

BY-LAWS
OF
NATIONAL SECURITIES CLEARING CORPORATION

ARTICLE I

Shareholders

Section 1.1. Annual Meeting. The annual meeting of the shareholders of the Corporation for the election of directors and the transaction of such other business as may properly come before the meeting shall be held at such hour and place within or without the State of New York as the Board of Directors shall determine, or, if not so determined at 10:00 A.M. on the last day in April at the principal office of the Corporation, or, if that day shall be a Saturday, Sunday or a legal holiday in the place where the meeting is to be held, on the immediately preceding day not a Saturday, Sunday or a legal holiday.

Section 1.2. Special Meetings. Special meetings of the shareholders may be called by the Board of Directors, and shall be called by the Non-Executive Chairman of the Board, the President and Chief Executive Officer, a Managing Director or the Secretary at the written demand of a majority of the Board of Directors or at the written demand of the holders of at least twenty-five percent (25%) of all outstanding shares entitled to vote on the action proposed to be taken at such meeting, or as required by law. Any such call or demand shall state the purpose or purposes of the proposed meeting. On failure of any officer above specified to call such special meeting when duly demanded, any signer of such demand may call such special meeting and give notice thereof. Special meetings shall be held on the date specified in the notice thereof at such hour and place within or without the State of New York as may be specified in such notice. At any special meeting, only such business may be transacted which is related to the purpose or purposes set forth in the notice thereof, but any special meeting may be called and held in conjunction with an annual meeting of the shareholders.

Section 1.3. Record Date for Meetings and Other Purposes. For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining shareholders entitled to receive payment of any dividend or the allotment of any rights, or for the purpose of any other action, the Board of Directors may fix, in advance, a date as the record date for any such determination of shareholders. Such date shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. If no record date is so fixed by the Board of Directors, (a) the record date for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the day next preceding (i) the day on which notice is given, or, (ii) the day on which the meeting is held if notice is not given by reason of due waiver thereof, and (b) the record date for determining

shareholders for any other purpose shall be at the close of business on the day on which the resolution of the Board of Directors relating thereto is adopted.

A determination of shareholders of record entitled to notice of or to vote at any meeting of shareholders, made in accordance with this Section, shall apply to any adjournment thereof, unless the Board of Directors fixes a new record date under this Section for the adjourned meeting.

Section 1.4. Notice of Meetings. Whenever shareholders are required or permitted to take any action at a meeting, written notice shall be given stating the place, date and hour of the meeting and, unless it is the annual meeting, indicating that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a special meeting (including any such meeting to be held in conjunction with an annual meeting) shall also state the purpose or purposes for which the meeting is called. A copy of the notice of any meeting shall be given, not less than ten nor more than sixty days before the date of the meeting, to each shareholder entitled to vote, at such meeting. If mailed, such notice shall be given by sending it through the United States Postal Service, with postage thereon prepaid, directed to the shareholder at his address as it appears on the record of shareholders, or, if he shall have filed with the Secretary of the Corporation a written request that notices to him be mailed to some other address, then directed to him at such address.

When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. However, if after the adjournment, the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record on the new record date entitled to notice under this Section.

Section 1.5. Waivers of Notice. Notice of any meeting of shareholders need not be given to any shareholder who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any shareholder at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him.

Section 1.6. List of Shareholders at Meetings. A list of shareholders as of the record date, certified by the Secretary or by a transfer agent, shall be produced at any meeting of shareholders upon the request thereat or prior thereto of any shareholder. If the right to vote at any meeting is challenged, the inspectors of election, or person presiding thereat, shall require such list of shareholders to be produced as evidence of the right of the persons challenged to vote at such meeting, and all persons who appear from such list to be shareholders entitled to vote thereat may vote at such meeting.

Section 1.7. Quorum at Meetings. Except as otherwise provided by law or by the certificate of incorporation, the holders of a majority of the shares entitled to vote thereat shall

constitute a quorum at any meeting of shareholders for the transaction of any business, but the shareholders present may adjourn any meeting to another time or place despite the absence of a quorum. When a quorum is once present to organize a meeting, it shall not be broken by the subsequent withdrawal of any shareholders.

