



B#:	1262-14
Date:	February 5, 2015
To:	ALL PARTICIPANTS
Category:	Compliance
From:	General Counsel's Office
Attention:	Managing Partners, Officers, CFO, Compliance Officers
Subject:	Participant Financial Responsibility and Operational Capability Notification Requirements

Attached are the Reporting Requirements for Participants of The Depository Trust Company.

As of January 2015

Important Reporting Requirements: DTC

Non-Confidential (White)

Table of Contents

Introduction	4
Delivery Instructions	4
Extension Requests	5
Reporting of Material Events	5
Fine Schedule	6
DTC Reporting Requirements	7
Broker-Dealers Registered under the Securities Exchange Act of 1934	7
Domestic Banks Trust Companies with Domestic Offices Only	7
Domestic Banks or Trust Companies with Domestic and Non-Domestic Offices	8
Domestic Banks, Trust Companies, or Credit Unions with no Obligation to File CALL Reports.....	8
Foreign Banks, Including those with a U.S. Branch or Agency	8
Central Securities Depositories (CSDs).....	9
Government Sponsored Enterprises that file Form 10-K or 10-Q with the SEC.....	9
Exchanges.....	9
All Other Participants	9

Introduction

Pursuant to the Rules and Procedures (the “Rules”) of The Depository Trust Company (“DTC”), Participants are required to submit certain information, including ongoing financial, operational, and regulatory reports. Please note that all amendments or addenda to such reports or information must be submitted to DTC concurrently with their submission to the applicable primary regulator, or as soon as practicable if not filed with a regulator.

Those Participants that fail to comply with these requirements may be subject to disciplinary sanctions including, but not limited to, fines. Pursuant to regulatory requirements, all fines imposed by DTC are subsequently reported to the U.S. Securities and Exchange Commission.

Pursuant to DTC’s Rule 2, Participants must demonstrate to DTC that the Participant has adequate financial and operational capability to meet all of its anticipated obligations to the Corporation. The Rule also requires that Participants furnish to the Corporation adequate assurances of their financial responsibility and operational capability, as the Corporation may at any time deem necessary.

The attached schedule provides guidelines to firms for submission of ongoing financial and regulatory reports. **Participants are urged to review the attached schedule and incorporate the indicated filing deadlines into their internal procedures.**

The Rules can be obtained on DTC’s website at <http://www.dtcc.com/legal/rules-and-procedures.aspx>.

DTCC offers enhanced access to all important notices via a Web-based subscription service. The 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/rss-feeds.aspx>.

Delivery Instructions

Please send all required financial information **in electronic form** by the due date to the following e-mail address:

Credit-MarketRisk@dtcc.com

Please provide the following information in the subject line: Participant Name, Reporting Period Covered, and Type of Report

DTC highly recommends that all financial information be provided in electronic form to ensure receipt. However, additional options are listed below:

- 1) By mail (return receipt recommended) to:
The Depository Trust & Clearing Corporation
P.O. Box 5082
Bowling Green Station
New York, New York 10274

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- 2) By facsimile to: (201) 533-6641, Attn: CRU
- 3) By overnight delivery only to:
The Depository Trust & Clearing Corporation (DTCC)
55 Water Street
Attn: CRU
New York, New York 10041

Participants that submit identical reports to FICC or NSCC need not submit duplicate reports to DTC as long as they identify DTC among the names of the clearing agencies to which the submission relates.

Extension Requests

If it has been determined that a deadline cannot be met for legitimate reasons, the Participant must provide a formal request for extension **prior to the due date** via e-mail to credit-marketrisk@dtcc.com stating the reason an extension is needed and the proposed submission date. Broker-dealers must also provide a copy of their regulator's letter approving the extension.

Reporting of Material Events

DTC Participants are required to timely notify the Corporation of material events that may impact the Participant's financial and operational capability 90 days prior to the change taking effect. Such events include, but are not limited to:

- Material change in ownership, control, or management;
- Material organizational changes including mergers, acquisitions, changes in corporate form, and/or name changes;
- Material change in business lines, including but not limited to, new business lines undertaken;
- Decreases of 25% or greater in excess net capital (broker/dealers) or net worth (banks);
- Participation as a defendant in litigation, which could reasonably have a direct negative impact on the Participant's financial condition or ability to conduct business.

If notice cannot be given 90 days in advance for a particular reason (e.g., the Board did not approve or regulators did not authorize the change 90 days prior to the effective date), DTC Participants must provide written documentation along with the notification demonstrating that the timeframe for the notice provided to DTC is reasonable given the facts. This will permit DTC to determine in advance whether a violation of DTC's rules has occurred.

