

THE DEPOSITORY TRUST COMPANY

**SUBJECT: Participant Financial Responsibility and
Operational Capability Notification Requirements**

The purpose of this notice is to remind Participants of their responsibilities under DTC's Rules to furnish DTC with certain required information, which includes ongoing financial, operational and regulatory reports. Pursuant to DTC's Rules, those Participants that fail to comply with these requirements may be subject to disciplinary sanctions including, but not limited to, fines. The Rules can be obtained on DTC's website at www.dtc.org.

Ongoing Submission of Financial and Regulatory Reports

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.**

Financial information may be submitted in either of the following ways:

1) By mail (return receipt recommended) to:

The Depository Trust & Clearing Corporation
55 Water Street
Attn: Credit & Market Risk – 19th Floor
New York, NY 10041

2) By email to: Credit-MarketRisk@dtcc.com

3) By Facsimile to: 212-363-3120

In addition, DTC Participants are required to timely notify the Corporation of material events that may impact the Participant's financial and operational capability. 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, 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.

Questions regarding the information participants are required to provide under DTC's Rules should be addressed to Thomson H. Chung, Risk Management, at (212) 855-5758.

Nancy J. Leo
Chief Officer
Office of Corporate and Regulatory Compliance
General Counsel's Office

Attachment: DTC Submission Deadlines

DTC Submission Deadlines

Broker/Dealers	Required Report/Information	Due Date for Receipt by DTC ¹
All brokers or dealers registered under the Securities Exchange Act of 1934	Annual audited financial statements ² , or regulatory extension letter (Confidential version, including the report on internal control)	60 calendar days after the fiscal year-end
	FOCUS ³ or FOGS reports, or regulatory extension letter	Within the same time period as required to be filed with the participant's DEA or the SEC, whichever later
	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

Banks/Trusts	Required Report/Information	Due Date for Receipt by DTC ¹
All domestic banks or trusts	Annual audited financial statements ²	90 calendar days after the fiscal year-end
	Call Report <u>or</u> unaudited quarterly financial information (for banks/trusts that do not file a Call Report)	Within the same time period as required to be filed with the participant's state or federal regulatory authority
All foreign banks, including those with a U.S. branch or agency	Annual audited financial statements ²	6 months after the fiscal year-end
	Quarterly financial statements for the foreign bank	75 calendar days after the end of each fiscal quarter
All banks and trusts	A 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 regulator

Submission schedule continued on next page...

¹ In all cases where a due date falls on a day that is not a business day, the due date shall be deemed to be the first business day immediately thereafter.

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.

³ If participant files its FOCUS report electronically with the NASD, NYSE or CHX, 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.

Others	Required Report/Information	Due Date for Receipt by DTC¹
All Central Securities Depositories	Annual audited financial statements ²	9 months after the fiscal year-end
All other participants	Annual audited financial statements ²	90 calendar days after the fiscal year-end
	Unaudited quarterly financial information	Submitted concurrently with submission to the applicable regulator
	A 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 regulator

¹ In all cases where a due date falls on a day that is not a business day, the due date shall be deemed to be the first business day immediately thereafter.

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.