Section 1.8. Presiding Officer and Secretary. At any meeting of the shareholders, if none of the Non-Executive Chairman of the Board, the President and Chief Executive Officer or other person designated by the Board of Directors to preside at the meeting is present, the shareholders shall appoint a presiding officer for the meeting. If neither the Secretary nor an Assistant Secretary is present, the appointee of the person presiding at the meeting shall act as secretary of the meeting.

Section 1.9. Proxies. Every shareholder entitled to vote at a meeting of shareholders or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy shall be signed by the shareholder or his attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the shareholder executing it, except as otherwise provided by law. Proxies shall be delivered to the Secretary of the Corporation or, if inspectors are appointed to act at a meeting, to the inspectors.

Section 1.10. Inspectors of Election. The Board of Directors, in advance of any meeting of Shareholders, may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at the meeting may, and on the request of any shareholder entitled to vote thereat shall, appoint one or more inspectors. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. No director or officer of the Corporation shall be eligible to act as an inspector of an election of directors.

The inspectors shall determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all shareholders. On request of the person presiding at the meeting or any shareholder entitled to vote thereat, the inspectors shall make a report in writing of any challenge, question or matter determined by them and execute a certificate of any fact found by them.

Section 1.11. Voting. Whenever directors are to be elected by the shareholders, they shall be elected by a plurality of the votes cast at a meeting of shareholders by the holders of shares entitled to vote in the election. Whenever any corporate action, other than the election of directors, is to be taken by vote of the shareholders, it shall, except as otherwise required by law or by the certificate of incorporation, be authorized by a majority of the votes cast at a meeting of

shareholders by the holders of shares entitled to vote thereon.

Except as otherwise provided by law, every holder of record of shares of the Corporation entitled to vote on any matter at any meeting of shareholders shall be entitled to one vote for every such share standing in his name on the record of shareholders of the Corporation on the record date for the determination of the shareholders entitled to notice of or to vote at the meeting.

Section 1.12. Written Consent of Shareholders Without a Meeting. Whenever under any provision of law or of these By-Laws shareholders are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, settling forth the action so taken, signed by the holders of all outstanding shares entitled to vote thereon. The provisions of this Section shall not be construed to alter or modify any provision of law under which the written consent of the holders of less than all outstanding shares is sufficient for any corporate action.

ARTICLE II

Board of Directors

Section 2.1. Number of Directors. The entire Board shall consist of 27 directors until changed as hereinafter provided. The number of directors may be changed at any time and from time to time in accordance with Article VIII. Unless and until changed in accordance with this Section the number of directors constituting the entire Board shall continue in effect and no further action shall be required to fix such number at any meeting of the shareholders for the election of directors.

Section 2.2. Election and Term of Directors. At each annual meeting of shareholders, directors shall be elected to hold office until the next annual meeting. Each such director shall hold office from the time of his election and qualification until the annual meeting of shareholders next succeeding his election and until his successor has been elected and qualified.

Section 2.3. Newly-Created Directorships and Vacancies. Newly-created directorships resulting from an increase in the number of directors and vacancies occurring in the Board for any reason, including the removal of directors by the shareholders without cause and by the shareholders or the Board of Directors for cause, may be filled only by vote of the Board or of the shareholders. If the number of the directors then in office is less than a quorum, such newly created directorships and vacancies may be filled by vote of a majority of the directors then in office. A director elected to fill a vacancy shall hold office until the next annual meeting of shareholders and until his successor has been elected and qualified.

Section 2.4. Resignations. Any director may resign from his office at any time by delivering his resignation in writing to the Corporation, and the acceptance of such resignation, unless required by the terms thereof, shall not be necessary to make such resignation effective.

Section 2.5. Removal of Directors. Except as otherwise provided by law, any or all of the directors may be removed, for cause, by vote of the shareholders or the Board of Directors and may be removed, without cause, by vote of the shareholders.

