



Important Notice
National Securities Clearing Corporation

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Date:	March 5, 2019
To:	All Participants
Category:	Executive Notice
From:	David LaFalce, DTCC Executive Director
Attention:	Executive Management, CIO, CTO, Network Management
Subject:	2019 Business Continuity Testing

In order to test our business continuity capabilities, National Securities Clearing Corporation (“NSCC”), along with its parent company, The Depository Trust & Clearing Corporation (“DTCC”), like many of its Members, has taken a number of steps to enhance its internal business continuity plans. At the same time, as a centralized processing hub for the industry, NSCC has a responsibility to ensure that linkages with its Members can withstand a future crisis. Clearly, the failure of any single party in the clearance and settlement process can affect the continuity and certainty of settlement generally.

High volume NSCC Members utilizing dedicated lines are required to test connectivity between their alternate locations and the DTCC data centers at least once a year. Tests can be arranged by contacting DTCC at least three weeks in advance of a planned test. Members should call 212-855-8989 and choose option 1 then option 2. These tests should be completed by **October 31, 2019** to avoid year-end freezes and year-end processing.

These connectivity tests are in addition to the annual business continuity and disaster recovery tests that are being coordinated across the industry as required by Regulation SCI. For more information regarding these separate Regulation SCI business continuity tests, please contact your relationship manager or the undersigned.

Member firms affected by the requirement to test connectivity are notified individually by letter and /or phone early in each calendar year. Those NSCC Members who are required to conduct an annual connectivity test will receive written confirmation from DTCC upon successful completion of the required test. Any Member that is not required to conduct a test is encouraged to do so and if such test is successfully completed, written notification of such action will also be provided by DTCC. Recognizing the criticality of this effort and the importance of regular testing, NSCC will impose a fine, pursuant to Addendum P, Section 7 of NSCC’s Rules, at year-end on those Members who, having been notified that they were required to test, fail to do so by December 31, 2019.

If you have any questions or need further information, please contact David LaFalce, Executive Director, Global Head of Business Continuity and Crisis Management at 212-855-2688. We appreciate your continued cooperation and support in this critical effort.

David LaFalce, Executive Director

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