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5 May 2014

**VIA EMAIL**

Ms. Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Re: Proposed Rule Change  
File No. SR-DTC-2013-11

Ms. Murphy:

We respectfully seek the Commission's allowance of these additional comments in response to DTC's letter of 29 April 2014.

Elevation of a deposit chill to a global lock is a procedure described in the proposed rule as a step to be taken as soon as DTC determines an issuer has failed, or is unable, to answer the concerns that led to the placement of a deposit chill. The procedures now being offered by DTC in respect of deposit chills imposed prior to *International Power* appear to mean that each affected issuer will be made subject, for the first time, to a global lock years after the event that gave rise to DTC's concerns. Given DTC's recognition "*that Deposit Chills and Global Locks are disruptive to issuers and their investors and can create significant processing challenges for market participants[,] as well as its acknowledgment, accordingly, of the need "to achieve a balance[,]"* (see DTC White Paper at p. 3), can it be said that the sudden imposition of a global lock after so much time, without regard to the facts underlying the deposit chill, the duration of the deposit chill, or the disruptive effect a global lock at this point would have, not only on the issuer, but also on the shareholders, constitutes a procedure that is the "same" as the prompt procedure described by the rule, much less a procedure that is procedurally *fair*?

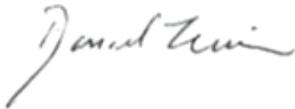
1. If DTC's position that: "[T]he proposed rules are not required to govern restrictions imposed prior to the IPWG (International Power) opinion[,]” but that “[f]or chills imposed prior to IPWG, DTC will offer those same procedures upon request of the issuer[,]” is consistent with the Commission's views, the undersigned requests clarification of what is meant by “same procedures,” so as to ensure the same uniformity of application envisioned by the Commission in respect of the rule intended to govern “post-IPWG” cases will be achieved by the procedures to be applied for restrictions imposed prior to IPWG.
2. This request comes because we do not understand what the term “*same procedures*” means in the context of a case in which, prior to *International Power*, a deposit chill was imposed without advance notice and where, notwithstanding the fact that the issuer thereafter was unable, for whatever reason, to satisfy DTC as to the eligibility of certain of its shares, the restriction has never been elevated to a global lock, but rather, simply has been left to remain in place for years, with the issuer being provided with no definitive understanding of how or when (if ever) the restriction would be lifted.
3. Among the questions we have, which, with all due respect, we believe DTC has not addressed in its comments, are these:
  - a. How, precisely, will the goal of ensuring procedural fairness, which in future cases will be accomplished by prompt determination of whether to lift a deposit chill or else elevate it to a global lock (which, in most cases under the proposed rule, as written, will lift either six months or one year later), be accomplished in cases where deposit chills imposed prior to *International Power* are still in place today, having never been elevated at any prior time to global locks?
  - b. What, precisely, will be the procedure in a case where, for example, the steps contemplated under the proposed rule for imposition of a global lock cannot be applied as written because the time period “milestones” contemplated therein were never applied and/or have already passed?
  - c. Will the promptness element provided for under the proposed rule apply *differently* to pre-IPWG deposit chills, or is it intended that it shall not apply at all?
  - d. If the promptness element will not apply, by way of substitute, will there be a review of the facts and circumstances of each case so as to achieve, in some measure, a balance of fairness nonetheless?

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- e. Will fairness criteria be established so as to avoid *ad hoc* determinations and ensure uniformity consistent with *International Power*?
- f. What, if any, will be those criteria?

Our earlier apology in respect of the filing of our initial comments was directed to what we thought might be an unusual step in attaching DTC correspondence generated outside of the public comment process. Our belief was that the correspondence might help illustrate the need for clarifications regarding the proposed rule. For this reason, we hope that any inadvertent breach of protocol on our part in such regard will be excused by the Commission.

Respectfully,



Daniel Zwiren  
President and CEO



Edward Petraglia  
General Counsel

DAZ/EGP/mp