



Important Notice

National Securities Clearing Corporation

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| A #: | 7482 |
| P&S #: | 7052 |
| Date: | September 5, 2012 |
| To: | ALL PARTICIPANTS |
| Attention: | MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; MANAGER P&S DEPARTMENT; MANAGER DATA PROCESSING; CASHIER |
| From: | General Counsel's Office |
| Subject: | Rule Filing SR-NSCC-2012-07 - Elimination of the Exchange Traded Funds Creation and Redemption Unit Pre-Net and Technical Changes to the Rules |

On September 4, 2012, National Securities Clearing Corporation (“NSCC”), submitted a proposed rule filing, SR-NSCC-2012-07, to the U.S. Securities and Exchange Commission pursuant to Rule 19(b)(3)(A) of the Securities Exchange Act of 1934. The proposed rule change amends NSCC’s Rules and Procedures (the “Rules”) to: (a) eliminate the pre-netting by NSCC of Exchange-Traded Fund (“ETF”) creation and redemption instructions (a.k.a. creation unit netting) prior to the multi-lateral netting process used for Continuous Net Settlement (“CNS”) and non-CNS (balance order) processing, and (b) effect certain technical changes. The proposed rule change will become **effective with processing date September 20, 2012.**

For additional information on the elimination of the “pre-net” of ETF creations and redemptions please see NSCC Important Notice A#7459, P&S#7029, dated July 17, 2012 (and revised as of August 16, 2012).

The full text of the proposed rule change may be obtained by visiting the website of NSCC’s parent at www.dtcc.com. Written comments on the proposed rule filing may be addressed to John Petrofsky, Director and Associate Counsel, NSCC, 55 Water Street, New York, New York 10041, and your comments will be forwarded to the Commission. You may also address your written comments to the Secretary of the Commission, Securities and Exchange Commission, 100 F Street, NE, Washington DC 20549-1090. We request that you provide NSCC with a copy of your comments.

Questions pertaining to this Important Notice may be directed to your Relationship Manager.