

# **IMPORTANT NOTICE**

**National Securities Clearing Corporation**



**A#6687  
P&S #6257**

**DATE: September 2, 2008**  
**TO: All Participants**  
**ATTENTION: Managing Partner/Officer, P&S Manager, Cashier Data Processing Manager, Fund/SERV Participants**  
**FROM: George Perretti**  
**SUBJECT: Business Continuity Testing**

In order to strengthen our Business Continuity capabilities, The Depository Trust & Clearing Corporation (DTCC), like many of its customers, has taken a number of steps to enhance its internal business continuity plans. At the same time, as a centralized processing hub for the industry, DTCC has a responsibility to ensure that linkages with our customers can withstand a future crisis. Clearly, the failure of any single party in the clearance and settlement process can affect the continuity and certainty of settlement generally.

High volume participants utilizing dedicated lines are required to test connectivity between their alternate locations and the DTCC data centers at least once a year. Tests can be arranged by contacting DTCC at least three weeks in advance of a planned test. Participants should call 888-382-2721 choose option 1 then 5 to arrange a test. These tests should be completed by October 31, 2008 in order to avoid year-end freezes and year-end processing.

Firms affected by this requirement are notified individually by letter and /or phone early in each calendar year. Those participants who are required to conduct an annual connectivity test will receive written confirmation from DTCC upon successful completion of the required test. Any participant that is not required to conduct a test is encouraged to do so and if such test is successfully completed written notification of such action will also be provided by DTCC. Recognizing the criticality of this effort and the importance of regular testing, each DTCC subsidiary will impose a fine at year-end on those participants who, having been notified that they were required to test, fail to do so by December 31, 2008.

The alternate location must have a fully functional system that is capable of supporting all of the participant's critical interactions with the DTCC data center in the event the participant's primary location is unavailable. In addition, the contingency site communications equipment must use a dedicated line with equivalent capacity to the primary connection, and, if possible, use a different central switching office than the primary site.

PTS (and the replacement PBS) connections and Web services are not affected by this requirement.

We have assembled a highly skilled team that is ready and willing to assist you in meeting these requirements. If you have any questions or need further information, please contact Kenneth Wright, Director of Corporate Business Continuity at 212-855-1368 or contact the undersigned at 212-855-8176. We appreciate your continued cooperation and support in this critical industry-wide effort.

George Perretti  
Managing Director