

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 6912
P&S# 6482
Date: December 11, 2009
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 members and limited members 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, all fines imposed by NSCC against a full member, and fines above \$2,500 imposed against a limited member are subsequently reported to the U.S. Securities and Exchange Commission.

The attached schedule provides guidelines to firms for submission of ongoing financial and regulatory reports pursuant to Rule 2B. **Members are urged to review the attached schedule as submission deadlines for "other members" has been amended 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
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**

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.

To remove your name from the former system of email notifications, send a message to unsubscribe@dtcc.com

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, 19th floor
New York, NY 10041

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

Members and limited members 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.

Members and limited members are reminded that there are additional notification requirements, and penalties for violations thereof, that are currently in effect under the Rules. In particular, members and limited members are required to notify NSCC about certain material events and changes as set forth in Rule 2B of NSCC's Rules. The Rules can be obtained on NSCC's website at www.dtcc.com.

Questions regarding the information members and limited members 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.

Failure to Timely Provide Financial and Related Information

Fine Schedule

Request for information*	First Occasion	Second Occasion	Third Occasion	Fourth Occasion
Reports/Information**	\$300	\$600	\$1,500	***

*Fines to be levied for offenses within a moving twelve-month period beginning with the first occasion.

**For purposes of this Fine Schedule, “Reports/Information” shall mean the financial, regulatory and other information required to be submitted within a specified deadline to the Corporation.

***Fourth or more occasion fines will be determined by the Corporation with the concurrence of the Board of Directors.

If the Member’s late submission applies to more than one DTCC clearing agency subsidiary, the fine amount will be divided equally among the clearing agencies. Where the Member is a participant of DTC and is a common member of one or more of the other clearing agencies, the fine would be collected by DTC and allocated equally among other clearing agencies, as appropriate. If the member is not a DTC participant, but is a common member between NSCC and FICC, NSCC will collect the fine and allocate the appropriate portion to FICC. If the member is an FICC-only member, the fine amount will be divided equally between GSD and MBSD, as appropriate, and each division will collect its portion of the fine.

NSCC Submission Deadlines*

This schedule does not apply to limited members admitted under Addendum B, Sections 5-12 (Municipal Comparison Only Member, Data Services Only Member, Commission Billing Member, Settling Bank Only Member, Third Party Administrator Member, Investment Manager/Agent Member and AIP Member) and members admitted under Rule 61 - International Link.

Broker/Dealers	Required Report/Information	Due Date for Receipt by NSCC¹
SEC-registered broker/dealers	Annual audited financial statements ² (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 ³ , 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

Banks/Trusts	Required Report/Information	Due Date for Receipt by NSCC¹
All domestic banks or trusts	Annual audited financial statements ²	100 calendar days after fiscal year-end
	A copy of any regulatory notification required to be made when a member'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 member's state or federal regulatory authority	Submitted within 5 calendar days of submission to the member'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.**

¹ 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 in advance of the date by which the report would otherwise be due.

² If a member is admitted with a guarantee, the member's annual audited financial statements, as well as annual audited financial statements for the guarantor, must be provided. The member's timeframe is as designated for that member's entity type; the guarantor's timeframe is as designated for that guarantor'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.

³ If a member files its FOCUS report electronically with FINRA or CHX, and has authorized the primary regulator to forward the report to NSCC, then the member need not file another copy with NSCC, unless notified by NSCC. These members must however submit all other reports (including extension letters) to NSCC.

Insurance Companies/Agencies	Required Report/Information	Due Date for Receipt by NSCC¹
All insurance companies and agencies	A copy of any regulatory notification required to be made when a member'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 ²	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

Investment Advisers	Required Report/Information	Due Date for Receipt by NSCC¹
All investment advisers	Annual audited financial statements ²	100 calendar days after fiscal year-end
	Form ADV	5 calendar days after submission to the SEC

SEC Registered Investment Companies	Required Report/Information	Due Date for Receipt by NSCC¹
All SEC registered 1940 Act Investment Companies	Annual audited financial statements ² (Form N-CSR)	100 calendar days after the fiscal year-end

Others	Required Report/Information	Due Date for Receipt by NSCC¹
All other members	Annual audited financial statements ²	Within 30 calendar days from date of auditors' opinion letter, but no later than 5 months after the fiscal year-end.
	A copy of any regulatory notification required to be made when a member's capital levels or other financial requirements fall below levels prescribed by the applicable regulator	Submitted concurrently with submission to the applicable regulator

¹ 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 in advance of the date by which the report would otherwise be due.

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Addendum O (*Policy Statement on the Admission of Non-U.S. Entities as Direct NSCC Members*) of NSCC's Rules & Procedures permits entities that are organized in a country other than the United States and that are not otherwise subject to U.S. federal or state regulation (“non-U.S. entities”) to be eligible to become direct NSCC Members, Mutual Fund/Insurance Services Members, Fund Members or Insurance Carrier/Retirement Services Members.

The Members, Mutual Fund/Insurance Services Members, Fund Members or Insurance Carrier/Retirement Services Members must provide all financial reports or other information requested by NSCC in English, with monetary amounts stated in U.S. dollar equivalents indicating the conversion rate and date used.

NSCC has not yet established admission criteria applicable to non-U.S entities that are insurance companies. NSCC will file a proposed rule change extending Addendum O to such non-U.S. applicants at such time as it has established applicable criteria.