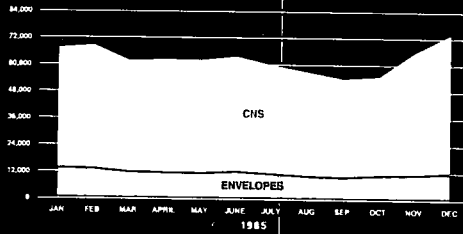
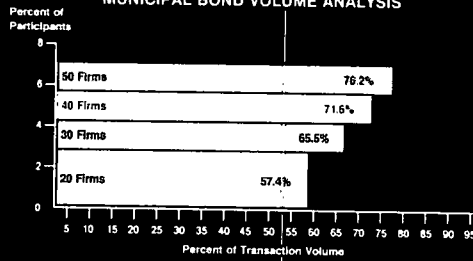




AVERAGE EQUITY AND BOND DELIVERIES



MUNICIPAL BOND VOLUME ANALYSIS



2096  
A

STATUS

SD RD DM

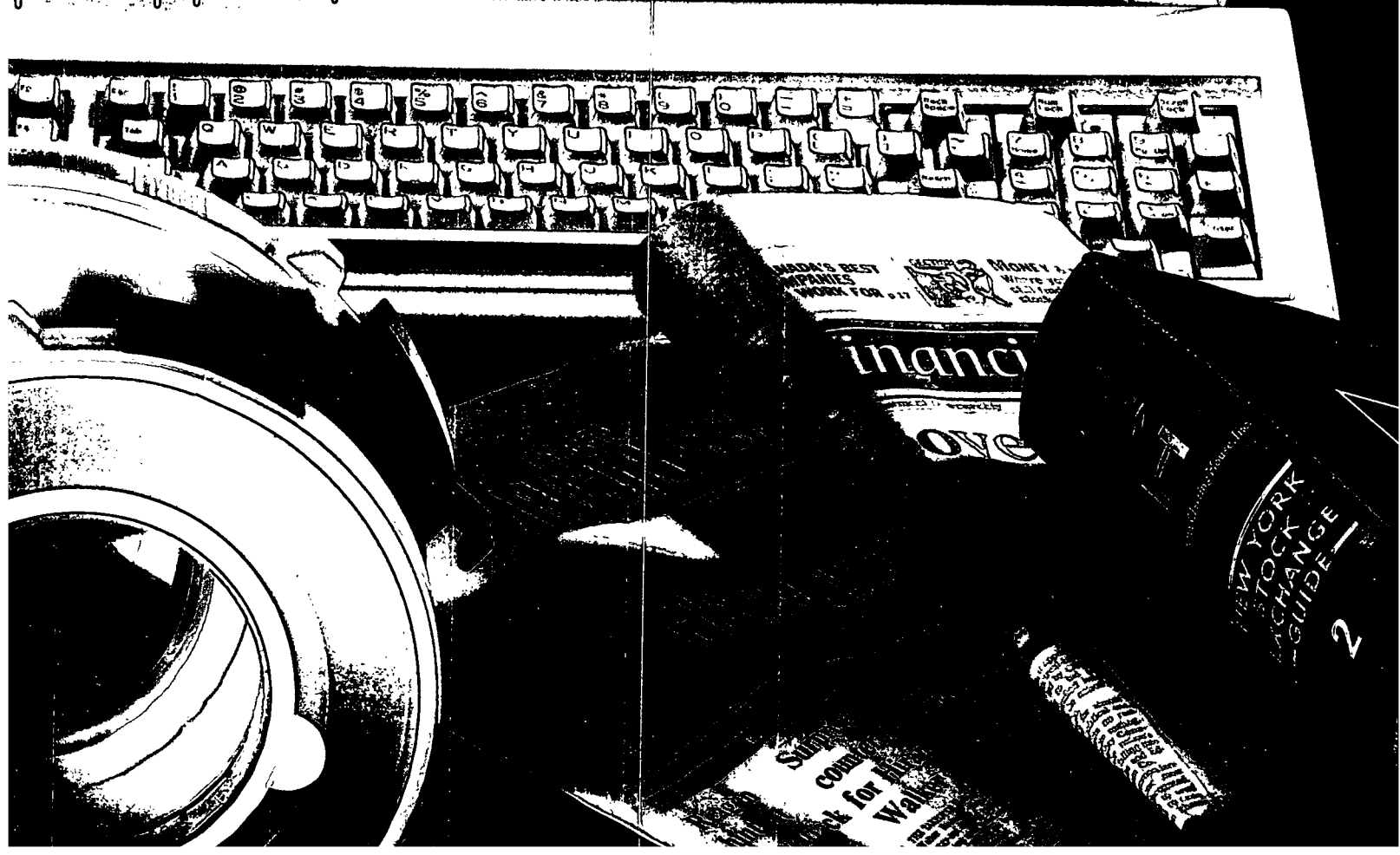
2096  
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STATUS

SD RD DM

EMAC  
CHART

EMAC  
CHART



**National Securities  
Clearing Corporation**

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**Corporate Office**

55 Water Street  
New York, New York 10041  
(212) 510-0400

**Boston**

One Boston Place  
Boston, Massachusetts 02108

**Chicago**

135 South LaSalle Street  
Chicago, Illinois 60603

**Cleveland**

900 Euclid Avenue  
Cleveland, Ohio 44101

**Dallas**

Plaza of the Americas  
TCB Tower  
Dallas, Texas 75201

**Denver**

Dominion Plaza  
600 17th Street  
Denver, Colorado 80202

**Detroit**

3153 Penobscot Building  
Detroit, Michigan 48226

**Jersey City**

One Exchange Place  
Jersey City, New Jersey 07302

**Los Angeles**

615 South Flower Street  
Los Angeles, California 90017

**Milwaukee**

777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

**Minneapolis**

IDS Center  
80 South 8th Street  
Minneapolis, Minnesota 55402

**New York**

55 Water Street  
New York, New York 10041

**St. Louis**

One Mercantile Tower  
St. Louis, Missouri 63101

**San Francisco**

50 California Street  
San Francisco, California 94111

**Toronto**

Two First Canadian Place  
Toronto, Ontario, Canada M5X 1A9

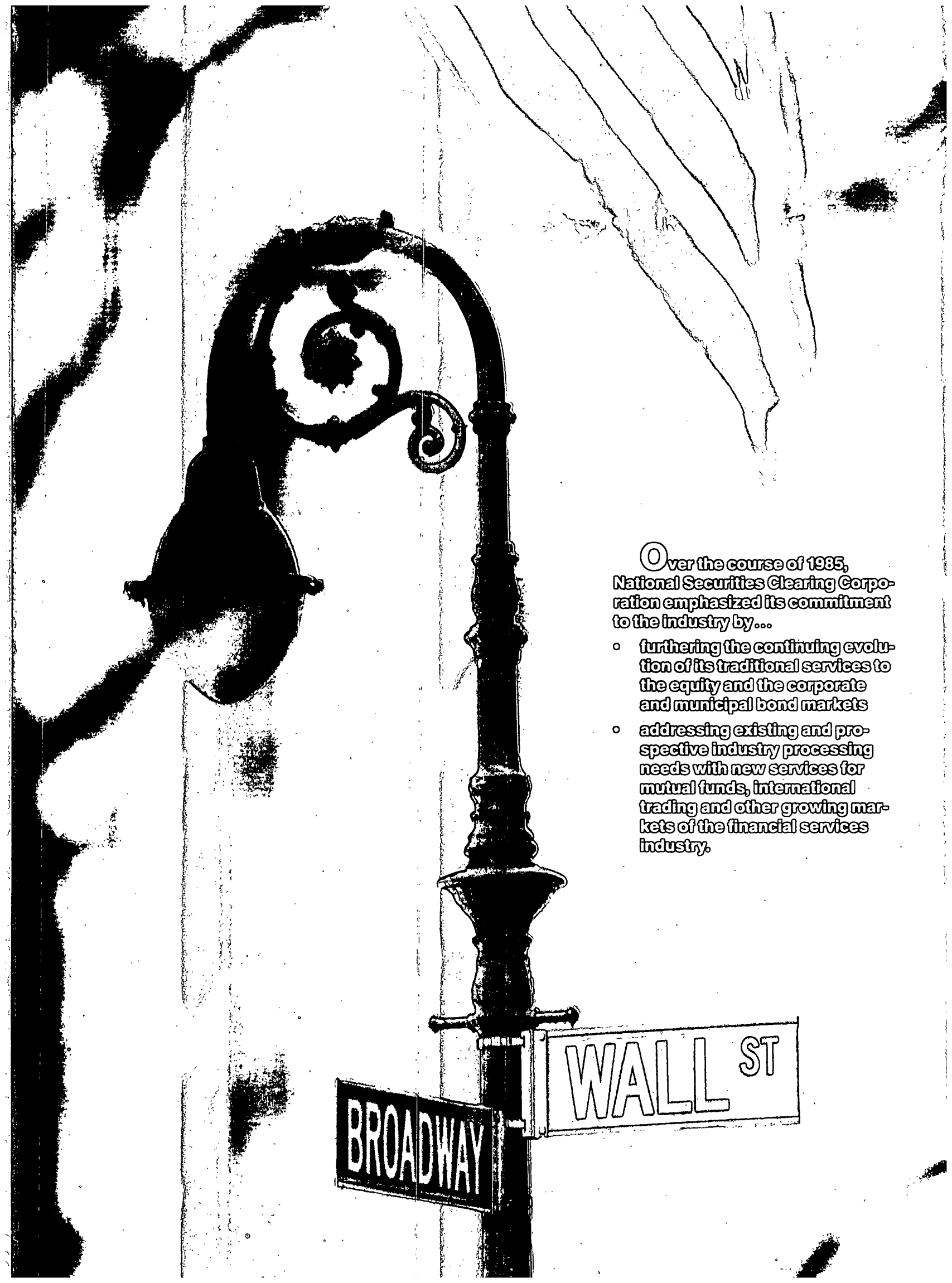
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Cover: 1985 was a year during which NSCC anticipated and responded to the expanding needs of the financial services industry...

