

Technical amendment to Exhibit A (SR-NSCC-2003-11) – refer to shaded text.

D. Bank or Trust Company.

In lieu of the requirements of Section I.B (4) of Addendum I, a bank shall:

1. (a) have a minimum rating by Standard & Poor's of BBB+A/2, or by Moody's of Baa 1/P-2, or

(b) if it is not rated, then

(i) have at least \$200,000,000 in capital¹, or have furnished to the Corporation a guarantee of its parent bank holding company respecting the payment of any and all obligations of the bank applicant, and such parent bank holding company shall have total consolidated capital of at least \$200,000,000; and

(ii) maintain a Federal Regulatory Capital categorization by the FDIC of "well-capitalized [financial] institution"; and

2. if the entity is a "thrift" or "savings institution", it must also provide documentation, in form and substance satisfactory to the Corporation, evidencing the regulatory capability and authority to engage in the underwriting and/or distribution of Investment Funds; and

~~[3. not be operating at a loss at the time of its application and not have operated at a loss in any of its previous three fiscal quarters.]~~

In lieu of the requirements of Section I (B)(4) of Addendum I, of a trust company that is not a bank, but is a member of the Federal Reserve System or is an institution insured under the Federal Deposit Insurance Act shall:

1. have consolidated capital of at least \$10 million in excess of the minimum capital requirements established by its primary regulatory authority and that is adequate in the judgement of the Corporation to the scope and character of the business conducted by such trust company; and

~~[2. not be operating at a loss at the time of its application and not have operated at a loss in any of its previous three fiscal quarters.]~~

¹ For the purpose of the membership standards and surveillance status rules applicable to banks, "capital" is defined to include capital stock, surplus, undivided net profits, reserve for contingencies and other capital reserves.