

# IMPORTANT NOTICE

National Securities Clearing Corporation



**A#6122**

**P&S#5692**

**DATE:** September 30, 2005

**TO:** All participants

**ATTENTION:** MANAGING PARTNER / OFFICER, OPERATIONS PARTNER / OFFICER, DIRECTOR OF OPERATIONS, DATA PROCESSING MANAGER, MANAGER P & S DEPARTMENT, COMPLIANCE OFFICER

**FROM:** Information Services Administration

**SUBJECT:** Communication Insourcing

This notice serves as the **final reminder that on September 30, 2005**, DTCC will retire the SDC Access Network **Dial-In** facility. Member firms that have used that dial-in network to access NSCC services, such as the RTTM systems, must have converted to the **SMART Dial** connection or a dedicated SMART or SFTI connection by that date. To date, over 99% of the users of that legacy dial-in network have converted to utilize one of the new, more resilient, network options. The remaining member firms that continue to utilize this legacy dial-in service and have not completed this implementation must do so by the end of this week. Converting from the legacy dial-in facility does not require the lead time of ordering and provisioning new telephone circuits, so DTCC plans to disconnect the legacy dial-in facility as soon as possible after September 30.

Most participants have complied with previously stated migration requirements, and have either completed their implementation or are in the process of testing their new connections. However some participants continue to access applications through legacy networks (which include the SDC Access Network and the Broker Network) and have not begun the conversion process. Continued support of the legacy networks imposes significant unnecessary costs on DTCC for continued support of these facilities that do not comply with the communications resiliency standards of DTCC. As originally announced in DTCC Important Notices dated October 30, 2003, April 23, 2004, and April 15, 2005, DTCC intends to recover these costs directly from those participants who continue to use the legacy networks.

DTCC intends to retire the remaining legacy networks by December 15, 2005. In order to avoid bearing the additional costs to support those networks, non-compliant participants are required to: (i) as soon as possible, ensure adequate communications connectivity through SMART and/or SFTI, (ii) successfully complete testing through the newly-established pathways, and (iii) complete full conversion of all input/output for applicable applications directly through SMART and/or SFTI.

Robert Palatnick  
Managing Director