

# IMPORTANT NOTICE

National Securities Clearing Corporation



**A#6542**

**P&S #6112**

**DATE:** December 7, 2007

**TO:** **ALL PARTICIPANTS**

**ATTENTION:** **MANAGING PARTNER/OFFICER,  
OPERATIONS PARTNER/OFFICER,  
CHIEF FINANCIAL OFFICER  
COMPLIANCE OFFICER**

**FROM:** **GENERAL COUNSEL'S OFFICE**

**SUBJECT:** **IMPORTANT REPORTING REQUIREMENTS**

The purpose of this notice is to remind participants of their responsibilities under NSCC's Rules & Procedures (the "Rules") to furnish NSCC with certain required information, which includes ongoing financial and regulatory reports. Please note that all amendments or addenda to such reports or information must be submitted to NSCC concurrently with their submission to the applicable primary regulator, or as soon as practicable if not filed with a regulator.

## Ongoing Submission of Financial and Regulatory Reports

*Please note that failure to comply with reporting requirements and required deadlines may subject your firm to fines as set forth in Addendum P of NSCC's Rules. Pursuant to regulatory requirements, fines imposed by NSCC are subsequently reported to the Securities and Exchange Commission.*

The attached schedule provides guidelines to firms for submission of ongoing financial and regulatory reports pursuant to Rule 15. **Participants are urged to review the attached schedule and incorporate the indicated filing deadlines into their internal procedures.**

NSCC prefers to receive financial information by email:

- 1) By email to: [Credit-MarketRisk@dtcc.com](mailto:Credit-MarketRisk@dtcc.com)

No contact name is needed. Please provide in the "subject" line the Firm Name, Reporting Period Covered and Type of Report

If you choose not to send financial information by email, additional options are listed below:

- 2) By mail (return receipt recommended) to:

**The Depository Trust & Clearing Corporation (DTCC)**  
**P.O. Box 5082**  
**Bowling Green Station**  
**New York, NY 10274**

3) By Facsimile to: 212-363-3120 or 212-482-0040  
Attn: Risk Management

**4) By Over Night Mail Only to:**

The Depository Trust & Clearing Corporation (DTCC)  
55 Water Street  
Attn: Risk Management, 19<sup>th</sup> floor  
New York, NY 10041

Please note that participants that have provided a guarantee in connection with their membership are also required to submit annual audited financial statements of the guarantor.

Participants that are submitting identical reports to FICC or DTC need not submit duplicate reports for NSCC so long as they identify NSCC among the names of the clearing agencies to which the submission relates.

Participants are reminded that there are additional notification requirements, and penalties for violations thereof, that are currently in effect under the Rules. In particular, participants are required to notify NSCC about certain material events and changes as set forth in Rule 15 of NSCC's Rules. The Rules can be obtained on NSCC's website at [www.nsc.com](http://www.nsc.com).

Questions regarding the information participants are required to provide under NSCC's Rules should be addressed to Martha Ruotolo, Risk Management, at (212) 855-5764.

Questions regarding fines imposed by the Corporation should be addressed to Darlene Norman, General Counsel's Office, at (212) 855-3271.

Darlene Norman  
Senior Legal Analyst  
General Counsel's Office

Attachment: NSCC Submission Deadlines

## **NSCC Submission Deadlines\***

**This schedule does not apply to participants admitted under Rule 3 – Municipal Comparison Only; Rule 31 – Data Services Only; Rule 54 – Settling Bank Only; Rule 60 – Third Party Administrator; and Rule 61 - International Link.**

<b>Broker/Dealers</b>	<b>Required Report/Information</b>	<b>Due Date for Receipt by NSCC<sup>1</sup></b>
SEC-registered broker/dealers	Annual audited financial statements <sup>2</sup> (confidential version, including the report on internal controls), including regulatory extension letter, if applicable	70 calendar days after fiscal year-end (for specialist firms not required to file same with their primary regulator, no later than 30 days following date of auditors' opinion letter)
	FOCUS reports <sup>3</sup> , including regulatory extension letter, if applicable	20 business days after month-end or quarter-end, as applicable
	Supplemental report required to be filed pursuant to SEC Rule 17a-11	Submitted concurrently with submission to the SEC

