

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 6958
P&S# 6528
Date: March 4, 2010
To: ALL PARTICIPANTS
Attention: MANAGING PARTNER/OFFICER, OPERATIONS
PARTNER/OFFICER, COMPLIANCE OFFICER
From: GENERAL COUNSEL'S OFFICE
Subject: REVISED -- RULE FILING SR-NSCC-2010-02—AGGREGATION OF
TRADE-FOR-TRADE TRANSACTIONS

On March 4, 2010, National Securities Clearing Corporation (“NSCC”) filed a rule change (SR-NSCC-2010-02) with the Securities and Exchange Commission (the “SEC”) pursuant to Section 19(b)(3)(A) of the Securities Exchange Act of 1934, as amended. As more fully described below, the rule change provides for the aggregation of receive and deliver orders for transactions that NSCC designates to settle on a trade-for-trade basis.

When transactions in a particular security are designated to settle on a trade-for-trade basis, Members with transactions in that security may be required to individually settle multiple transactions in that security. In order to simplify this process and mitigate the processing burden on Members, **effective Friday, March 5, 2010**, NSCC will amend its Rules in order that it may aggregate trade-for-trade obligations, bi-laterally between counterparties, so that the parties would be required to settle just one receive order and one deliver order between them in a given security rather than having to settle multiple transactions. Buys and sells will not be netted against each other. For example, if Broker A had fifteen buys against Broker B in Security X, these items would be aggregated into one receive obligation for A and one deliver obligation for B for the total amount of shares for the 15 transactions in Security X. Likewise if Broker A had 20 sells with Broker B on that same day for the same security, those items would also be aggregated into one deliver obligation for A and one receive obligation for B. In this example, A and B would each have two settlement obligations with the other for Security X rather than the 35 obligations they would each have without aggregation.

NSCC will issue aggregated receive and deliver orders only for those transactions that it designates to settle on a trade-for-trade basis. Receive and deliver orders for transactions designated by Members as Special Trades will continue to be issued on an individual transaction basis. As is currently the case for trade-for-trade items, NSCC will not guaranty the settlement of transactions aggregated pursuant to this rule change.

The rule change will be implemented for obligations reported on the Consolidated Trade Summary beginning on the night of Friday, March 5, 2010, for transactions settling Monday, March 8 and Tuesday, March 9, 2010.

The full text of this rule change (SR-NSCC-2010-02) may be obtained by visiting DTCC's website at www.dtcc.com. Written comments on the proposed rule filing may be addressed to Lisa T. Siebold, Assistant Secretary, National Securities Clearing Corporation, 55 Water Street, New York, New York 10041, and your comments will be forwarded to the SEC. 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 regarding this Important Notice should be directed to Vincent Mc Devitt, Director, Product Management, at 212-855-5694, or Peter J. Smith, Product Management, at 212-855-7621. Questions regarding the rule filing should be directed to John Petrofsky, Associate Counsel, at 212-855-7634.