

**THE DEPOSITORY TRUST & CLEARING CORPORATION
THE DEPOSITORY TRUST COMPANY
FIXED INCOME CLEARING CORPORATION
NATIONAL SECURITIES CLEARING CORPORATION**

GOVERNANCE COMMITTEE CHARTER

I. Purpose

The Boards of Directors (collectively the “Board”) of The Depository Trust & Clearing Corporation (“DTCC”), The Depository Trust Company (“DTC”), Fixed Income Clearing Corporation (“FICC”) and National Securities Clearing Corporation (“NSCC”) together with DTC and FICC, the “SIFMUs” and collectively with DTCC, the “Company”) have each established a Governance Committee (the “Committee”) to assist the Board in: (a) identifying, screening and reviewing individuals qualified to serve as directors and recommending to the Board candidates for nomination for election at the annual meeting of shareholders or to fill Board vacancies; (b) developing, recommending to the Board and overseeing implementation of the Company’s corporate governance policies and procedures and the Board Code of Ethics; and (c) reviewing on a regular basis the overall corporate governance framework of the Company and recommending enhancements and/or changes as necessary.

II. Administrative Structure

A. Composition

The Committee shall be composed of not less than three members, including the Chair of the Committee. The Non-Executive Chairman shall serve as an *ex officio* member of the Committee. All members of the Committee shall be members of the Board who are not employed by DTCC (“non-management” directors). Committee members shall be nominated by the Board, upon nomination by the Governance Committee, and shall serve at the pleasure of the Board. At least one member of the Committee shall qualify as independent from the participant members of the SIFMUs.

In the event of a vacancy on the Committee, the Committee will continue to undertake its responsibilities, so long as the remaining Committee members are capable of satisfying the quorum requirement.

B. Committee Chair

The Chair of the Committee shall be selected by the Board, upon nomination by the Governance Committee, and shall serve at the pleasure of the Board. In the absence of the Chair at any meeting of the Committee, the Non-Executive Chairman shall serve as Chair of such meeting. In the absence of the Non-Executive Chairman at any meeting at which the Chair is absent, those members of the Committee present shall designate a Committee member to serve as the Acting Chair.

C. Meetings

There shall be scheduled at least three meetings of the Committee annually, with additional meetings called as the Committee deems appropriate. Meetings of the Committee shall be called by the Chair or the Chair's designee. Meetings of the Committee are open to all Board members and guests invited by the Board or the Committee. The Chair or the Chair's designee shall, in consultation with management, as appropriate, prepare an agenda in advance of each meeting. The Chair or the Chair's designee shall report regularly to the Board on Committee activities. The Committee also retains the authority to call an "executive session" in which guests of the Committee in attendance may be excluded. The Non-Executive Chairman shall be permitted to attend and participate in executive sessions called by the Committee.

D. Quorum and Voting

A majority of the Committee members shall constitute a quorum for the transaction of business. The presence of the Non-Executive Chairman shall not be counted towards quorum for the transaction of business at a meeting of the Committee where a quorum of voting Committee members is present but may be counted towards quorum for the transaction of business at a meeting of the Committee at which a quorum of voting Committee members is not present. In the event the Non-Executive Chairman is absent from a meeting of the Committee at which a quorum of voting Committee members is not present, one (but not more than one) management Director of the Board may serve as a member of the Committee. The Non-Executive Chairman shall not be a voting member of the Committee; provided, however, that (i) in the event of a tie vote or deadlock among the voting members of the Committee, the Non-Executive Chairman shall have the casting vote which shall determine the outcome of such tie vote or deadlock, and (ii) the Non-Executive Chairman may vote at a meeting of the Committee at which he is counted towards quorum for the transaction of business.

E. Minutes and Reports

The Committee shall maintain minutes of all Committee meetings and shall report to the Board regularly on its activities.

The Committee Chair is responsible for ensuring that important issues discussed at Committee meetings are reported to the Board.

F. Staff Liaison

A designated officer of management shall serve to assist the Committee and to perform liaison functions between staff and the Committee. The Committee may also require the attendance at any Committee meeting of any additional officers or employees of DTCC as it deems appropriate.

III. Authority

A. Scope

Subject to the direction of the Board, the Committee is authorized to act on behalf of the Board with respect to any matter necessary or appropriate to the accomplishment of the purpose and responsibilities set forth in this Charter. In discharging its role, the Committee may inquire into any matter it considers appropriate to carry out its purpose and responsibilities, with access to all books, records, facilities and personnel of DTCC, and its wholly owned subsidiaries. The Committee also has the authority to retain advisors, consultants and/or counsel to assist it in carrying out its activities. DTCC shall provide adequate resources to support the Committee's activities.

B. Delegation

The Committee may delegate a subset of its responsibilities to one or more subcommittees composed of members of the Committee. In addition, the Committee may rely on members of management to assist it in the undertaking of its responsibilities. However, in all instances, the Committee retains the obligation to oversee such delegated activity and to assure itself that delegation and reliance on the work of the persons delegated to and members of management is reasonable.

C. Authority of the Chair to Act in an Emergency¹

In an emergency situation, the Chair of the Committee shall make a reasonable effort to convene a meeting of the Committee. If a quorum cannot be obtained, the majority vote of those Committee members present at the meeting will be sufficient for the Committee to take action. If no Committee members are able to attend the emergency meeting, the Chair of the Committee, or the Non-Executive Chairman if the Chair of the Committee is unavailable, may act on behalf of the Committee when immediate action is required. In such instances, the Chair or Non-Executive Chairman, as the case may be, shall report to the Committee as soon as possible on any actions taken at the meeting, or by the Chair or Non-Executive Chairman, as the case may be, for its ratification.

