Nationals and other parties designated by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury (the "OFAC list") and that there were no "valid matches" identified by such comparison.**
- Additionally, in the case of a deposit of registered securities by a Participant located outside the United States, including a deposit by or for the benefit of a Participant accepted at a Depository Facility located outside the United States, the Participant will not receive immediate credit in its securities account. DTC will

give credit for the deposit only after DTC itself has screened the parties on the deposit against the OFAC list and has identified no “valid matches”.

## **About DTC's Deposits Service**

DTC's Deposits service allows you to use a full range of safekeeping and processing services offered by the depository for various types of eligible securities. After receiving deposit instructions, DTC credits deposited securities to your general free account unless they are mandatory reorg deposits, restricted deposits, or full service legal deposits or if DTC's Interim Accounting procedures are in effect.

DTC's Deposits service offers the following products:

- Branch Deposits (Basic and Full Service)
- Reorganization (Reorg) Deposits
- Legal Deposits
- Deposit/Withdrawal at Custodian (DWAC)
- Restricted Deposits
- Custody
- Custody Reorg Deposits
- Continuous Net Settlement (CNS).

The Deposit Automation Management (DAM) system allows you to transmit details of a deposit via the PTS function DAMP before forwarding physical securities to DTC. DTC's Deposits staff reviews and edits this information, and, with high-value items, notifies you of any problems or other relevant information involving the securities. DAMP also allows you to consolidate deposits, research the status of a deposit, and pend a deposit for up to 10 days. See DAMP for more information.

## **Depositing Securities at DTC**

This section briefly describes how deposits are processed by DTC. You can review information and account activity via various PTS functions, as explained in Tracking Deposits.

You can make deposits by using one of the following methods:

- DTC's Deposit Automation Management system (via the PTS function DAMP for legal and reorg deposits, and deposits made through DTC's Interface Department)
- The Branch Deposits system (via Computer-to-Computer Facility [CCF/CCF II] transmissions)
- The Restricted Deposits system (via the PTS function RDSP)

- The Fast Automated Securities Transfer (FAST) system (via the PTS function PDWC) .

*Note-* To expedite the deposit process, you should carefully follow the steps described in Preparing Certificates for Transfer before making a shipment to DTC.

You can submit certificates to DTC in one of four ways:

1. **Messenger delivery** to DTC's Central Delivery Department at 55 Water Street, Window 13 (for New York City participants)
2. **Overnight delivery** to the Interface Department (for participants outside New York City)
3. Through **DTC-affiliated depository facilities** located throughout North America
4. **Branch deposits.**

Once an acceptable deposit is made via PTS, DTC credits your general free account at the depository as follows:

- Same-day credit: Deposits made before noon eastern time at DTC's Central Delivery window, by DWAC deposit, or through a depository facility.
- Overnight credit: Deposits made between 2:00 p.m. and 5:30 p.m. eastern time at the Central Delivery Window or via the Interface Department.
- Same-day credit: Branch deposits.

*Note-* This processing schedule does not apply to certain products such as restricted deposits and mandatory reorg deposits. See those sections for details.

## Reorg Deposits

The day after certificates are received as a reorg deposit, DTC sends the material to the agent with instructions to transfer or exchange the shares. The letter of transmittal generated by DTC also shows entitlements expected at DTC.

Appropriate payments and exchange of shares are usually made through DTC's Settlement area three days after the trade date.

## Overview

Glossary Term	Abbreviation	Definition
book-entry-only security	BEO	An issue authorized for deposit at DTC in the form of one or more global certificates for each tranche of an issue. Ownership positions and transactions in each security are reflected in DTC's

<b>Glossary Term</b>	<b>Abbreviation</b>	<b>Definition</b>
		records and in the records of participating banks and brokers. Transaction confirmations and periodic account statements provided to investors identify securities the investor owns and report on activity in the investor's account.
Chill		A systemic way DTC can prohibit you from processing certain activities (e. g. , a valued delivery chill will prevent you from making valued deliveries from your account).
Continuous Net Settlement	CNS	The system used by the National Securities Clearing Corporation (NSCC) to settle NYSE, AMEX and NASDAQ trades.
Contra-CUSIP		The CUSIP used to indicate your tendered position (representing instructions submitted by Participants to surrender securities).
CUSIP number		The identification number created by the American Banking Association's Committee on Uniform Security Identification Procedures (CUSIP) to uniquely identify issuers and issues of securities and financial instruments. The CUSIP number consists of nine digits; the first six digits identify the issuer and have been assigned to issuers in alphabetic sequence, and the next two characters (alphabetic or numeric) identify the issue. The ninth digit is the check digit.
Fast Automated Securities Transfer	FAST	An arrangement between DTC and transfer agents to eliminate the movement of securities certificates. By signing the Balance Certificate Agreement with DTC, agents agree to maintain DTC-eligible inventory in the form of jumbo certificates registered in the name of DTC's nominee name,