- As marketplace self-regulatory organizations, represented here by a *New York Stock Exchange Guide/Constitution and Rules*, proposed new rules on broker-dealers' transfer of client accounts, NSCC implemented the Automated Customer Account Transfer Service.
- While continuing to serve its traditional equity, corporate bond and municipal bond marketplaces, represented by volume charts on the computer screen, NSCC expanded its comparison services to include municipal bond syndicates, when-issued and extended-settlement trades.
- NSCC's continued emphasis on automation is demonstrated by the data communications hardware.
- During 1985, NSCC continued to support trading links between U.S. and Canadian markets, symbolized by Canadian newspapers here.
- A link with The Stock Exchange in London will be made through International Securities Clearing Corporation, a new subsidiary formed in November, and represented here by the *Financial Times*.
- The mutual fund shares on the back cover illustrate the development of Fund/SERV, a new service for central processing of mutual funds.



Over the course of 1985,  
National Securities Clearing Corporation emphasized its commitment  
to the industry by...

- furthering the continuing evolution of its traditional services to the equity and the corporate and municipal bond markets
- addressing existing and prospective industry processing needs with new services for mutual funds, international trading and other growing markets of the financial services industry.



President and CEO David M. Kelly  
(foreground) and Chairman of the  
Board Gerard P. Lynch.

## TO NSCC PARTICIPANTS

Nineteen eighty-five was a record-breaking year for the financial services industry and National Securities Clearing Corporation. During 1985, NSCC saw the successful results of its ongoing program of service enhancements and capacity expansion and entered into a new period of proactive development, including the formation of a new international subsidiary.

As marketplaces throughout North America reached record volume and price levels, particularly in the first and fourth quarters of the year, they found capable clearing support at NSCC. NSCC, through Securities Industry Automation Corporation, its facilities manager, processed the greatest volume of stock, corporate bond and municipal bond transactions ever. This was made possible by a capacity-upgrade program of system and hardware enhancements that began in 1981 and was sustained even through lower volume cycles. Many of these capacity enhancements were completed during 1984, well in advance of the high volume which began in January 1985.

1985 was also a year of looking forward. NSCC continued its tradition of anticipating and responding to the changing needs of the industry as evidenced by the following new developments:

- **International Securities Clearing Corporation**, a subsidiary of NSCC, was established in November 1985. The new corporation will support the recent and continuing expansion of international trading by U.S. brokers,

dealers and banks through bilateral linkages with central clearing and depository organizations in other countries. The first of these links, which will begin its pilot program in the second half of 1986, will be with The Stock Exchange in London.

Before launching its international subsidiary, NSCC gained experience in establishing international clearing links with The Canadian Depository for Securities Limited. During 1985, with volume up some 50% on the Toronto Stock Exchange and Montreal Exchange, this relationship expanded. As participants gained greater access to Canadian marketplaces through new trading links between the American and Toronto Stock Exchanges and the Boston and Montreal Exchanges, NSCC facilitated settlement of their trades in Canadian shares.

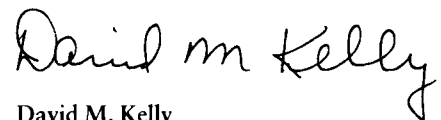
- **Fund/SERV**, a new service for central processing of mutual fund transactions, was developed during 1985 with the help and support of a Joint Operations Task Force representing the Investment Company Institute and the National Association of Securities Dealers. Until now, there have been few industry standards for the processing of mutual fund purchases and redemptions transacted by broker-dealers. NSCC's decision to provide centralized, automated processing for the mutual fund industry was reinforced as mutual fund sales reached \$110.5 billion during 1985, more than doubling 1984's record level.

- **The Automated Customer Account Transfer Service** was developed and began its pilot program. The service, which supports rule changes implemented in early 1986 by the New York Stock Exchange, the National Association of Securities Dealers and the Municipal Securities Rulemaking Board,

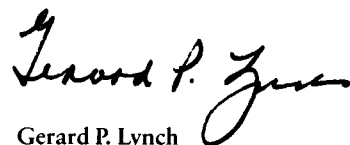
provides for the orderly transfer of clients' assets from one firm to another by standardizing, centralizing and automating the process through NSCC.

- **NSCC's Municipal Bond Program** was expanded to encompass comparison and clearance processing of syndicate takedown, non-syndicate when-issued and extended-settlement transactions. This allows centralized processing of these trades, which range between 30% and 60% of municipal dealers' overall volume, along with all secondary-market transactions.

NSCC's emphasis on broadening its services to the industry, which is the focus of this Annual Report, was reflected in a restructuring of the committees within NSCC's Board of Directors. In addition to the Executive, Membership and Finance/Audit Committees, there are now also International, Municipal Bond and Mutual Fund Committees. This new focus of the committees enables the Board to play an even more direct role in the planning and development of new services and enhancements, while continuing to guide NSCC's overall progress toward short-term and long-range goals.



David M. Kelly  
President and CEO



Gerard P. Lynch  
Chairman of the Board

**NSCC BOARD OF DIRECTORS**

**Gerard P. Lynch**, Chairman of the Board  
Managing Director  
Morgan Stanley & Co. Incorporated

**Samuel A. Alward**  
Executive Vice President  
New York Stock Exchange, Inc.

**Walter H. Cushman**  
Senior Vice President  
The Bank of New York

**C. Richard Justice**  
Executive Vice President  
National Association of Securities  
Dealers, Inc.

**Raymond J. Kalinowski**  
Vice Chairman and Director  
A.G. Edwards & Sons, Inc.

**David M. Kelly**  
President and CEO  
National Securities Clearing Corporation

**J. Kevin Kenny**  
President and CEO  
J.J. Kenny Co., Inc.

**Donald D. Kittell**  
Executive Vice President and CFO  
Dean Witter Reynolds Inc.

**Herbert I. Levitt**  
General Partner  
Spear, Leeds & Kellogg

**Bernard L. Madoff**  
Sole Proprietor  
Bernard L. Madoff

**Bruce T. Muddell**  
President and CEO  
Chemical Bank (Delaware)

**Gilbert L. Pamplin**  
President and CEO  
J.J.B. Hilliard, W.L. Lyons, Inc.

**Ronald W. Readmond**  
Managing Director  
Alex. Brown & Sons, Inc.

**William A. Rogers**  
Partner and COO  
Wayne Hummer & Co.

**Melvin B. Taub**  
Senior Vice President  
Merrill Lynch, Pierce, Fenner & Smith  
Inc.

**William J. Tierney, Jr.**  
Managing Director  
Salomon Brothers Inc

**Stephen L. Williams\***  
Senior Vice President  
American Stock Exchange, Inc.

\*Resigned as Director in January 1986





urities  
oration

The NSCC Board of Directors (left to right): Seated, Messrs. Rogers and Madoff. Standing, in front: Messrs. Readmond, Pamplin, Kenny, Williams and Cushman. In back: Messrs. Lynch, Justice, Alward, Kittell, Kelly, Kalinowski, Levitt, Muddell, Tierney and Taub.

