

Joint Audit Committee

Regulatory Update

TO: Chief Financial Officers
Chief Compliance Officers

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DATE: April 18, 2000

SUBJECT: Receivership of Independent Trust Corporation (Intrust)

On April 14, 2000, Independent Trust Corporation (“Intrust”) was placed in receivership by the Illinois Office of Banks and Real Estate. Attached is a news release discussing the receivership. Pending an initial investigation by the Receiver, the Circuit Court of Cook County, Illinois has temporarily restricted all withdrawals and transfers of Intrust assets.

Intrust acts as trustee for self-directed retirement plans such as Individual Retirement Accounts (“IRAs”) and 401(k) plans. FCMs should be aware that they may carry the futures or options account of these IRAs in a customer’s name and have an authorization to send excess margin funds to Intrust. In addition, customer margin or debit calls are funded by Intrust. More information on Intrust and the status of the receivership can be found at www.intrust.com. The purpose of this Update is to alert you to the receivership.

If you have any questions, please contact your DSRO.