Section 2.6. Meetings. Meetings of the Board, regular or special, may be held at any place within or without the State of New York as the Board from time to time may fix or as shall be specified in the respective notice of waivers of notice thereof. Any meeting of the Board or any committee thereof may be conducted by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation in a meeting by such means shall constitute presence in person at such meeting. The Board may by resolution fix times and places for regular meetings of the Board and no notice of such meetings need be given. Special meetings of the Board shall be held whenever called by the Non-Executive Chairman of the Board, the President and Chief Executive Officer, a Managing Director or by at least one-third of the directors for the time being in office. Notice of each such meeting shall be given by the Secretary or by a person calling the meeting to each director by mailing the same not later than the second day before the meeting, or by telegraphing, cabling, telephoning, faxing, electronically transmitting or personally delivering the same not later than one day before the meeting. Notice of a meeting need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or such committee consent in writing to the adoption of a resolution authorizing such action. Each resolution so adopted and the written consents thereto by members of the Board or such committee shall be filed with the minutes of the proceedings of the Board or such committee.

Section 2.7. Quorum and Voting. Except as otherwise provided by the certificate of incorporation, a majority of the Directors of the Board then in office shall constitute a quorum for the transaction of business or of any specified item of business; provided, however, that when a majority of the entire Board is once present to organize a meeting, one-third of the entire Board shall thereafter constitute a quorum for the transaction of business or any specified item of business at such meeting. Except as otherwise provided by law or by the certificate of incorporation or by these By-Laws, the vote of a majority of the directors present at a meeting at the time of the vote, if a quorum is present at such time, shall be the act of the Board; but provided that a majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. No notice of any such adjournment need be given.

Section 2.8. Non-Executive Chairman of the Board. The Non-Executive Chairman of the Board shall be responsible for carrying out the policies of the Board. He shall have general supervision over the Board and its activities, and shall provide overall leadership to the Board. He shall preside at all meetings of the stockholders and of the Board at which he is present. The

Non-Executive Chairman of the Board shall have such other powers and perform such other duties as the Board may designate. The performance of any such duty by the Non-Executive Chairman of the Board shall be conclusive evidence of his power to act.

In the absence of the Non-Executive Chairman of the Board, the presiding director, as elected by the Board, shall preside at all meetings of the stockholders and of the Board at which he or she is present.

Section 2.9. Executive Committee. The Board, by resolution adopted by a majority of the entire Board, may designate from among its members an Executive Committee, consisting of five or more directors, which, to the extent provided in the resolution and to the extent permitted by law, shall have all the authority of the Board between meetings of the Board. The Board may designate one or more directors as alternate members of the Executive Committee, who may replace any absent member or members at any meeting of the Executive Committee. Members of the Executive Committee shall serve at the pleasure of the Board.

Section 2.10. Audit Committee. The Board of Directors may appoint an Audit Committee consisting of three or more directors other than officers of the Corporation or of The Depository Trust & Clearing Corporation. Members of the Audit Committee shall serve at the pleasure of the Board. The Audit Committee shall review with the Corporation's independent certified public accountants the scope of their auditing procedures, the financial statements of the Corporation which the accountants propose to certify, the proposed certification thereof and such other matters relating to the auditing of the Corporation by its independent certified public accountants as such Committee shall deem appropriate, and shall have such other and further duties and powers as may be delegated to it by resolution of the Board of Directors from time to time. The Board may designate one or more directors as alternate members of the Audit Committee, who may replace any absent member or members at any meeting of the Audit Committee.

Section 2.11. Other Committees. The Board of Directors may also appoint or provide for such other committees consisting of such directors, officers or other persons and having such powers and functions in the management of the Corporation as the Board of Directors may see fit.

Section 2.12. Compensation of and Loans to Directors. No loan shall be made by the Corporation to any director. Directors may receive compensation for services to the Corporation in their capacities as directors or otherwise in such amounts as may be fixed from time to time by the Board.

ARTICLE III

Officers, Agents and Employees

Section 3.1. General Provisions. The officers of the Corporation shall be a President and Chief Executive Officer, who shall be elected by the Board of Directors from among its own number, one or more Managing Directors, a Secretary, a Chief Financial Officer, a Treasurer, and an Auditor, and may include one or more Assistant Secretaries and one or more Assistant Treasurers. The officers shall be elected by the Board at the first meeting of the Board after the annual meeting of the shareholders in each year. The Board may elect or appoint other officers (including, but not limited to, a Vice Chairman of the Corporation, and one or more Executive Directors), agents and employees, who shall have such authority and perform such duties as may be prescribed by the Board. Each officer shall hold office for the term for which he is elected or appointed and until his successor has been elected or appointed and qualified. Any two or more offices may be held by the same person, except that neither the Secretary nor any Assistant Secretary shall be the Vice Chairman of the Corporation, or the President and Chief Executive Officer. Any officer, agent or employee of the Corporation may be removed, or his authority suspended, by the Board with or without cause. Such removal or suspension of authority without cause shall be without prejudice to such person's contract rights, if any, but the election or appointment of any person as an officer, agent or employee of the Corporation shall not be deemed of itself to create contract rights. The Board may require any officer, agent or employee to give security for the faithful performance of his duties.