## BOARD OF DIRECTORS

The executives who comprise NSCC's Board of Directors represent the broad scope of the financial services industry. This range of expertise is in keeping with NSCC's traditional receptiveness to open communication with and guidance from the industry.

All of the 13 elected Participant Directors, including Chairman of the Board Gerard P. Lynch, are executives of participating brokers, dealers and banks. The other members of the Board are NSCC's President and CEO David M. Kelly, and three Shareholder Directors designated by the New York Stock Exchange, National Association of Securities Dealers and American Stock Exchange: Samuel A. Alward, C. Richard Justice and Stephen L. Williams, respectively. When Dr. Williams left his post in early 1986, the Amex appointed Victor A. Ricciardelli, Senior Vice President, to succeed him on NSCC's Board.

As representatives of participating organizations, NSCC's Directors bring a breadth of knowledge, perspective and experience to the Board's deliberations and decisions. Beyond the variety of businesses represented, Board members' professional expertise spans such areas as executive, financial and operations management.

While the Board will continue to focus its attention on both short-term and long-range planning, the structure of several standing committees was changed in 1985 to enable Board members to guide NSCC in specific areas related to their own business experience and areas of specialization.

During 1985, the Board Committees were reorganized into the following six categories: Executive, Membership, Finance/Audit, International, Municipal Bond and Mutual Fund.

The Executive, Membership and Finance/Audit Committees will continue to fulfill their traditional functions at NSCC. The Executive Committee is responsible for adherence to Board policy and progress toward achieving corporate goals. The Membership Committee oversees NSCC's programs which monitor participants' financial and operational accountability and compliance with NSCC's rules. The Finance/Audit Committee, responsible for NSCC's financial integrity, oversees NSCC's internal accounting and auditing procedures, appoints the independent accountants, and monitors operating and capital budgets.

The new International, Municipal Bond and Mutual Fund Committees work to guarantee the operational and marketing success of new and developing NSCC products. These committees review each service's operational plans to ensure that they address the needs of the industry and are coordinated with market regulatory organizations. They also monitor the overall development, customer service and marketing programs for each product.

The Board Committees are as follows:

- **Executive Committee:** Gerard P. Lynch, Chairman; Walter H. Cushman, David M. Kelly, Donald D. Kittell, Bernard L. Madoff, Gilbert L. Pamplin and William J. Tierney, Jr.

- **Membership Committee:** Bernard L. Madoff, Chairman; J. Kevin Kenny, Donald D. Kittell, Herbert I. Levitt, Bruce T. Muddell, William A. Rogers and William J. Tierney, Jr.
- **Finance/Audit Committee:** Donald D. Kittell, Chairman; Walter H. Cushman, Raymond J. Kalinowski, Herbert I. Levitt, Bruce T. Muddell and Gilbert L. Pamplin.
- **International Committee:** William J. Tierney, Jr., Chairman; Walter H. Cushman, Gerard P. Lynch, Bernard L. Madoff, Ronald W. Readmond and Melvin B. Taub.
- **Municipal Bond Committee:** J. Kevin Kenny, Chairman; Raymond J. Kalinowski, Gilbert L. Pamplin, Ronald W. Readmond and Melvin B. Taub.
- **Mutual Fund Committee:** Raymond J. Kalinowski, Chairman; Walter H. Cushman, Ronald W. Readmond, William A. Rogers and Melvin B. Taub.

In late 1985, NSCC's annual electoral process was set in motion as NSCC's Nominating Committee, a group selected from the executive ranks of participant organizations, invited participants to propose names of six prospective directors and three new members of the Nominating Committee.

After the Nominating Committee reviewed suggestions from participants, six candidates were selected for the office of Participant Director. Gerard P. Lynch and Ronald W. Readmond, whose terms of office expire in May 1986, were nominated for additional terms. Other nominees are Jeremiah M. Callaghan, Charles A. Moran, Richard J. Stream and Wilbert A. Thiel.



**NOMINEES**

These nominees will become Participant Directors of NSCC at the Board's Annual Meeting in May 1986. Directors who will retire from NSCC's Board at the Annual Meeting are Walter H. Cushman, Donald D. Kittell, Gilbert L. Pamplin and William A. Rogers.

The members of the 1985-1986 Nominating Committee are as follows:

**Norman M. Epstein**  
Executive Vice President/Managing Director  
E.F. Hutton & Company Inc.

**William J. Fields**  
Executive Vice President  
Wheat, First Securities, Inc.

**James A. Jacobson**  
Partner  
Benjamin Jacobson & Sons

**Jeffrey B. Lane**  
Vice Chairman and COO  
Shearson Lehman Brothers, Inc.

**Daniel P. Tully**  
President and COO  
Merrill Lynch & Co., Inc.

**George A. Vonder Linden**  
President and CEO  
Smith Barney, Harris Upham & Co.  
Incorporated

**John A. Wing**  
President and CEO  
The Chicago Corporation

The Nominating Committee also proposed three to begin serving on the Nominating Committee in 1986:

**J. Ronald Morgan**  
Chairman, CEO and Director  
Thomson McKinnon Securities Inc.

**Thomas C. Schneider**  
Executive Vice President  
Dean Witter Reynolds Inc.

**Edward W. Wedbush**  
President and CEO  
Wedbush, Noble, Cooke, Inc.

They will serve on the 1986-1987 Committee with returning Committee members Epstein, Jacobson, Lane and Wing.



**Jeremiah M. Callaghan**  
Managing Director  
Bear, Stearns & Co., Inc.



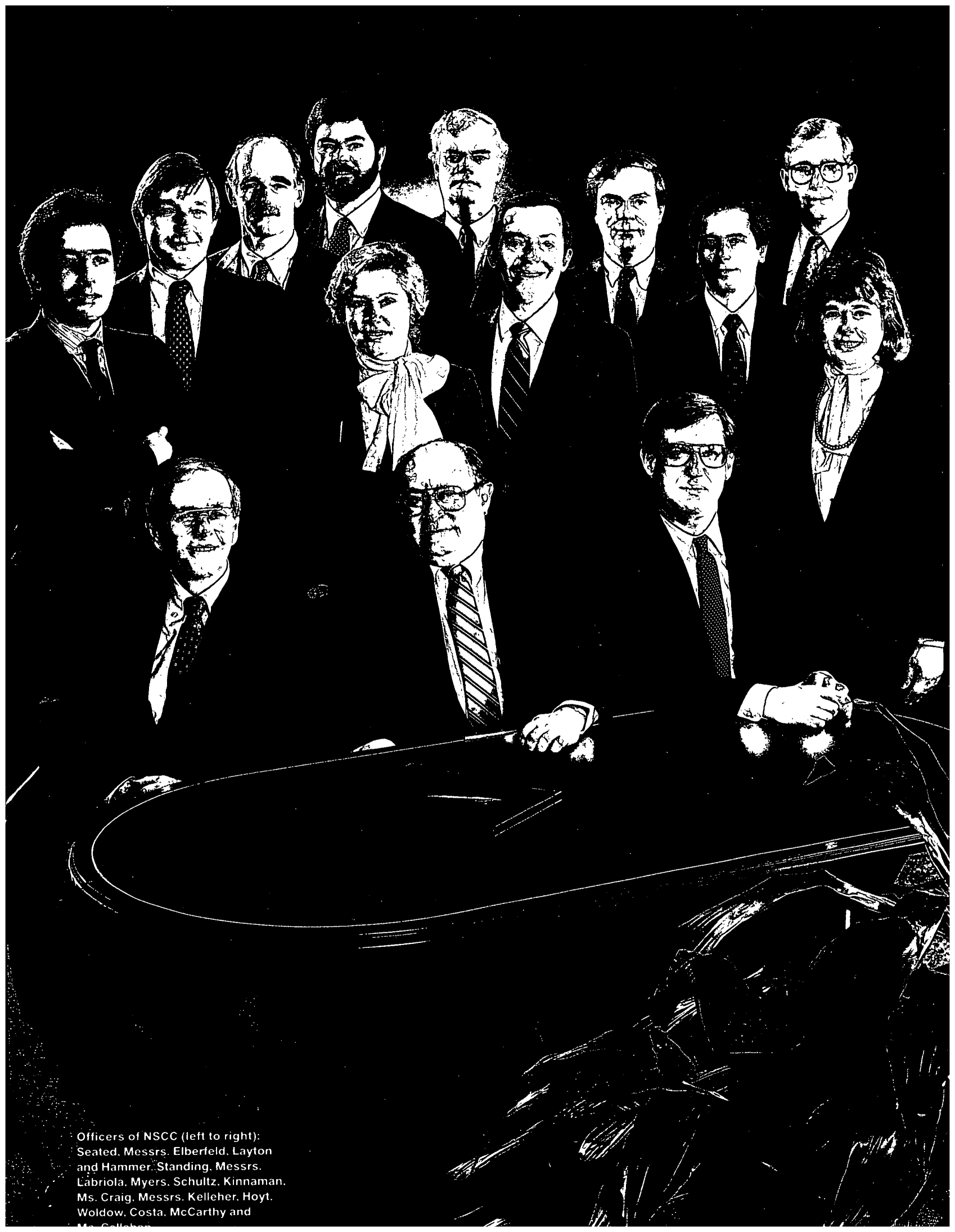
**Charles A. Moran**  
Senior Vice President  
Manufacturers Hanover Trust Company