Questions regarding the information Members are required to provide under DTC's Rules should be addressed to your Relationship Manager, or you can call the Relationship Management Hotline at (212) 855-4155.

Questions regarding fines imposed by the Corporation should be addressed to the Compliance Department Hotline at (212) 855-8030.

Fine Schedule

Failure to Timely Provide Financial and Related Information

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 Participant’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 DTCC’s other clearing agencies, the fine will be collected by DTC and allocated equally among the other clearing agencies, as appropriate.

DTC Submission Deadlines¹

I. Brokers or Dealers Registered under the Securities Exchange Act of 1934

- A. Full confidential version of the annual audited financial statements², including report on internal controls: **70 calendar days after fiscal year-end**
- B. FOCUS or FOGS reports³: **20 business days after month-end**
- C. Supplemental report required to be filed pursuant to SEC Rule 17a-11 or 17 C. F. R. Sec. 405.3: **Submitted concurrently with submission to the SEC**
- D. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- E. Extension request, if applicable
- F. Regulatory extension approval letter, if applicable

II. Domestic Banks or Trust Companies with Obligation to File CALL Reports with Domestic Offices Only

- A. Full confidential version of the annual audited financial statements²: **100 calendar days after fiscal year-end**
- B. Quarterly CALL Report: **35 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

¹ In all cases where a due date falls on a day that is not a DTC business day, the due date shall be deemed to be the first DTC business day immediately thereafter. **Any Participant that is unable to comply with DTC's reporting requirements because of special circumstances must inform DTC by e-mail to Credit-MarketRisk@dtcc.com in advance of the date by which the report would otherwise be due.**

² If a Participant is admitted with a guarantee, the Participant's annual audited financial statements, as well as annual audited financial statements for the guarantor, must be provided. The Participant's timeframe is as designated for that Participant's entity type; the guarantor's timeframe is as designated for that guarantor's entity type. If annual audited financial statements of the Participant or its guarantor are not available, DTC in its sole discretion may accept consolidated financial statements prepared at the parent level. If parent company audited consolidated financials are accepted by DTC, they must be provided to DTC no later than 30 days following the date of the auditor's opinion letter.

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

III. Domestic Banks or Trust Companies with Obligation to File CALL Reports with Domestic and Non-Domestic Offices

- A. Full confidential version of the annual audited financial statements²: **100 calendar days after fiscal year-end**
- B. Quarterly CALL Report: **45 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

IV. Domestic Banks, Trust Companies, or Credit Unions with No Obligation to File CALL Reports

- A. Full confidential version of the annual audited financial statements²: **100 calendar days after fiscal year-end**
- B. Unaudited Monthly, Quarterly, or Semi-Annual Financial Information (as applicable) as filed with the participant's state or federal regulatory authority: **35 calendar days after period-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

V. Foreign Banks, including those with a U.S. Branch or Agency

- A. Full confidential version of the annual audited financial statements²: **5 months after fiscal year-end**
- B. Quarterly Financial Statements for the Foreign Bank: **75 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

VI. Central Securities Depositories (CSDs)

- A. Full confidential version of the annual audited financial statements²: **5 months after fiscal year-end**
- B. Quarterly Income Statement and Balance Sheet: **75 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

VII. Government Sponsored Enterprises (“GSE”) that File Form 10-K and 10-Q with the SEC

- A. Form 10-K (pursuant to the Securities Exchange Act of 1934): **75 calendar days after fiscal year-end**
- B. Form 10-Q (pursuant to the Securities Exchange Act of 1934): **45 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

VIII. Exchanges

- A. Full confidential version of the annual audited financial statements²: **6 months after fiscal year-end**
- B. Quarterly Income Statement and Balance Sheet: **45 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below prescribed levels: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

IX. All Other Participants

- A. Full confidential version of the annual audited financial statements²: **5 months after fiscal year-end**
- B. Unaudited Quarterly Financial Information: **45 calendar days after quarter-end**
- C. Copy of any regulatory notification required to be made when a Participant's capital levels or other financial requirements fall below levels prescribed by the applicable primary regulator: **Submitted concurrently with submission to the applicable primary regulator**
- D. Extension request, if applicable

Pursuant to DTC's *Policy Statement on the Admission of Non-U.S. Entities as Direct Depository Participants*, foreign entities must provide to DTC, for financial monitoring purposes, audited financial statements prepared in accordance with U.S. generally accepted accounting principles or other generally accepted accounting principles that are satisfactory to DTC. Foreign entities must provide all financial reports or other information requested by DTC in **English**.