Section 3.2. Powers and Duties of the President and Chief Executive Officer. The President and Chief Executive Officer shall have general supervision over the overall business strategy, business operations, systems, customer outreach, and risk management, control and staff functions (including, but not limited to, compliance, internal audit, finance, legal and human resources) of the Corporation, subject to the direction of the Board and the Non-Executive Chairman of the Board.

He shall have such other powers and perform such other duties as the Board or the Non-Executive Chairman of the Board may designate. The President and Chief Executive Officer may vote the shares or other securities of any other domestic or foreign corporation of any type or kind which may at any time be owned by the Corporation, may execute any shareholders' or other consents in respect thereof and may in his discretion delegate such powers by executing proxies, or otherwise, on behalf of the Corporation. The Board, by resolution from time to time, may confer like powers upon any other person or persons.

Section 3.3. Powers and Duties of Managing Directors. Each Managing Director shall have such powers and perform such duties as the Board of Directors, the Non-Executive Chairman of the Board or the President and Chief Executive Officer may assign to him.

Section 3.4. Powers and Duties of the Secretary. The Secretary shall have charge of the minutes of all proceedings of the shareholders and of the Board of Directors. He shall attend to the giving of all notices to shareholders and directors. He shall have charge of the seal of the Corporation and shall attest the same by his signature whenever required. He shall have charge of the record of shareholders of the Corporation, and of such other books and papers as the Board may direct. He shall have all such powers and duties as generally are incident to the position of Secretary or as the Board or the Non-Executive Chairman of the Board may assign to him.

Section 3.5. Powers and Duties of the Chief Financial Officer. The Chief Financial Officer shall perform all the powers and duties of the office of the chief financial officer and in general have overall supervision of the financial operations of the Corporation. The Chief Financial Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as he may agree with the President and Chief Executive Officer or as the Board may from time to time determine. The Chief Financial Officer shall report directly to the President and Chief Executive Officer.

Section 3.6. Powers and Duties of the Treasurer. The Treasurer shall have charge of all funds and securities beneficially owned by the Corporation, shall endorse the same for deposit or collection when necessary and deposit the same to the credit of the Corporation in such banks or depositories as the Board of Directors may authorize. He may endorse all commercial documents requiring endorsements for or on behalf of the Corporation and may sign all receipts and vouchers for payments made to the Corporation. He shall have all such powers and duties as generally are incident to the position of Treasurer or as the Board, the President and Chief Executive Officer or the Chief Financial Officer may assign to him.

Section 3.7. Powers and Duties of the Auditor. The Auditor shall make such examination of the accounts, records and transactions of the Corporation as may be required by the Board of Directors and he shall perform such other duties as are prescribed in an audit program approved by the Board. He shall be free to examine any department or section of the Corporation routinely without previous officer consultation. He shall maintain a summary record of dates of completed audits, and shall make periodic reports to the Board or a committee thereof which shall include such suggestions and recommendations which he may consider advisable to make. He shall make periodic reports to the Board or a committee thereof on subjects specified by the Board or a committee thereof or on those chosen by the Auditor on the status of any audit in progress and shall cooperate and coordinate with the Board or a committee thereof in the performance of his duties.

Section 3.8. Powers and Duties of Assistant Secretaries. In the absence or inability to act of the Secretary, any Assistant Secretary may perform all the duties and exercise all the powers of the Secretary. The performance of any such duty shall be conclusive evidence of his power to act. An Assistant Secretary shall also perform such other duties as the Board of Directors or the Secretary may assign to him.

Section 3.9. Powers and Duties of Assistant Treasurers. In the absence or inability to act of the Treasurer, an Assistant Treasurer may perform all the duties and exercise all the powers of the Treasurer. The performance of any such duty shall be conclusive evidence of his power to act. An Assistant Treasurer shall also perform such other duties as the Board of Directors or the Treasurer may assign to him.

