

The Depository Trust Company

IMPORTANT

B#: 0924-07

DATE: January 30, 2007

TO: DTC Participants

CATEGORY: Operations

FROM: Product Marketing and Development

ATTENTION: Operations Manager, Cashiering, Securities Lending

SUBJECT: Registration Date Extended to February for
CNS Corporate Action Liability Notifications on
SMART/Track for Corporate Action Liability Notification
Service

On Friday, December 8, 2006, DTC implemented a link between its SMART/Track for Corporate Action Liability Notification Service and National Securities Clearing Corporation's Continuous Net Settlement (CNS) system, as described in DTC Important Notice B# 0619-06, dated November 30, 2006, to enable participants to use SMART/Track to notify CNS of their intention to participate in a voluntary corporate event for a security that is being processed in CNS.¹

SMART/Track for Corporate Action Liability Notifications will replace the CNSR function on PTS as the mechanism for long participants to notify CNS that they plan to participate in a voluntary corporate action event for a security being processed in CNS. **The CNSR function, originally scheduled to be disabled on or about January 31, 2007, will continue to be available to participants until the end of February 2007.** However, participants are strongly encouraged to submit liability notices to CNS using SMART/Track for Corporate Action Liability Notifications and to discontinue their use of the CNSR function on PTS. **Participants are cautioned not to enter CNS liability notices using both CNSR and SMART/Track as this may cause a duplicate notification of a CNS liability notice.**

¹ See SEC Release No. 34-55098; File No. SR-DTC-2006-19.

It is **mandatory** that all CNS participants sign up for SMART/Track for Corporate Action Liability Notifications before SMART/Track becomes the sole means for submitting voluntary corporate action liability notifications to CNS in February 2007. Firms that are already using SMART/Track for Corporate Action Liability Notifications to transmit broker-to-broker and broker-to-bank voluntary corporate action liability notices do not need to re-register for SMART/Track.

On or about February 28, DTC will disable the CNSR function on PTS. All CNS participants must be registered for SMART/Track at this time since the SMART/Track for Corporate Action Liability Notification Service will be the only way for long participants to notify CNS that they plan to participate in a voluntary corporate action event for securities being processed in CNS. DTC will notify participants of the exact date that CNSR will be disabled through future DTC Important Notices.

Registering for SMART/Track for Corporate Action Liability Notifications

To register for SMART/Track for Corporate Action Liability Notifications Service, each participant firm must complete an Access Coordinator form (see attached copy). Participants can obtain a copy of the Access Coordinator form from their account executive within DTCC's Relationship Services or by calling Relationship Services at 1-800-422-0582. The steps for registering for SMART Track are as follows:

Step One: Access Coordinator Form

1. Request an Access Coordinator form (see attached as a sample) from your DTCC Account Executive.
2. Fill in the names, telephone numbers, e-mails and street addresses of the people at your firm to be designated as Access Coordinator (at least two).
3. Obtain the signature of an authorizing officer. The authorized signature cannot be provided by any of the designated Access Coordinators.
4. Affix the medallion guarantee stamp.
5. Send the completed and signed form to your Account Executive at DTCC.

Step Two: Registration Link

1. DTCC will e-mail Access Coordinators with a copy of the Access Coordinator Guide and a link to the SMART/Track for Corporate Action Liability Notifications registration site.
2. Click on the SMART/Track for Corporate Action Liability Notifications link
3. Complete the online registration form.

Step Three: E-Mail Confirmation

1. DTCC will e-mail Access Coordinators to confirm their e-mail addresses.
2. Click on the link provided to confirm the e-mail address and complete the registration process.

Step Four: Account Approval

1. DTCC will send two e-mails once the account is approved.
2. The first e-mail contains your DTCC Web Products ID
3. The second e-mail contains a user ID (password).

NOTE: It is important that a participant firm register Access Coordinators before it allows other users within the firm to register. If an individual user within a participant firm registers before the participant firm has registered its Access Coordinators, the user's registration will remain in pending status and the user will not be able to access SMART/Track for Corporate Action Liability Notifications.

If you have any questions regarding this notice or SMART/Track for Corporate Action Liability Notifications, contact your DTCC Account Executive or Relationship Services at the number above or e-mail mkoontz@dtcc.com.