**Richard J. Stream**  
Managing Director  
Piper, Jaffray & Hopwood Incorporated



**Wilbert A. Thiel**  
Executive Vice President  
The Chicago Corporation



Officers of NSCC (left to right):  
Seated, Messrs. Elberfeld, Layton  
and Hammer. Standing, Messrs.  
Labriola, Myers, Schultz, Kinnaman,  
Ms. Craig, Messrs. Kelleher, Hoyt,  
Woldow, Costa, McCarthy and  
Mr. Callahan.

## **NSCC OFFICERS**

**Gerard P. Lynch**  
Chairman of the Board,  
NSCC and ISCC

**David M. Kelly**  
President and CEO, NSCC  
Vice Chairman and CEO, ISCC

**John F. Elberfeld**  
Senior Vice President  
Finance

**John L. Kinnaman**  
Senior Vice President, NSCC  
President and COO, ISCC

**Richard W. Myers\***  
Senior Vice President  
Operations, ISCC

**Robert A. Schultz**  
Senior Vice President  
Planning and Operations

**Robert J. Woldow**  
Senior Vice President and  
General Counsel, NSCC  
Secretary and General Counsel, ISCC

**Joel Hammer**  
First Vice President  
Planning and Development

**Steve M. Labriola**  
First Vice President  
Marketing

**Mary Ann Callahan**  
Vice President  
Corporate Communications

**Thomas F. Costa**  
Vice President  
Regulation

**Catherine A. Craig**  
Vice President  
Human Resources and Administration

**Michael J. Kelleher**  
Vice President  
Operations Planning

**Harvey Layton**  
Vice President  
Compliance

**Thomas K. McCarthy**  
Vice President  
Planning and Development

**David F. Hoyt**  
Assistant Secretary and Director of  
Membership

\*Effective February 3, 1986

**D**uring 1985, as NSCC continued to provide efficient processing of stocks, corporate and municipal bonds and unit investment trust funds, it began to develop and expand its services with an eye to the future.

The benefits of a continuing program of systems enhancements to increase volume capabilities were evident during the record-breaking year. The success of this program, which guarantees the continued efficiency of NSCC's services to its traditional equity and debt markets, allowed NSCC to focus on emerging financial industry needs through the development of major new and expanded service programs. These include the expansion of its municipal bond program, the development of Fund/SERV for the mutual fund industry, the development and implementation of the Automated Customer Account Transfer Service and the establishment of an international subsidiary.

**N**ineteen eighty-five was an outstanding year for both the financial services industry and NSCC.

Volume on major United States markets achieved record levels, with approximately 50.2 billion shares changing hands, up from 39.6 billion shares in 1984.

At NSCC, which processes an overwhelming majority of the stock, corporate bond and municipal bond transactions in the United States, the average daily volume of transactions was the highest ever. An average of almost 290,000 transactions were processed each day, valued at \$7.6 billion. Through the efficiencies gained from Continuous Net Settlement, an average of fewer than 63,000 deliveries were made each day. In December 1985, the month during which the Dow Jones Industrial Average surpassed 1500 for the first time, NSCC's average daily volume reached almost 370,000 transactions a day, with an average of slightly over 74,000 deliveries and a value of over \$11.1 billion daily.

Even with high volume, 1985 was a year in which processing became more efficient for NSCC's participants. By December, one-third of all NYSE, Amex and NASD transactions reported to NSCC were executed as locked-in systems trades which are reported directly to NSCC by the marketplace involved. These trades are reported to participants on contracts one day earlier than other trades.

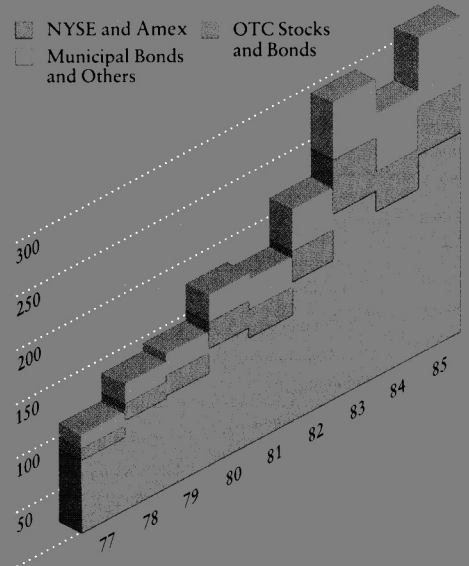
In anticipation of future high-volume periods, a major upgrade in NSCC's computing power was made through the acquisition of a new main-

frame computer at Securities Industry Automation Corporation. The computer, an IBM 3084Q which began operating in early 1986, has twice as much memory as the three computers that it will replace, and increases processing speed by 50%.

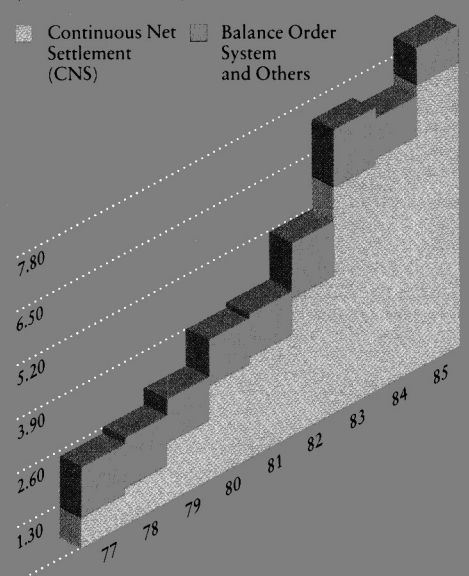
As processing for its traditional services continued to become more efficient, NSCC began developing new capabilities for the financial services industry. During 1985, NSCC expanded its National System for Municipal Bond Processing, implemented the Automated Customer Account Transfer Service, developed Fund/SERV for mutual fund processing, and established International Securities Clearing Corporation. Each of these developments is further detailed in the pages which follow.

While supporting its traditional services in the United States, NSCC also expanded its relationship with The Canadian Depository for Securities Limited, which had been initiated in 1984. More than 25 Canadian firms can now settle securities transactions executed with U.S. brokers and dealers through this relationship. During 1985, NSCC participants and CDS firms began using marketplace trading links between the American and Toronto Stock Exchanges and the Montreal and Boston Stock Exchanges. These links, which facilitate trading between Canadian and U.S. firms, are also supported within NSCC's clearance relationship with CDS.