<b>Glossary Term</b>	<b>Abbreviation</b>	<b>Definition</b>
		Cede & Co. DTC and FAST agents electronically reconcile the results of participants daily deposit and withdrawal activities.
Free Account		General DTC Participant Account.
Letter of Transmittal		The document signed by the security holder in which it agrees to tender its securities pursuant to the terms of the offer. It contains information about the certificates and quantity being tendered, as well as where and to whom the payment should be made.
Transfer Agent	TA	Usually a commercial bank that acts as a "Trustee" for the Sponsor. The TA creates an IVORS database record for UIT CUSIPs. It can also enter and modify settlement information for the transactions originated by Participants, and cancel Participants' transactions.
American Depositary Receipt (ADR)		A certificate issued by a U. S. bank or trust company against the deposit of the original foreign share certificate with a subcustodian in the country of original issue. As foreign shares are deposited abroad, the equivalent ADRs are issued to buyers in the U. S. markets.
bearer security		A security that is not registered with the issuer in the name of the owner and that is negotiable without endorsement and transferred by delivery.
Continuous Net Settlement (CNS)		The method of securities clearing used by DTC to settle NYSE, AMEX and NASDAQ trades. DTC matches securities available in a participant's account, resulting in one net receive or deliver at the end of the day.
legal deposit		A registered security and any legal documentation other than or in addition to a stock/bond power required for the transfer of that security, such as power-

<b>Glossary Term</b>	<b>Abbreviation</b>	<b>Definition</b>
		of-attorney or death certificate.
registered security		A security registered with the issuer of the security in the name of the owner or a nominee name on behalf of the beneficial owner.
reject		A deposit sent back to a participant because of nonnegotiable status, incomplete or incorrect PTS information entered by a participant, or the failure to meet DTC or transfer agent criteria necessary for the completion of the transfer.
RRG Account		The reorganization account created to hold the position of a security undergoing a reorganization activity. On the payment date, DTC reduces the security's position in the participant's RRG account.
stock power		A power of attorney form transferring ownership of a registered security from the owner to another party. It is typically used when endorsement and medallion guarantees are required on numerous certificates of the same security all registered to the exact same party undergoing the same transaction.
transfer agent (TA)		The financial institution that acts as a trustee for a security issuer to maintain records of ownership. The TA cancels certificates when ownership changes (known as a transfer) and issues certificates to the new owner.

## Preparing to Use the Products

In order to use the products associated with this service, you must have access to one of the following:

- The Participant Terminal System (PTS) network

- Computer-to-Computer Facility (CCF or CCF II) or Mainframe Dual Host (MDH).

Contact your Relationship Manager for more information.

*Note-* DTC also provides various hard copy reports.

## Understanding Relevant Dates

This table identifies important dates to be aware of when making a deposit at DTC,

<b>Date Term</b>	<b>Definition</b>
record date	The date on which the holder of a security must be registered on the books of the issuer in order to receive an income distribution on the payable date or to receive voting rights.
trade date	The date the trade was executed.
settlement date	The date on which a trade settles (when the purchasing participant pays the seller), usually 3 days after the trade date and the date on which the book entry transfer of securities takes place.
deposit date	The date on which DTC credits your account, not necessarily the day on which you made the deposit.
payable date	The date on which income (such as principal, interest, and dividends) is paid to security holders.

# Introduction

## (DAMP)

### Overview

The Deposit Automation Management (DAMP) function allows you to send deposit information to DTC for upcoming deposits, for which you can generate bar-coded deposit tickets that facilitate tracking and eliminate handwritten materials. Moreover, DAMP eliminates errors caused by the entry of incorrect CUSIP numbers, thereby reducing the number of rejected deposits and the attendant fees.

DTC reviews deposit information and notifies you of any problems that may affect processing by DTC's Reorganization Deposit Service. DTC also verifies that a redemption has been announced before accepting physical securities for that redemption. For mandatory reorganizations, DTC verifies that the security is eligible for its Mandatory Reorg Deposit Service. DTC notifies you of any errors so that you may make corrections before sending the physical securities to DTC. The DAMP function allows you to

- Consolidate multiple deposits through a bulk deposit feature that you can prearrange with DTC
- Place deposits in pend status for up to 10 business days
- Inquire about deposits entered today or during the last 60 business days
- Enter State of Israel bond deposits for safekeeping at DTC
- Deposit eligible debt or equity securities that are undergoing or have undergone (within the past three years) maturity, full call, partial calls, and mandatory reorganizations (Reorg Deposit service).