Section 3.10. Compensation of the President and Chief Executive Officer. The Compensation Committee shall recommend compensation for the President and Chief Executive Officer to the Board of Directors for approval.

ARTICLE IV

Indemnification

Section 4.1. Directors and Officers. The Corporation shall, to the fullest extent to which it is empowered to do so by the New York Business Corporation Law or any other applicable laws, as may from time to time be in effect, indemnify any person who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of that fact that he or she, or his or her testator or intestate, is or was a director or officer of the Corporation, is or was a member of a committee established by the Board of Directors of the Corporation, or is or was serving any other corporation, domestic or foreign, partnership, joint venture, trust, employee benefit plan or other business enterprise or entity in any capacity at the request of the Corporation, against all expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding. The Corporation may advance his or her related expenses and secure appropriate indemnification insurance, to the full extent permitted by law.

Section 4.2. Employees. The Corporation shall indemnify an employee or his estate who has been made, or is threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact of his (or his testator's or intestate's) employment as a member of the Corporate legal staff or his (or his testator's or intestate's) service when requested by the Corporation to serve any other corporation, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan, or other business enterprise or entity in any capacity, when said employee has acted in good faith within the scope of his employment. The Corporation may advance his related expenses and secure appropriate indemnification insurance, to the full extent permitted by law.

ARTICLE V

Shares of the Corporation

Section 5.1. Certificates for Shares. The shares of the Corporation shall be represented by certificates in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the President and Chief Executive Officer or the Non-Executive Chairman of the Board and by the Secretary or an Assistant Secretary, may be sealed with the seal of the Corporation or a facsimile thereof, and shall contain such information as is required by law to be stated thereon. All certificates for shares shall be consecutively numbered or otherwise identified. All certificates exchanged or surrendered to the Corporation for transfer shall be canceled.

Section 5.2. Record of Shareholders. The Corporation shall keep at the office of the Corporation in the State of New York a record containing the names and addresses of all shareholders, the number and class of shares held by each and the dates when they respectively became the owners of record thereof. The Corporation shall be entitled to treat the persons in

whose names shares stand on the record of shareholders as the owners thereof for all purposes.

Section 5.3. Transfers of Shares. Transfers of shares on the record of shareholders of the Corporation shall be made only upon surrender to the Corporation of the certificate or certificates for such shares, duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer.

Section 5.4. Lost, Stolen or Destroyed Certificates. The Corporation may issue a new certificate for shares in place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Board may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against it on account of the alleged loss, theft or destruction or any such certificate or the issuance of any such new certificate. The Board may require such owner to satisfy other reasonable requirements.

ARTICLE VI

Seal

The seal of the Corporation shall be circular in form and contain the name of the Corporation, the words "Corporate Seal" and "New York" and the year the Corporation was formed in the center. The Corporation may use the seal by causing it or a facsimile to be affixed or impressed or reproduced in any manner.

ARTICLE VII

Checks, Notes, Drafts, etc.

Checks, notes, drafts, acceptances, bills of exchange and other orders or obligations for the payment of money shall be signed by such officer or officers or person or persons as the Board of Directors shall from time to time determine.

ARTICLE VIII

Amendments

These By-Laws may be amended or repealed, and new By-Laws may be adopted, (1) by vote of the holders of all the outstanding shares at the time entitled to vote in the election of any directors, at any annual meeting of the shareholders, or at any special meeting of the shareholders called for that purpose, or (2) by the Board of Directors except as herein provided. The Board may not adopt, amend or repeal any By-Laws relating to (1) the right of shareholders to call a special meeting of the shareholders and determine the matters to be acted upon at such a meeting or (2) loans by the Corporation to directors and may not amend or repeal this sentence

of the By-Laws. Any By-Law adopted by the Board may be amended or repealed by the shareholders entitled to vote thereon as herein provided. A By-Law adopted by the shareholders may provide that such By-Law shall not be subject to amendment or repeal by the Board.

ARTICLE IX

Gender References

These By-Laws are intended to be gender neutral. Any reference in these By-Laws to one gender shall be deemed to include the other.