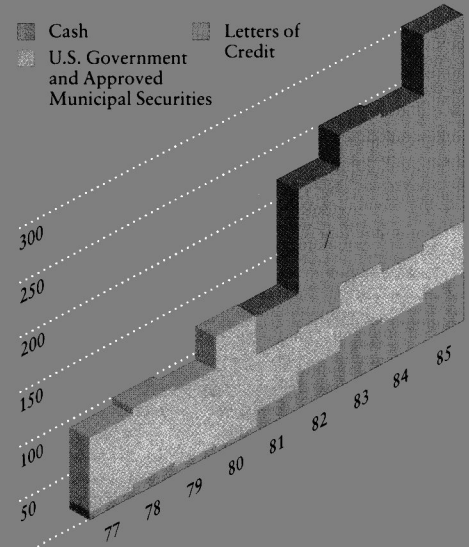
**Average Daily Volume of Trades Processed**  
(in thousands)



**Average Daily Value of Transactions Settled**  
(in billions of dollars)



**Clearing Fund Balances**  
(including excess deposits)  
as of 12/31  
(in millions of dollars)





At an NYSE training session, Jack Maroney, NYSE Systems Coordinator, demonstrates how transactions can be executed through SuperDOT 250. NSCC closely coordinates with its constituent marketplaces as they further develop automated trading systems, in order to facilitate automated links for clearance and settlement.



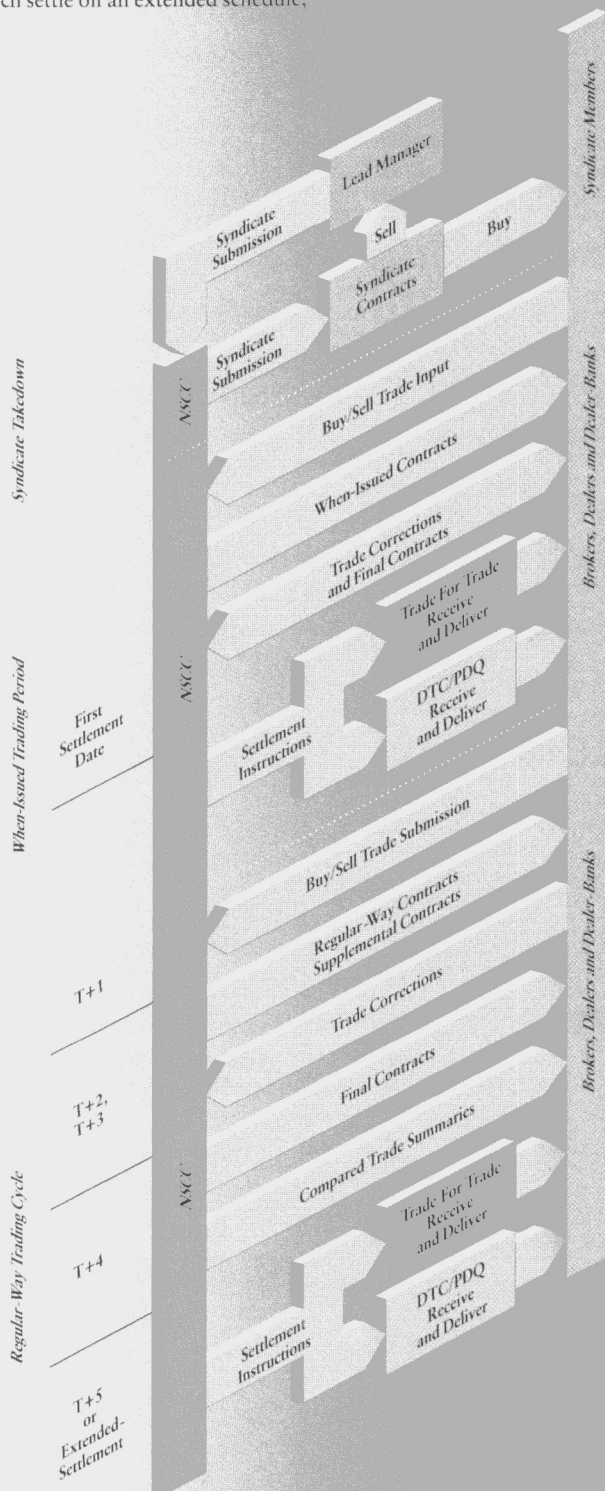
**W**ith the 1985 expansion of the National System for Municipal Bond Processing, virtually all municipal bond transactions can now be processed in NSCC's automated comparison environment.

Municipal Securities Rulemaking Board Chairman Ralph Horn (center), Executive Vice President, First Tennessee Bank, N.A., with two members of NSCC's Municipal Securities Advisory Committee, Edward I. Pandolfo (left), Vice President, Merrill Lynch Capital Markets, and John J. Lynch, Jr., Executive Vice President, J.F. Hartfield & Co., Inc.

## MUNICIPAL BOND PROGRAM

All inter-dealer municipal bond trades can now be cleared through NSCC's National System for Municipal Bond Processing. Syndicate takedowns, when-issued and regular-way trades, as well as transactions which settle on an extended schedule,

each have special procedures for initial input, output reports, corrections and settlement notification.



**D**uring 1985, NSCC expanded its Municipal Bond Program so that comparison of all broker-dealer and dealer-to-dealer municipal bond transactions can be processed in an automated fashion.

Municipal Bond participants can now process...

- syndicate takedown transactions
- when-issued transactions
- regular-way transactions
- extended-settlement transactions.

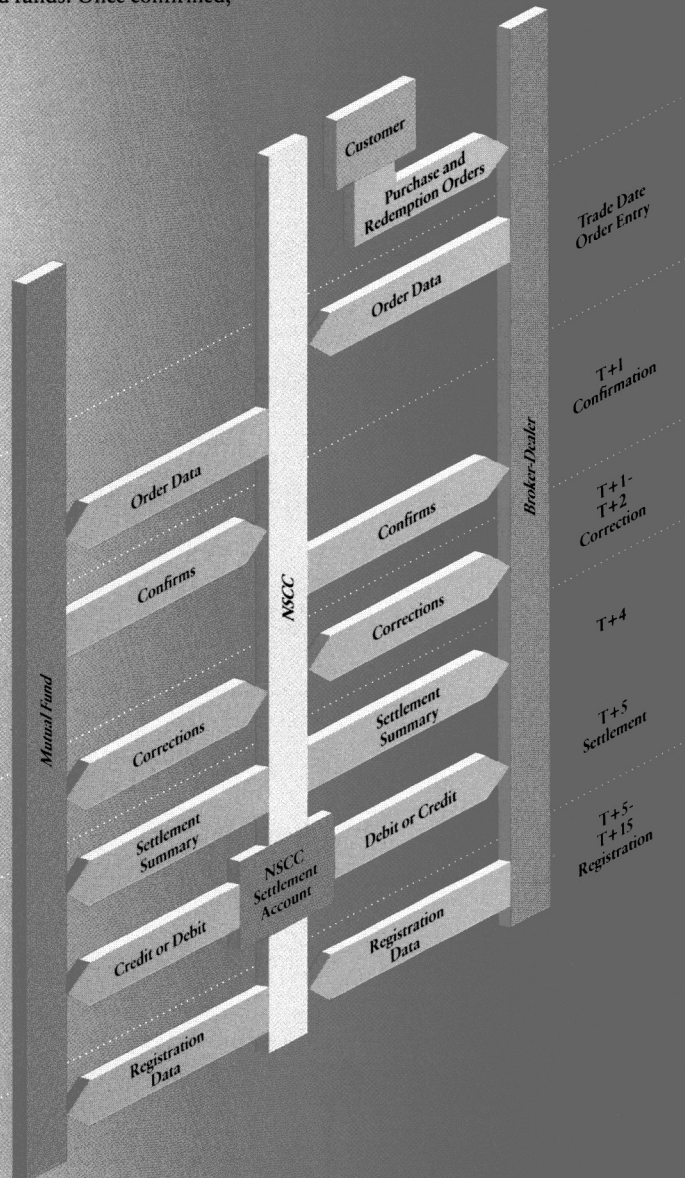
NSCC also began distributing a twice-monthly report produced by a new system called the Municipal Comparison Analysis and Reporting System (MCARS). The report helps municipal bond participants track their timeliness and efficiency in processing regular-way transactions. Similar information will be available for when-issued transactions during 1986.

Prior to NSCC's development of the National System for Municipal Bond Processing, the municipal industry did not have access to centralized automated comparison and clearance facilities. The 1985 expansion of the system to allow automated processing of all municipal bond transactions was the next step in NSCC's long-range plan to gradually introduce the benefits of centralization, automation and book-entry settlement to the municipal industry. Since the program began, more than 1,100 municipal bond brokers, dealers and dealer-banks have begun using NSCC's system, either directly or on a correspondent basis, to process their secondary-market trades, and increasingly, their syndicate takedown, when-issued and extended-settlement transactions.