**Access Coordinator Authorization Form
for DTCC Systems & Applications**



This Form reflects _____'s ("Customer") acknowledgement of its responsibilities, and of the roles and responsibilities of Customer's Access Coordinators designated below, related to use of DTCC systems and applications.

References to DTCC in this Form refer, as the circumstances dictate, either to: (a) The Depository Trust & Clearing Corporation; and/or (b) the applicable DTCC subsidiary or other DTCC affiliate (including, without limitation, DTC, NSCC, FICC, EMCC, GAS, and Omgeo).

Customer and its Access Coordinators are responsible for:

- **Authorizing access** by workers of our organization to DTCC systems;
- Administering (including without limitation establishing, protecting maintaining, and revoking) the **credentials** (e.g., user IDs, passwords, digital certificates, and SecurIDs) issued to workers of our organization that may be required by DTCC for authentication purposes;
- Administering (including without limitation establishing, protecting maintaining, and revoking) the associated **entitlements** (i.e., function eligibility) in connection with the workers' communications with DTCC relating to use of DTCC products and services;
- **Monitoring** and reviewing credentials, entitlements, security breaches, access violations, and inactive accounts to ensure accuracy, and taking any appropriate follow-up action (e.g., notifying DTCC's Corporate Information Security Office and Relationship Management if potential security exposures are identified);
- **Overseeing** our organization's workers' **use of DTCC's systems**, and ensuring that each worker appropriately protects his/her access privileges (e.g., by safeguarding his/her credentials) and provides up-to-date accurate information to DTCC that can be used to verify his/her identity (e.g., in the event that a password must be reset);
- **Informing all workers of changes**, such as modifications to password syntax rules, that affect access or that may impact their ability to access DTCC systems;
- Immediately **modifying or disabling/revoking access privileges** where appropriate (e.g., for any worker who leaves our organization or changes responsibilities), and initiating the deletion and/or deactivation of associated credentials, and promptly notifying DTCC's Corporate Information Security Office and Relationship Management of the same; and
- Providing DTCC with up-to-date **information about themselves** (e.g., name, mail & email addresses, telephone number).

Customer will have at least two designated Access Coordinators at all times. A submitted Form purporting to be signed by an authorized officer of Customer will be conclusively presumed to have been signed by an authorized officer of Customer. If an Access Coordinator leaves Customer or changes responsibilities, our organization will notify DTCC immediately and will promptly designate a replacement Access Coordinator by either: 1. delivering to DTCC an Access Coordinator Authorization Form signed by an authorized officer of Customer; or 2. having the remaining Access Coordinator designate an additional Access Coordinator. Customer recognizes that access to DTCC systems and applications is further subject to the terms and conditions of the applicable DTCC rules and procedures, and DTCC agreements with Customer, and could be suspended or revoked at any time. **In no event shall DTCC be liable for: (1) any loss resulting directly or indirectly from mistakes, errors or omissions, other than those caused directly by DTCC's gross negligence or willful misconduct; and (2) any special, consequential, exemplary incidental or punitive damages.**

**Access Coordinator Authorization Form for
DTCC Systems & Applications**



This fully completed and signed form must be delivered to DTCC endorsed with an original Medallion Guarantee stamp. By signing this document and endorsing it with a Medallion Guarantee Stamp, Customer represents and warrants to DTCC that the signatory to this document is vested with actual authority to sign this document on behalf of Customer.

Designated Access Coordinators: <i>(Must be a minimum of 2; If access is to be limited, [e.g., to a specific DTCC subsidiary or function], please indicate below.)</i>	Telephone Number:	E-Mail Address:	Street Address:

DTCC may rely on this document, which we are providing to DTCC so that DTCC will afford our organization the contemplated systems and applications access. **If an Access Coordinator or our organization fails to fulfill any of the above responsibilities, DTCC shall not have any liability or other responsibility for any related losses, costs, or causes of action that may arise.**

The signer of this Form is an authorized officer, and is not an Access Coordinator.

AGREED: Organization Name: _____

Organization's DTCC Account Number(s): _____

AFFIX

By (signature) _____ Date _____

Medallion Stamp

Print Signing Authorized Officer's Name: _____

HERE

Signer's Street Address: _____

Phone Number: _____ E-mail Address: _____