<b>Banks/Trusts</b>	<b>Required Report/Information</b>	<b>Due Date for Receipt by NSCC<sup>1</sup></b>
All domestic banks or trusts	Annual audited financial statements <sup>2</sup>	100 calendar days after fiscal year-end
	A copy of any regulatory notification required to be made when a participant's capital levels or other financial requirements fall below levels prescribed by the applicable regulator	Submitted concurrently with submission to the applicable regulator
Domestic bank or trust company with obligation to file CALL or TFR Reports and domestic offices only	CALL or TFR report	35 calendar days after quarter-end
Domestic bank or trust company with obligation to file CALL or TFR Reports and non-domestic offices	CALL or TFR report	45 calendar days after quarter-end
Bank or trust company with no obligation to file CALL or TFR Reports	Unaudited quarterly financial information as filed with participant's state or federal regulatory authority	Submitted within 5 calendar days of submission to the participant's state or federal regulatory authority

**\* Please note that all amendments or addenda to such reports or information must be submitted to NSCC concurrently with their submission to the applicable primary regulator, or as soon as practicable if not filed with a regulator.**

<sup>1</sup> In all cases where a due date falls on a day that is not an NSCC business day, the due date shall be deemed to be the first NSCC business day immediately thereafter. Any member that is unable to comply with NSCC's reporting requirements because of special circumstances must inform NSCC by e-mail to [Credit-MarketRisk@dtcc.com](mailto:Credit-MarketRisk@dtcc.com) in advance of the date by which the report would otherwise be due.

<sup>2</sup> If a participant is admitted with a guarantee, the participant's annual audited financial statements, as well as annual audited financial statements for the guarantor, must be provided. The participant's timeframe is as designated for that participant's entity type. If annual audited financial statements of the member or the guarantor are not available, NSCC in its sole discretion may accept consolidated financial statements prepared at the parent level. If parent company audited consolidated financials are accepted by NSCC, they must be provided to NSCC no later than 30 days following the date of the auditor's opinion letter.

<sup>3</sup> If a participant files its FOCUS report electronically with the NASD, NYSE or CHX, and has authorized the primary regulator to forward the report to NSCC, then the participant need not file another copy with NSCC, unless notified by NSCC. These participants must however submit all other reports (including extension letters) to NSCC.

<b>Insurance Companies/Agencies</b>	<b>Required Report/Information</b>	<b>Due Date for Receipt by NSCC<sup>1</sup></b>
All insurance companies and agencies	A copy of any regulatory notification required to be made when a participant's capital levels or other financial requirements fall below levels required by applicable regulator	Submitted concurrently with submission to the applicable regulator
Insurance companies	Annual audited financial statements <sup>2</sup>	5 business days after submission to the applicable state regulator
	Reports filed with and/or filed in accordance with guidelines issued by, the National Association of Insurance Commissioners ("NAIC") or other regulatory authority (e.g. Blue Book)	5 business days after submission to relevant state insurance department
Insurance agencies	Reports filed with relevant state insurance departments	5 business days after submission to relevant state insurance department

<b>Investment Advisers</b>	<b>Required Report/Information</b>	<b>Due Date for Receipt by NSCC<sup>1</sup></b>
All investment advisers	Annual audited financial statements <sup>2</sup>	100 calendar days after fiscal year-end
	Form ADV	5 calendar days after submission to the SEC

<b>SEC Registered Investment Companies</b>	<b>Required Report/Information</b>	<b>Due Date for Receipt by NSCC<sup>1</sup></b>
All SEC registered 1940 Act Investment Companies	Annual audited financial statements <sup>2</sup> (Form N-CSR)	100 calendar days after the fiscal year-end

<b>Others</b>	<b>Required Report/Information</b>	<b>Due Date for Receipt by NSCC<sup>1</sup></b>
All other participants	Annual audited financial statements <sup>2</sup>	30 calendar days from date of auditors' opinion letter
	A copy of any regulatory notification required to be made when a participant's capital levels or other financial requirements fall below levels prescribed by the applicable regulator	Submitted concurrently with submission to the applicable regulator

<sup>1</sup> In all cases where a due date falls on a day that is not an NSCC business day, the due date shall be deemed to be the first NSCC business day immediately thereafter. Any member that is unable to comply with NSCC's reporting requirements because of special circumstances must inform NSCC by e-mail to [Credit-MarketRisk@dtcc.com](mailto:Credit-MarketRisk@dtcc.com) in advance of the date by which the report would otherwise be due.

<sup>2</sup> If a participant is admitted with a guarantee, the participant's annual audited financial statements, as well as annual audited financial statements for the guarantor, must be provided. The participant's timeframe is as designated for that participant's entity type. If annual audited financial statements of the member or the guarantor are not available, NSCC in its sole discretion may accept consolidated financial statements prepared at the parent level. If parent company audited consolidated financials are accepted by NSCC, they must be provided to NSCC no later than 30 days following the date of the auditor's opinion letter.