

THE ASSOCIATION OF GLOBAL CUSTODIANS

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February 20, 2014

Michael C. Bodson
President and Chief Operating Officer,
The Depository Trust and Clearing Corporation,
55 Water Street-20th Floor,
New York, NY 10041
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Dear Mr. Bodson:

I write on behalf of the members of the Association of Global Custodians to convey members' appreciation for The Depository Trust and Clearing Company's ("DTCC") thoughtful, dialogue-based approach to assessing how best to establish a shortened settlement timeframe for DTC-eligible securities. Members thank you, in particular, for the opportunities we have had periodically to discuss the issues and options with DTCC representatives.

The Association believes there is collective, positive industry value in shortening the settlement timeline, and we fully support DTCC's efforts to establish an industry initiative that includes a consensus timeline to move to T+2 settlement while continuing to assess an eventual move to T+1. We recognize that debate still exists regarding the optimal timing of such moves, including in relation to similar developments and other systemic initiatives in the European Union. The Association nonetheless strongly supports DTCC's leadership in this matter and looks forward to continued dialogue and engagement with DTCC and the industry to secure consensus on the timing and implementation of a shortened settlement cycle.

Sincerely yours,

*Rudy T. Gadenz / by Dan W. Schuman, Attorney
Baker + McKenzie*
Rudy T. Gadenz, Chairperson
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