## FUND/SERV

In Fund/SERV, which structures a five-day settlement cycle for the mutual fund industry, broker-dealers input their wire orders for purchases and redemptions to NSCC for forwarding to mutual fund underwriters for confirmation. As indicated, correction procedures are available to brokers and funds. Once confirmed,

the orders can settle based on Fund/SERV's summary of mutual fund share credits and debits and a corresponding net money settlement. Fund/SERV also expedites reporting of registration instructions.



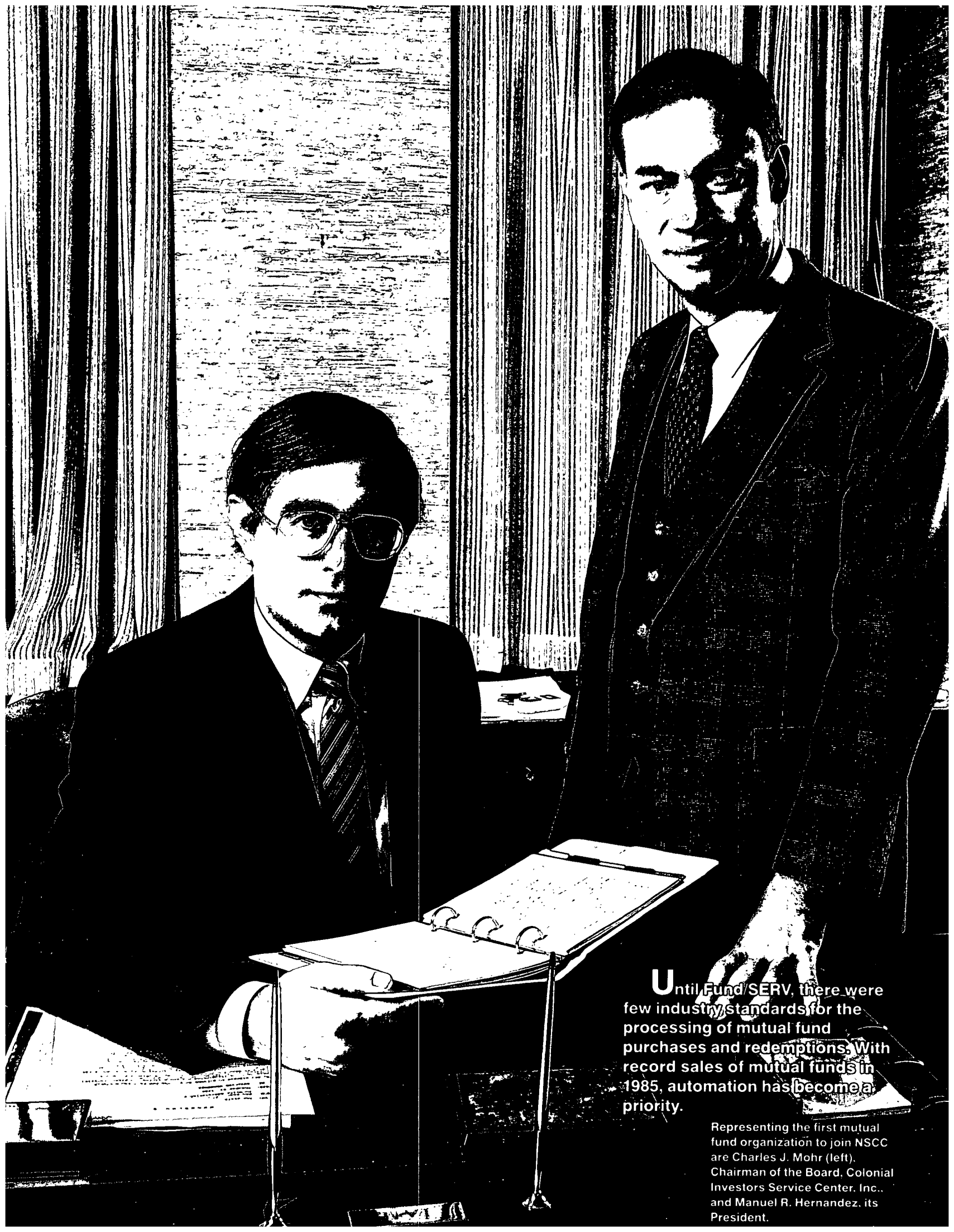
**N**SCC has developed a new service, called Fund/SERV, so that mutual fund underwriters and broker-dealers can enter, confirm, settle and register purchase and redemption data in an efficient, automated environment. The highly automated service, which is based on a standard five-day settlement cycle, has central processing facilities at NSCC's New York headquarters and is supported by a network of branch offices and telecommunications links throughout North America.

Fund/SERV...

- increases volume capabilities for brokers, dealers and fund underwriters
- centralizes mutual fund order-entry, registration and settlement
- nets final money daily to a single figure for every participating broker-dealer and mutual fund underwriter
- standardizes procedures and time-frames
- reduces operating costs.

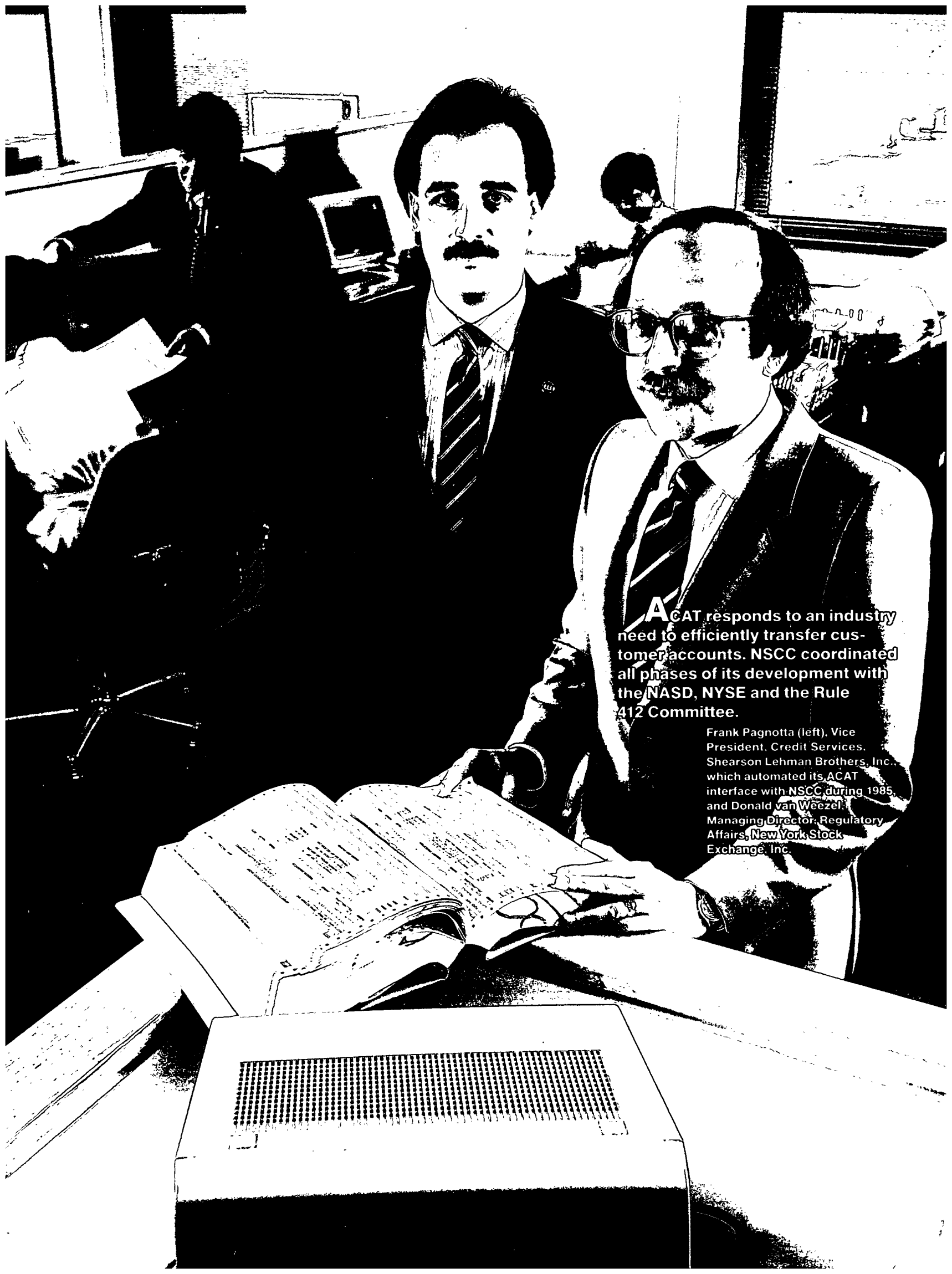
In the past several years, the mutual fund industry has seen unprecedented volume increases. In 1985, with the average price increase of a mutual fund share up 20%, sales were over \$110 billion, more than double 1984's record highs. Consequently, automation and centralization have become a priority for the mutual fund industry. NSCC developed Fund/SERV in conjunction with a Joint Operations Task Force representing the Investment Company Institute and the National Association of Securities Dealers, Inc., which was formed to focus attention on the industry's expanding volume.