D. Advisory Resources

The Committee may obtain such advice as it requires from time to time to address its responsibilities, whether through the engagement of consultants or other advisory resources, or through any other appropriate action.

IV. Responsibilities

The following responsibilities are set forth to guide the Committee in fulfilling its purpose. The Committee may undertake other and different activities as appropriate for that purpose, or as may be delegated to it by the Board.

¹ Should the emergency situation concern a participant represented by a member of the Committee, such Committee member shall recuse himself/herself from attending the meeting.

A. Responsibilities of the Committee

The Committee shall:

1. Oversee the implementation and effectiveness of the Company's policies and procedures for identifying and reviewing Board nominee candidates, including review and modification of, as appropriate, the criteria for Board nominees (including experience, qualifications, attributes or skills in light of the Company's business and structure; the SIFMUs' roles as industry utilities; and the ability to represent users of the services of each of the SIFMUs), and report any modifications of such criteria to the Board;
2. Identify, screen and review individuals qualified to serve as directors of the Company, (including an annual evaluation of incumbent directors for potential re-nomination) and recommend to the Board, candidates for nomination for election or re-election by the shareholders and any Board vacancies that are to be filled by the Board;
3. Assess the appropriateness of a director continuing to serve on the Board where such director submits his or her resignation upon the director ceasing to hold the principal occupation or business association that such director held when originally invited to join the Board, and recommend to the Board any action to be taken related thereto;
4. Review annually the composition and size of the Board as a whole, paying close attention to whether the Board reflects the appropriate balance of participant and non-participant directors, director tenure, sound judgment, business specialization, technical skills, diversity and other desired qualities, and recommend to the Board increases or decreases in size as appropriate;
5. Review annually the structure of all Board committees and appropriate mix of skills and qualifications of all members serving on the Board's standing committees in accordance with the considerations outlined within the Appendix A and recommend to the Board for its approval the appointment of directors to Board committees and assignment of committee Chairs;
6. By delegation from the Board, approve committee composition changes throughout the year as needed;
7. Review the Board's leadership structure in light of the specific characteristics or circumstances of the Company and recommend any changes to the Board for approval;
8. Coordinate and provide oversight of the annual self-evaluation of the role and performance of the Board, its committees and management of the governance of the Company;
9. Evaluate the effectiveness of the Board and Board committees, at least annually;

10. Review conflicts of interest of directors and the manner in which any such conflicts are to be monitored;
11. Review conflicts of interest between Company subsidiaries that have been escalated by management or a subsidiary's board of directors;
12. Develop and recommend to the Board, oversee the implementation and effectiveness of, and recommend modifications as appropriate to, the Company's corporate governance framework and the Board Code of Ethics;
13. Ensure that critical governance matters are escalated to the Board;
14. Provide oversight of the orientation program for new Board members and continuing director education opportunities;
15. Approve appointments to the boards of directors of non-SIFMU subsidiaries as may be required under such subsidiaries' governing documents, in addition to any other necessary approvals;
16. Approve any waiver of, or exception to, the restrictions relating to the appointment of employees or directors of regulatory or quasi-regulatory bodies, clearing agencies, data repositories or holding companies or affiliates thereof, to serve as non-executive director of a direct or indirect wholly owned subsidiary of DTCC, as set out in the DTCC Policy for Corporate Governance of Subsidiaries;
17. Review annually the Committee's responsibilities as set forth in the Charter and recommend any changes to the Board;
18. Review proposed changes to other Board Committee charters, and the Board Mission Statement and Charter, and recommend changes, if any, to the Board for approval; and
19. Undertake an annual self-assessment of the Committee's performance and provide results of such assessment to the Board for review.

APPENDIX A

STANDING COMMITTEES: MEMBERS SKILLS, EXPERIENCE, AND QUALIFICATIONS

Depending on the existing standing committees' role, purpose, and delegated responsibilities, the Governance Committee will carefully consider the skills, experience, and qualifications of all committee members (including participant and non-participant directors) serving on the respective committees and will make appropriate recommendations to the Board in accordance with applicable laws and regulations, if any.

The following skills, experience, and qualifications may be considered, as is appropriate for the needs of each individual committee, by the Governance Committee when recommending committee membership to the Board:

- (a) Management of credit, market, liquidity, operational or systemic risks, and the risks associated with human capital, payment systems, clearance, settlement and asset servicing activities, regulatory oversight, or the development and use of risk models or valuations;
- (b) Experience in dealing with matters relating to finance and accounting, understanding fundamental financial statements, accounting or related financial management expertise, internal controls, and compliance;
- (c) Experience in matters relating to total compensation rewards, talent acquisition and development, performance management, succession planning and diversity;
- (d) Skills and experience in corporate governance matters such as assessing conflicts of interests, director appointments and Board self-assessment procedures;
- (e) Experience in dealing with matters relating to strategic planning, new product and business development, operations and technology organizations and strategies or matters relating to infrastructure services, information security or disaster recovery; and
- (f) Other relevant skills and experience as might be required by the applicable legislation and regulation and/or the Company's evolving business needs.