*Note-* A deposit can only be modified before DTC credits the position to your account. The DAMP function also

- Prints bar-coded deposit tickets either at your site or at DTC. You need a bar code printer for this service. If you use preprinted bar code labels supplied by DTC, you will not be able to reprint a ticket if it is lost or destroyed. In that case, you must delete the pending deposit and reenter it as a new deposit.
- Immediately updates the Automated Transfer Processing (ATP) system when deposits that have been sent to DTC are scanned into the DTC mainframe computer. The bar code is scanned at each stage of processing, generating an audit trail that you can monitor via the PTS function ART.
- Prints a unique deposit control number on each deposit ticket that makes it easier to track deposits. These deposit ID numbers are used for tracking inquiries, single ticket printing, and bin and shipment control list (SCL) processing.

- Allows you to request that images of your deposit be faxed or e-mailed to up to six recipients.

*Note-* The DAMP function also allows you to print deposit tickets for transactions entered via DTC's Computer-to-Computer Facility (CCF).

## Facility Deposits

If you are located outside New York City, you can deposit certificates at a designated bank or corporation that provides you with same-day credit at DTC. The DAMP function allows you to enter the information about these deposits.

- In the case of a deposit of registered securities by a Participant located outside the United States, including a deposit by or for the benefit of a Participant accepted at a Depository Facility located outside the United States, the Participant will not receive immediate credit in its securities account. DTC will give credit for the deposit only after DTC itself has screened the parties on the deposit against list of targeted countries, Specially Designated Nationals and other parties designated by the Office of Foreign Assets Control (“OFAC”) of the U.S. Department of the Treasury (the “OFAC list”) and has identified no “valid matches”.

## Deposit Reject Conditions

DTC will reject your deposit if:

- The specified CUSIP number is invalid, or is currently chilled or frozen for DTC activities
- The specified CUSIP number is not DTC eligible for deposit
- The participant number is currently frozen for DTC activities
- An invalid quantity (0 or alpha) is entered
- DTC's master tables are currently inactive, which happens infrequently when the tables containing CUSIP number information is being serviced (you will receive a message via PTS)
- An invalid deposit type is entered
- The specified deposit date is before today's date
- There is a book-entry TA for the deposit issue.

*Note-* A book-entry TA is a Federal Reserve issue identified by transfer agent number 400. These issues are rejected back to the originating participant because they should normally be forwarded to the Federal Reserve for deposit.

In addition, DTC will reject your *reorganization* deposit if:

- No denomination is specified

- The total of denomination is not equal to the specified quantity
- The deposit date is invalid
- The wrong coupon number is specified for bearer issues
- The CUSIP number is not chilled (applies to full calls and mandatory reorganizations only)
- It is a book-entry TA issue
- The redemption date is invalid (applies to partial calls only).

*Note-* Deposits of past due issues will only be accepted on issues that have matured or have been fully or partially called during the period up to three years prior to the date of deposit.

## Reorganization Deposits

The Reorg Deposit service allows you to deposit with DTC eligible debt or equity securities that are currently undergoing or have undergone maturity, full call, partial calls or mandatory reorganization.

For Redemptions/Maturity, DTC credits the maturing or called portion of the securities to your Reorganization (RRG) account and credits any uncalled portion to your general free account. DTC then submits the deposited securities to the Paying Agent for payment, credits redemption proceeds to your settlement account and deletes your RRG position in the deposited security.

For Mandatory Reorganizations, DTC credits your RRG account under the old security and credits your general free account for the new security entitlement. Cash proceeds are credited to your settlement account. For more information, refer to Mandatory Reorganizations .

## Safekeeping Deposits

You can deposit State of Israel bonds at DTC for safekeeping if the following conditions are met:

- Chase Manhattan Bank NA is the fiscal agent
- The bonds are in registered form
- The bonds are registered in the firm's name, or in the firm's name for the benefit of a client
- The bonds are eligible for DTC's GWIZ function.

You can deposit State of Israel bonds from 7:30 a.m. to 12:00 p.m. eastern time for same-day credit, or from 2:00 p.m. to 6:00 p.m. for next-day credit.

To make a safekeeping deposit, you must prepare and return to DTC a letter of authorization that directs Chase Manhattan Bank to change the dividend address of record and pay future interest to DTC. All certificates must be assigned to Cede &Co. on the certificate or on a bond power, and must be signed with a medallion signature. All certificates must have the same customer account number.

For each State of Israel bond, include:

- Certificate (s) assigned and endorsed on the certificate or a bond power
- A photocopy of each certificate (front and back)
- The original and a photocopy of an attached bond power
- A bar code deposit ticket generated via DAMP.

## **When to Use**

Before depositing physical certificates, use DAMP to ensure that there are no problems that may affect processing by DTC's Reorganization Deposit service.

DAMP is available on business days from 6:00 a.m. to 8:00 p.m. eastern time.

## **Associated Products**

DAMP is used in association with the following Deposits service products:

- Reorg Deposits
- Legal Deposits
- Facility Deposits

*Note-* For other types of deposits, use the following products:

- Branch Deposits
- Restricted Deposits
- Deposit/Withdrawal at Custodian (DWAC)