**U**ntil Fund/SERV, there were few industry standards for the processing of mutual fund purchases and redemptions. With record sales of mutual funds in 1985, automation has become a priority.

Representing the first mutual fund organization to join NSCC are Charles J. Mohr (left), Chairman of the Board, Colonial Investors Service Center, Inc., and Manuel R. Hernandez, its President.



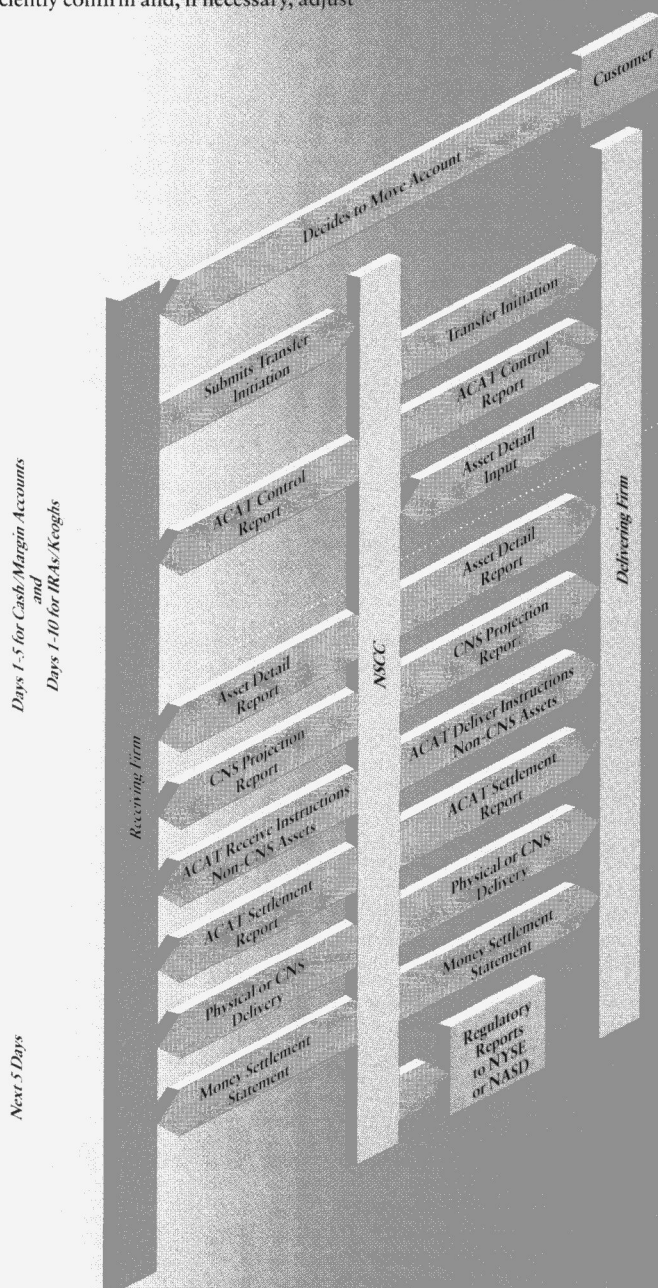
**A**CAT responds to an industry need to efficiently transfer customer accounts. NSCC coordinated all phases of its development with the NASD, NYSE and the Rule 412 Committee.

Frank Pagnotta (left), Vice President, Credit Services, Shearson Lehman Brothers, Inc., which automated its ACAT interface with NSCC during 1985, and Donald van Weezel, Managing Director, Regulatory Affairs, New York Stock Exchange, Inc.

## AUTOMATED CUSTOMER ACCOUNT TRANSFER SERVICE

On a national basis, whenever a customer decides to transfer an account, the firm which will receive it submits a Transfer Initiation to NSCC, which notifies the delivering firm. Over the next five days, NSCC centrally coordinates the verification process between the receiving and delivering firm, in order for them to efficiently confirm and, if necessary, adjust

a detailed inventory of the account scheduled for transfer. NSCC ultimately provides for settlement through net book-entry and physical transfers to the receiving firm, in exchange for payment to the delivering firm.



The Automated Customer Account Transfer (ACAT) Service, which began its pilot program in 1985, provides a standardized, centralized and automated means of initiating account transfers, determining and verifying account information and delivering the account assets from one broker to another, as designated by the customer.

The ACAT Service...

- allows for the timely transfer of clients' accounts
- supports new rules established by the New York Stock Exchange, the National Association of Securities Dealers and the Municipal Securities Rulemaking Board
- can be used for most transferable assets.

ACAT responds to an industry need to efficiently transfer customer accounts. Already, approximately 1,500 accounts are transferred daily through the ACAT Service, with each account representing an average of five asset positions. Before the ACAT Service's pilot program began in mid-1985, the problem of account transfer delays was cited as the most common consumer complaint to the Securities and Exchange Commission. The ACAT Service, which was operational early in 1986, had already proved successful during its pilot phase, with over 100 firms participating and 22,000 account transfers completed. In order to assist participants in complying with anticipated regulatory changes which went into effect in early 1986, NSCC coordinated all phases of ACAT's systems development with the NASD, NYSE and the Rule 412 Committee.

## INTERNATIONAL SECURITIES CLEARING CORPORATION

### ISCC Board of Directors

**Gerard P. Lynch**, Chairman of the Board  
Managing Director  
Morgan Stanley & Co. Incorporated

**Joseph Anastasio**  
Vice President  
Salomon Brothers Inc.

**Michael Black**  
Senior Vice President  
American Stock Exchange, Inc.

**Nicola L. Caporale**  
General Partner  
Goldman, Sachs & Co.

**Joseph L. Gitterman, III**  
Managing Partner  
LaBranche & Co.

**C. Richard Justice**  
Executive Vice President  
National Association of Securities  
Dealers, Inc.

**Christopher Keith**  
Senior Vice President  
New York Stock Exchange, Inc.

**David M. Kelly**  
President and CEO  
National Securities Clearing Corporation

**John L. Kinnaman**  
President and COO  
International Securities Clearing  
Corporation

**Bernard L. Madoff**  
Sole Proprietor  
Bernard L. Madoff

**Ralph M. Mastrangelo**  
Senior Vice President  
Morgan Guaranty Trust Company of  
New York

**C. Robert P. Meyjes**  
Senior Vice President  
Citibank, N.A.

**Michael T. Reddy**  
Senior Vice President  
Merrill Lynch, Pierce, Fenner & Smith Inc.

**Fenton R. Talbott**  
Managing Director  
The First Boston Corporation

International Securities Clearing Corporation was established as a subsidiary of NSCC in November 1985.

ISCC will...

- support international trading by U.S. brokers, dealers and banks
- form linkages and bilateral arrangements with central clearing and depository organizations in other countries
- participate in the evolutionary development of standards for uniform international trade comparison, clearance and settlement procedures
- facilitate safe custody of internationally traded securities
- facilitate increased overseas trading volume while reducing costs.

The formation of ISCC demonstrates NSCC's commitment to the growing international business of its members and the marketplaces it serves. ISCC's plans for 1986 include the development of a clearance link with The Stock Exchange in London. The two-way access to trade comparison, clearance and settlement services with dual-currency accounting alternatives, will enable members of NSCC/ISCC and The Stock Exchange in London to efficiently settle trades in U.S. and U.K. equity securities while continuing to observe the trade clearance practices of each national system. ISCC also plans to pursue other clearance links with clearing and depository organizations in key capital market centers around the world.



