



*The Depository Trust &  
Clearing Corporation*

# The Depository Trust & Clearing Corporation (DTCC)

## Fact Sheet

### General Description

- The Depository Trust & Clearing Corporation (DTCC), through its subsidiaries, provides clearance, settlement and information services for equities, corporate and municipal bonds, government and mortgage-backed securities, money market instruments and over-the-counter derivatives. In addition, DTCC is a leading processor of mutual funds and insurance transactions, linking funds and carriers with financial firms and third parties who market these products. In 2007, DTCC cleared and settled transactions worth \$1.86 quadrillion.
- DTCC's depository provides custody and asset servicing for more than 3.5 million securities issues from the United States and 110 other countries and territories, valued at \$40 trillion.
- DTCC is owned by its principal users and operates on an at-cost basis, which means once the cost of operations have been covered, its return excess revenue to users in the form of rebates, discounts and fee reductions.

### DTCC Subsidiaries

DTCC operates through six subsidiaries, each of which serves a specific segment and risk profile within the securities industry. They are:

- **National Securities Clearing Corporation (NSCC)**  
NSCC provides clearing, settlement, risk management, central counterparty services and a guarantee of completion for certain transactions for virtually all broker-to-broker trades involving equities, corporate and municipal debt, American depository receipts, exchange-traded funds, and unit investment trusts. NSCC also processes mutual funds and insurance transactions.
- **The Depository Trust Company (DTC)**  
The Depository Trust Company (DTC) provides clearing and settlement efficiencies by immobilizing securities and making "book-entry" changes to ownership of the securities.
- **Fixed Income Clearing Corporation (FICC)**  
The Fixed Income Clearing Corporation, through its Government Securities Division and Mortgage-Backed Securities Division, provides processing services for fixed income transactions.
- **Deriv/SERV LLC**  
Deriv/SERV LLC operates a centralized and secure global Trade Information Warehouse for processing over-the-counter (OTC) derivatives over their life cycle, which could extend for years.
- **DTCC Solutions LLC**  
DTCC Solutions LLC, through its Global Corporate Action Validation Service (GCA VS) and Managed Accounts Service, delivers information-based and business processing solutions to financial intermediaries globally.

- **EuroCCP Ltd.**

EuroCCP is a UK-registered and regulated company providing clearing and settlement services to the European trading venue Turquoise. EuroCCP has also been selected to clear and settle for the block trading platform SmartPool, owned by NYSE Euronext, HSBC, BNP Paribas and JPMorgan Chase, and the high frequency trading platform NYSE Arca Europe (a.k.a. Octopus). Both are expected to be launched before year-end 2008.

## **DTCC Joint Ventures**

- **Omgeo**

DTCC's joint venture with Thomson Financial, Omgeo, is the leading provider of post-trade, pre-settlement institutional trade management solutions, processing over one million trades per day and serving 6,000 investment managers, broker/dealers and custodians in more than 40 countries.

## **DTCC Key Statistics**

- NSCC's transaction fees are the lowest in the world for equities transactions at just \$0.00066 per 100 shares (or one-third of a cent -- \$0.003 -- per transaction) for clearing.
- EuroCCP's transaction fee is 2.9 eurocents per transaction on average vs. an average of 26 eurocents throughout Europe.
- NSCC's current processing capacity is 450 million transactions per day. DTCC maintains processing capacity of two to three times average market volume of the previous year to ensure it can seamlessly handle market spikes.
- DTCC employs roughly 2,800 full-time employees worldwide.

**Table - DTCC 2007 Performance in Brief**

Performance Item	2007	2006	% Change
<i>Revenue</i>	\$1.69 billion	\$1.36 billion	+ 24%
<i>Settlement</i>			
Value of securities settled through DTCC	\$1.86 quadrillion	\$1.5 quadrillion	+ 21%
Value of money market settlement activity (one side)	\$154.5 trillion	\$140.2 trillion	+ 10%
Value of securities on deposit at DTC:	\$ 40.1 trillion	\$ 36 trillion	+ 11%
Value of non-U.S. issues on deposit	\$ 7.6 trillion	\$ 4.66 trillion	+ 63%
Volume of book-entry deliveries	324.9 million	292.7 million	+ 11%
<i>Equity, ETF, corporate and municipal bond transactions processed (NSCC)</i>			
Value of NSCC equity, bond and ETF transactions processed	\$ 283.2 trillion	\$ 174.9 trillion	+ 62%
Volume	13.5 billion	8.5 billion	+ 59%
Volume on peak day (NSCC-6/8/06)	98.5 million	50.1 million	+ 97%
Peak day netting factor	99%	98%	n/a
<i>Government securities transactions processed (FICC)</i>			
Value of trades in-net	\$1 quadrillion	\$864.1 trillion	+ 16%
Volume	30.4 million	24.9 million	+ 22%
<i>Mortgage-backed securities transactions processed (FICC)</i>			
Value	\$ 94.9 trillion	\$ 76.1 trillion	+ 25%
Volume	2.1 million	1.7 million	+ 22%
<i>Deriv/SERV</i>			
Transactions volume	5.87 million	2.63 million	+ 123%
Total customers	1,078	753	+ 43%
<i>Mutual fund transactions processed (NSCC Fund/SERV)</i>			
Value	\$ 2.5 trillion	\$ 2.1 trillion	+ 19%
Volume	170 million	143 million	+ 19%
<i>Insurance applications, premiums and commissions processed (NSCC)</i>			
Value	\$ 20.8 billion	\$ 16.3 billion	+ 28%
Volume	63.1 million	53.5 million	+ 18%
<i>Underwriting</i>			
Value of issues	\$4.26 trillion	\$4.37 trillion	- 3%
Volume of issues	54,266	50,867	+ 7%
<i>Cash dividend and interest processing</i>			
Value of dividend and interest payments	\$ 1.92 trillion	\$ 1.79 trillion	+ 8%
Volume	4,844,000	4,389,000	+ 10%
<i>Corporate actions processing (Reorg)</i>			
Value of payments involved	\$1.874 trillion	\$ 1.471 trillion	+ 27%
Volume	280,795	271,780	+ 3%
<i>Number of certificates maintained at DTC (excluding custody)</i>	2,406,000	2,920,000	- 17%

DTCC = The Depository Trust & Clearing Corporation; NSCC = National Securities Clearing Corporation; FICC = Fixed Income Clearing Corporation; DTC = The Depository Trust Company

Prepared by Corporate Communications 02/1/08