

# THE DEPOSITORY TRUST COMPANY

# IMPORTANT

**B#:** 3646

**DATE:** April 8, 1998

**TO:** All Participants

**FROM:** Participant Services

**ATTENTION:** Managing Partner/Officer; Cashier; Reorganization Manager;  
Trust/Custody Operations Manager

**SUBJECT:** "Frozen Letter Movements"

DTC established a procedure to process Frozen Letters in an Important Notice dated November 18, 1989. This notice reiterates the facts detailed in the original procedure and introduces slightly different procedures in the actual processing of Frozen Letters.

Occasionally, DTC enters instructions on its Security Master File to prevent Participants from using certain depository services on particular issues of securities. These instructions -- known as "chills" -- may prevent Participants from making book-entry deliveries in the issue or block certain other functions. Issues would be chilled for certain activities if they are undergoing a reorganization activity, if they are being exited from the depository, or for certain other reasons.

At times, a Participant may want to make a book-entry delivery to another Participant on an issue that has been chilled for deliveries. Since the Participant cannot itself make the delivery, it may request that DTC make journal entries to move the securities from its account to the recipient's account. DTC will make every effort to accommodate these requests, however, Participants are advised that there are situations in which DTC may not be able to honor the request.

In the event that a Participant wants to deliver a position for which the CUSIP is "chilled" for deliver orders, the Participant should check the RIPS or CONI functions. If the CUSIP is on RIPS, the Participant should contact the person listed on the RIPS envelope to determine if a Frozen Letter can be used.

If the issue is not on RIPS, the CONI screen should lead the Participant to the area at DTC which is handling the item in question. In the rare cases that a Participant is unable to determine who is handling the item, Participants should contact their Participant Services representative.

DTC has created the attached form which should be used for Frozen Letters. This form allows for the delivering party to complete the pertinent information regarding the position which is to be moved. The form then calls for an authorized signature, a contact's name and phone number, and a medallion stamp. The delivering party is then responsible for faxing the form to the receiving party who authorizes acceptance of the position and also places its medallion stamp under the authorized signature and includes a contact's name and number. The receiving party is then responsible for faxing the completed form to the person at DTC who will process the item. All monies will continue to settle outside of DTC.

Questions regarding this notice may be directed to your Participant Services representative.

**THE DEPOSITORY TRUST COMPANY**  
**“Frozen Letter” Request**

Attention DTC Management Employee \_\_\_\_\_

Direct Phone Number \_\_\_\_\_

Fax Number \_\_\_\_\_

Dear \_\_\_\_\_,

The undersigned parties hereby request that \_\_\_\_\_ shares/bonds  
(Quantity)

of \_\_\_\_\_, \_\_\_\_\_ be delivered free from the account  
of (Issue name) (CUSIP)

\_\_\_\_\_ to the account of \_\_\_\_\_  
(Delivering Participant Name/Number) (Receiving Participant Name/Number)

\_\_\_\_\_ and \_\_\_\_\_ hereby, jointly  
and (Delivering Participant) (Receiving Participant)

severally, agree to indemnify DTC and hold it harmless from any claims, liability, loss, or expense, including without limitation attorneys' fees and costs, that may arise as a result of DTC's taking the action requested above.

\_\_\_\_\_  
**Authorized Deliverer**

Print Name: \_\_\_\_\_

-

Phone#: \_\_\_\_\_

-

**Medallion Stamp**

\_\_\_\_\_  
**Authorized Receiver**

Print Name: \_\_\_\_\_

-

Phone#: \_\_\_\_\_

-

**Medallion Stamp**