

IMPORTANT NOTICE

National Securities Clearing Corporation



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Date: September 30, 2009
To: All Participants
Attention: Managing Partner/Officer; Operations
Partner/Officer; Manager P&S Department
Manager Data Processing Department
Information Technology Department
From: Bill J. Kapogiannis
Subject: Universal Trade Capture (UTC) – Proposed New Record Formats

Overview

The Universal Trade Capture (UTC) application will standardize, streamline, consolidate and modernize the National Securities Clearing Corporation (NSCC) trade capture process. Subject to approval of the U.S. Securities and Exchange Commission, UTC will replace all current equity trade capture applications with one central real-time validation and reporting process. The features of UTC are as follows:

- **Real-time trade validation and output** - UTC will have the capability to accept or reject, validate, process, and send contract sheet output to participants in real-time.
- **Common format for all trade capture input and output** – Participants will only have to support one standardized input and output format for all equity trade activity.
- **Intraday master file updates** – UTC will report pending and rejected items in real-time and re-validate pending items intra-day, when master files are updated.

To support maximum flexibility in allowing firms to migrate to their own schedules, UTC will continue to support all existing interfaces with markets, participants and regulatory agencies after UTC is implemented. NSCC will establish a plan for the retirement of all legacy input and output formats once critical mass has been achieved. To support the migration period, NSCC will run a process for those markets that are not yet ready to submit in the new common input format. This conversion process will enable NSCC to offer participants the new output format regardless of whether the market has converted to the new standard.

New Input/Output Formats

The UTC is expected to receive a common input format from all marketplaces and provide real-time message output and intra-day MRO output via a common FIX format.

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The new record formats were developed through various industry meetings with member firms, marketplaces and service providers. Please review the attached input and output formats and provide any feedback to the undersigned by October 16, 2009.

Please access the new proposed record formats via the following link:

http://198.106.176.2/learning/content/wigs/clearance_settlement/UTC_wig/index.html

Implementation Schedule

The UTC application is expected to be implemented in early 2011. Participant testing is slated to begin in Q3 2010. NSCC intends to publish the final format specifications by October 31, 2009.

For additional information or questions, please contact the undersigned at bkapogiannis@dtcc.com or your DTCC Relationship Manager.

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