DTCC GOVERNANCE COMMITTEE CHARTER

I. **Purpose**

The Board of Directors (the “Board”) of DTCC has established a Governance Committee (the “Committee”) to assist the Board in: (a) identifying, screening and reviewing individuals qualified to serve as directors and recommending to the Board candidates for nomination for election at the annual meeting of shareholders or to fill Board vacancies; (b) developing, recommending to the Board and overseeing implementation of DTCC’s Corporate Governance Policy and DTCC’s Board Code of Ethics; and (c) reviewing on a regular basis the overall corporate governance of DTCC and recommending improvements when necessary.

II. **Administrative Structure**

A. **Composition**

The Committee shall be composed of not less than three members, including the Chair of the Committee. All members of the Committee shall be members of the Board who are not employed by DTCC (“non-management” directors). Committee members shall be selected by the Board, upon nomination by the Governance Committee, and shall serve at the pleasure of the Board. At least one member of the Committee shall qualify as independent from the participant members of DTCC. The Committee shall include members with experience in corporate governance matters.

In the event of a vacancy on the Committee, the Committee will continue to undertake its responsibilities, so long as the remaining Committee members are capable of satisfying the quorum requirement.

B. **Committee Chair**

The Presiding Director shall serve as Chair of the Committee, and shall serve at the pleasure of the Board. In the absence of the Chair at any meeting of the Committee, those members of the Committee present shall designate a Committee member to serve as the Acting Chair.

C. **Meetings**

There shall be scheduled at least three meetings of the Committee annually, with additional meetings called as the Committee deems appropriate. Meetings of the Committee shall be called by the Chair or the Chair’s designee. Meetings of the Committee are open to all Board members and guests invited by the Board or the Committee. The Chair or the Chair’s designee shall, in consultation with management, as appropriate, prepare an agenda in advance of each meeting. The Chair or the Chair’s designee shall report regularly to the Board on Committee activities. The Committee also
retains the authority to call an “executive session” in which guests of the Committee in attendance may be excluded.

D. Quorum

A majority of the Committee members shall constitute a quorum for the transaction of business. For this purpose one (but not more than one) of the management Directors of the DTCC Board may serve as a member of the Committee.

E. Minutes and Reports

The Committee shall maintain minutes of all Committee meetings and shall report to the Board regularly on its activities through the circulation of the minutes of its meetings and by other means.

The Committee Chair is responsible for ensuring that important issues discussed at Committee meetings are reported to the full Board.

F. Staff Liaison

A designated officer of management shall serve to assist the Committee and to perform liaison functions between staff and the Committee. The Committee may also require the attendance at any Committee meeting of any additional officers or employees of DTCC as it deems appropriate.

III. Authority

A. Scope

Subject to the direction of the Board, the Committee is authorized to act on behalf of the Board with respect to any matter necessary or appropriate to the accomplishment of the purpose and responsibilities set forth in this Charter. In discharging its role, the Committee may inquire into any matter it considers appropriate to carry out its purpose and responsibilities, with access to all books, records, facilities and personnel of DTCC, and its wholly owned subsidiaries. The Committee also has the authority to retain advisors, consultants and/or counsel to assist it in carrying out its activities. DTCC shall provide adequate resources to support the Committee’s activities.

B. Delegation

The Committee may delegate a subset of its responsibilities to one or more subcommittees composed of members of the Committee. In addition, the Committee may rely on members of DTCC management to assist it in the undertaking of its responsibilities. However, in all instances, the Committee retains the obligation to oversee such delegated activity and to assure itself that delegation and reliance on the work of the persons delegated to and members of DTCC management is reasonable.
C. **Authority of the Chair**

The Chair of the Committee may act on behalf of the Committee in an emergency when immediate action is required and it is impractical to convene the Committee. In such instances, the Chair shall report on any actions taken as soon as possible to the Committee for its ratification.

D. **Advisory Resources**

The Committee may obtain such advice as it requires from time to time to address its responsibilities, whether through the appointment of one or more Advisory Councils to provide expert input, the engagement of consultants or other advisory resources, or through any other appropriate action.

**IV. Responsibilities**

The following responsibilities are set forth to guide the Committee in fulfilling its purpose; the Committee may undertake other and different activities as appropriate for that purpose, or as may be delegated to it by the Board of Directors.

The Committee shall:

1. Oversee the implementation and effectiveness of DTCC’s policies and procedures for identifying and reviewing Board nominee candidates, including review and modify, as appropriate, the criteria for Board nominees (including experience, qualifications, attributes or skills in light of DTCC’s business and structure, and the ability to represent users of the services of each of DTCC’s clearing and depository subsidiaries), and report modifications of such criteria to the Board;

2. Identify, screen and review individuals qualified to serve as directors of DTCC, (including evaluation of incumbent directors for potential renomination) and recommend to the Board candidates for nomination for election or re-election by the shareholders and any Board vacancies that are to be filled by the Board;

3. Assess the appropriateness of a director continuing to serve on the Board where such director submits his or her offer to resign upon the director ceasing to hold the principal occupation or business association that such director held when originally invited to join the Board, and recommend to the Board any action to be taken thereto;

4. Review annually the composition and size of the Board as a whole, including whether the Board reflects the appropriate balance of participant and non-participant directors, sound judgment, business specialization, technical skills, diversity and other desired qualities, and recommend to the Board increases or decreases in size as appropriate;
5. Review periodically the committee structure of the Board and recommend to the Board for its approval the appointment of directors to Board committees and assignment of committee Chairs;

6. Review the Board’s leadership structure in light of the specific characteristics or circumstances of DTCC and recommend any changes to the Board for approval;

7. Coordinate and provide oversight of the annual self-evaluation of the role and performance of the Board, its committees and management in the governance of DTCC;

8. Evaluate annually the effectiveness of the Board and Board committees;

9. Review conflicts of interest of directors and the manner in which any such conflicts are to be monitored;

10. Develop and recommend to the Board, oversee the implementation and effectiveness of, and recommend modifications as appropriate to, DTCC’s Corporate Governance Policy and DTCC’s Board Code of Ethics;

11. Ensure that critical matters and material systemic risk concerns are escalated to the full Board;

12. Provide oversight of the development by management of an appropriate orientation program for new Board members and continuing director education opportunities;

13. Review annually the Committee’s responsibilities as set forth in the Charter and recommend any changes to the Board; and

14. Undertake an annual self-assessment of the Committee’s performance and provide results of such assessment to the Board for review.