

**Bolded, underlined text** indicates proposed added language.

**~~Bolded, strikethrough text~~** indicates proposed deleted language.

**RULES, BY-LAWS  
AND ORGANIZATION CERTIFICATE  
OF  
THE DEPOSITORY TRUST COMPANY**

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**RULE 4**

**PARTICIPANTS FUND AND PARTICIPANTS INVESTMENT**

*Section 1.*     Participants Fund

The Participants Fund shall comprise the Actual Participants Fund Deposits of all Participants, as provided in these Rules and as specified in the Procedures.

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(f)     Maintenance, Permitted Use and Investment of Participants Fund

The Actual Participants Fund Deposits of Participants to the Participants Fund shall be held by the Corporation and may be used or invested as provided in these Rules and as specified in the Procedures.

The Actual Participants Fund Deposits of Participants may be used (i) to satisfy the obligations of Participants to the Corporation, as provided in Section 3 of this Rule, (ii) to fund settlement among ~~non-defaulting~~ Participants, as provided in Section 4 of this Rule and (iii) to satisfy losses and liabilities of the Corporation incident to the business of the Corporation, as provided in Section 5 of this Rule. For purposes of this Rule, the term “business” with respect to the Corporation shall mean the doing of all things in connection with or relating to the Corporation's performance of the services specified in the first and second paragraphs of Rule 6 or the cessation of such services. Notwithstanding anything to the contrary in this Rule, the Participants Fund may be used as provided in any Clearing Agency Agreement.

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*Section 4.*     Liquidity Resources to Fund Settlement; Application of Participants Fund Deposits of Non-Defaulting Participants

This Section sets forth liquidity resources available to the Corporation to fund settlement on a Business Day, in the event of a Participant Default or otherwise.

If, on a Business Day, there is a Participant Default which is not satisfied pursuant to Section 3 of this Rule by the application of the Actual Participants Fund Deposit of a Participant, or if Section 3 is not applicable, then The Participants Fund shall constitute a liquidity resource which may be applied by the Corporation shall apply, in such order and in such amounts as the Corporation shall determine, in its sole discretion, to the extent necessary to fund settlement on the Business Day; if there is a Defaulting Participant and the amount charged to the Actual Participants Fund Deposit of the Defaulting Participant pursuant to Section 3 of this Rule is not sufficient to complete settlement. In that case, the Corporation may

- (a) apply the Actual Participants Fund Deposits of all Participants (other than the Defaulting Participant whose Actual Participants Fund Deposit is exhausted pursuant to Section 3); (each, a “non-defaulting Participant”) as provided in this Section and/or
- (b) the existing retained earnings or undivided profits of the Corporation; or
- (c) apply such any other liquidity resources as may be available to the Corporation from time to time, including, but not limited to, the End-of-Day Credit Facility.

~~If the Participants Fund is applied to complete settlement, the Corporation shall promptly after the event notify each Participant and the SEC of the amount applied and the reasons therefor (“Settlement Charge Notice”).~~

A determination to apply the Participants Fund pursuant to this Section shall be made by either the Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, a member of any management committee, Treasurer or any Managing Director as may be designated by the Chief Risk Officer from time to time. The Board of Directors (or an authorized Committee thereof) shall be promptly informed of the determination.

~~Each non-defaulting Participant’s The pro rata share of such application of the Actual Participants Fund Deposit of any Participant applied pursuant to paragraph (a) (each, a “pro rata settlement charge”) shall be equal to the ratio of (i) its the Required Participants Fund Deposit of the Participant, as such Required Participants Fund Deposit was fixed on the Business Day on which such charge is made of such application less its Additional Participants Fund Deposit, if any, on that day Business Day, divided by to (ii) the sum of the Required Participants Fund Deposits, as fixed on the Business Day on which such charge is made, of all non-defaulting Participants so charged on that Business Day, as such Required Participants Fund Deposits were fixed on that day, less the sum of the Additional Participants Fund Deposits, if any, of such those non-defaulting Participants on that day Business Day. The amount so charged to the Actual Participants Fund Deposit of a Participant shall constitute a “pro rata settlement charge” with respect to that Participant.~~

**If the Participants Fund is applied pursuant to paragraph (a) of this Section, the Corporation shall promptly after the event notify each Participant and the SEC of the amount of the Participants Fund applied and the reasons therefor (“Settlement Charge Notice”).**

A Participant shall have a period of five Business Days following issuance of a Settlement Charge Notice (such period, a “Settlement Charge Termination Notification Period”) to notify the Corporation of its election to terminate its business with the Corporation pursuant to Section 8(a) of this Rule.

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