

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 7236
P&S# 6806
Date: June 29, 2011
To: All Members
Attention: Managing Partner/Officer, Operations Officer, OFAC Compliance Officer,
Chief Compliance Office, General Counsel
From: General Counsel's Office
Subject: Re-Confirmation of an OFAC Program

Members and Limited Members of the National Securities Clearing Corporation ("Members and Limited Members") that are subject to the jurisdiction of the United States under Office of Foreign Assets Control ("OFAC") regulations are required to provide National Securities Clearing Corporation ("NSCC") with a "Confirmation of an OFAC Program" (hereinafter, "the OFAC Confirmation") every two years. For more information, please refer to rule filing SR-NSCC-2009-07 and [Important Notice A6883](#), available at www.dtcc.com.

The OFAC Confirmation is intended to evidence that the Member or Limited Member (i) has the primary relationship with the customers for whom it is conducting activity through NSCC; and (ii) has implemented a risk-based program reasonably designed to comply with applicable OFAC sanctions and regulations. The OFAC Confirmation that Members and Limited Members submitted to NSCC since the implementation of this Rule on October 1, 2009 will expire two years from the date the confirmation was issued by the Member or Limited Member.

This Important Notice serves as a reminder that the OFAC Compliance Officer, Chief Compliance Officer or other individual with responsibility for managing the OFAC compliance program for Members and Limited Members must renew their OFAC Confirmation **on or prior to the expiration date**.

NSCC will launch a new web browser application called OFAC Confirmation (accessible via the DTCC Portal) so Members and Limited Members can renew their confirmations electronically rather than by submitting a hard copy confirmation. The OFAC Confirmation application will allow Members and Limited Members to provide their confirmation for one or more legal entities in one submission and view the history of submissions to NSCC. The application will also allow Members and Limited Members to read and print a copy of the executed confirmation.

Non-Confidential

DTCC is now offering enhanced access to all important notices via a new, Web-based subscription service. The new notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

NSCC will notify each Member and Limited Member individually approximately ninety (90) days before the expiration of its current confirmation. NSCC will send an e-mail to the individual the U.S. Netting Member or Clearing Participant has designated as its OFAC Compliance Officer, Main Contact and Director of Operations informing the designated OFAC Compliance Officer to request access from their Access Coordinator to complete the re-confirmation for one or more of the firm's legal entities. Once the Access Coordinator registers the OFAC Compliance Officer for the application, the OFAC Compliance Officer can log-on to the application and be directed to a screen that displays the names of the legal entity or entities that the OFAC Compliance Officer has been set up to confirm. The OFAC Compliance Officer will have the ability to read and print the language of the confirmation and the ability to submit the confirmation electronically. Once the confirmation has been submitted, NSCC will send a confirmation e-mail to the OFAC Compliance Officer within 24 hours.

Members and Limited Members that do not have access to the DTCC Portal must first apply to do so and assign an Access Coordinator. To set up an Access Coordinator if one does not exist, contact the Relationship Services Group via e-mail at webrsg@dtcc.com

Members and Limited Members that fail to provide the electronic confirmation of an OFAC Program on or before the expiration date will be subject to a \$5,000 fine.

General questions regarding this notice may be directed to your Relationship Manager. For questions or issues with Access Coordinators, user IDs and passwords, call (888) 382-2721 (then press option 5 and sub-option 2). For questions on the Rule requiring confirmation of an OFAC Program, call Grace Santiago (212) 855-2653 or Patrick Mapp (212) 855-3690.