**I**SCC, formed in November 1985, is developing a clearance link with The Stock Exchange in London, and plans to pursue links with clearing and depository organizations in key capital market centers around the world.

ISCC Directors (left to right):  
Foreground, Mr. Madoff. Seated, Messrs. Anastasio, Mastrangelo, Caporale and Gitterman. Standing, Messrs. Reddy, Meyjes, Keith, Justice, Kinnaman and Kelly.



**BALANCE SHEET**

December 31,	1985	1984
<b>Assets</b>		
<b>Current Assets:</b>		
Cash	\$ 2,512,000	\$ 1,068,000
Temporary investments at cost (approximates market)	87,693,000	63,161,000
Accounts receivable, less allowance for doubtful accounts of \$493,000 and \$700,000 at December 31, 1985 and 1984	4,289,000	4,139,000
Settlement accounts receivable	9,052,000	18,702,000
Other current assets	354,000	133,000
Total current assets	103,900,000	87,203,000
Clearing Fund	222,310,000	160,008,000
Fixed assets, less accumulated depreciation of \$778,000 and \$411,000 at December 31, 1985 and 1984	1,453,000	1,577,000
Deposits and other noncurrent assets	3,396,000	2,791,000
Total assets	\$331,059,000	\$251,579,000
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 3,956,000	\$ 3,866,000
Regulatory fees payable	1,074,000	705,000
Settlement accounts payable	51,962,000	44,006,000
Accrued taxes and other expenses	2,405,000	1,313,000
Total current liabilities	59,397,000	49,890,000
<b>Clearing Fund:</b>		
Participants' cash deposits	43,952,000	37,781,000
Balance of requirement	222,310,000	160,008,000
	266,262,000	197,789,000
<b>Commitments and contingent liabilities (See Notes)</b>		
<b>Shareholders' Equity:</b>		
Common stock authorized, issued and outstanding, 30,000 shares of \$.50 par value	15,000	15,000
Capital in excess of par	885,000	885,000
Retained earnings	4,500,000	3,000,000
	5,400,000	3,900,000
Total liabilities and shareholders' equity	\$331,059,000	\$251,579,000

The accompanying Notes to Financial Statements are an integral part of this statement.

**STATEMENT OF INCOME AND RETAINED EARNINGS**

For the year ended December 31,	1985	1984
Revenue from clearing services	\$50,293,000	\$43,986,000
Interest income	2,209,000	1,476,000
Total revenues	52,502,000	45,462,000
Expenses:		
Securities Industry Automation Corporation processing expenses	29,291,000	28,103,000
Other processing expenses	2,940,000	2,386,000
The Depository Trust Company fees	9,679,000	7,643,000
Employee compensation and related benefits	4,376,000	3,622,000
General and administrative	2,488,000	2,715,000
Professional fees	478,000	273,000
Total expenses	49,252,000	44,742,000
Income before income taxes	3,250,000	720,000
Provision for income taxes	1,750,000	220,000
Net income	1,500,000	500,000
Retained earnings, beginning of the year	3,000,000	2,500,000
Retained earnings, end of the year	\$ 4,500,000	\$ 3,000,000

The accompanying Notes to Financial Statements are an integral part of this statement.

**STATEMENT OF CHANGES IN FINANCIAL POSITION**

For the year ended December 31,	1985	1984
Financial resources were provided by (used for):		
Net income	\$ 1,500,000	\$ 500,000
Depreciation and amortization charges not affecting working capital	368,000	230,000
Working capital provided from operations	1,868,000	730,000
Clearing Fund cash deposits	6,171,000	(4,237,000)
Purchase of fixed assets	(245,000)	(1,373,000)
Disposal of fixed assets	1,000	117,000
Deposits and other	(605,000)	(2,064,000)
Increase (decrease) in working capital	\$ 7,190,000	\$ (6,827,000)

**Analysis of Changes in Working Capital**

Increase (decrease) in current assets:		
Cash	\$ 1,444,000	\$ (4,703,000)
Temporary investments	24,532,000	13,946,000
Accounts receivable	150,000	926,000
Settlement accounts receivable	(9,650,000)	8,231,000
Other current assets	221,000	(124,000)
	16,697,000	18,276,000
(Increase) decrease in current liabilities:		
Accounts payable	(90,000)	(147,000)
Regulatory fees payable	(369,000)	(705,000)
Settlement accounts payable	(7,956,000)	(24,243,000)
Accrued taxes and other expenses	(1,092,000)	(8,000)
	(9,507,000)	(25,103,000)
Increase (decrease) in working capital	\$ 7,190,000	\$ (6,827,000)

The accompanying Notes to Financial Statements are an integral part of this statement.



**NOTES TO FINANCIAL STATEMENTS**

**Note 1/Summary of Significant Accounting Policies:**

The accounting and reporting practices of National Securities Clearing Corporation (the Company) conform to generally accepted accounting principles. The significant policies are summarized as follows:

*(a) Retained earnings:*

The Company has retained earnings of \$4,500,000, of which \$1,000,000 was earmarked for the capitalization of International Securities Clearing Corporation, a wholly owned subsidiary (see Note 9), and does not plan to declare dividends. The Company determines in advance the amount of earnings, if any, it wishes to retain in a given year and has accordingly provided rebates on its billings to participants.

*(b) Temporary investments:*

Temporary investments consist of U.S. Treasury securities maturing in less than one year, and are carried at cost, adjusted for amortization of premiums and accretion of discounts. At December 31, 1985, \$41,759,000 (\$22,952,000 at December 31, 1984) of such investments were held in an account for the exclusive benefit of participants. The amount to be held in such account, where the Company's rules require, is determined daily in accordance with procedures established by the Company to facilitate participants' compliance with the customer segregation rules of the Securities and Exchange Commission. Additionally, cash of \$1,144,000 and \$907,000 at December 31, 1985 and 1984, respectively, is segregated in accordance with such customer segregation rules.

*(c) Settlement accounts:*

Settlement accounts receivable and payable arise from temporary time lags in the cash settlement process between the Company and participants or other registered clearing agencies. The nature of the Company's business involves significant money transfers on a daily basis, certain of which are executed via Federal Funds and given effect in the financial statements on the basis of one-day earlier Clearing House Funds. In particular, Federal Funds transfers due from or to certain registered clearing organizations of \$159,890,000 and \$4,727,000 respectively were recorded as of December 31, 1984, in accordance with such Company practice; this situation did not exist at December 31, 1985.

*(d) Revenue from clearing services:*

Revenue from clearing services is net of rebates to participants which reduce gross revenues to the approximate amount of costs in accordance with the Company's retained earnings policy for the year. Since gross revenues exceeded costs, participant invoices were discounted \$4,661,000 and \$2,639,000 in 1985 and 1984, respectively.

*(e) Provision for income taxes:*

The difference between the Company's 53.8% effective tax rate for the year ended December 31, 1985 (30.6% for the year ended December 31, 1984) and the 46.0% federal statutory tax rate is primarily attributable to state and local taxes, offset by research and investment tax credits.

**Note 2/Organization and Operations:**

All of the Company's shares are owned equally by the New York Stock Exchange, Inc. (NYSE), American Stock Exchange, Inc. (Amex), and the National Association of Securities Dealers, Inc. (NASD). The Company is managed by its staff and controlled by an independent user Board of Directors which is responsible for its policies, operations, and financing. The Company's fee structure, which was approved by the Securities and Exchange Commission, is geared to reflect the Company's cost of providing services to its participants.

**Note 3/Clearing Fund:**

The rules of the Company require each participant to deposit in the Clearing Fund an amount based on its settlement activity. The Fund is available to secure participant obligations to the Company and certain liabilities and losses of NSCC, should they occur. The Company's policy is to apply 25% and, in its discretion, a greater percentage of its then existing retained earnings, if such losses exceed a defaulting participant's Clearing Fund deposit. After appropriate notice to both its membership and the Securities and Exchange Commission, the Company may assess its membership in accordance with the Company's rules. An assessment for a loss arising from a guaranteed NSCC system is limited to those participants who utilize that guaranteed system. Under certain circumstances, a participant in a guaranteed system can limit its assessment for losses arising from the financial impairment of another member in such guaranteed system to the amount of Clearing Fund attributable or allocated to that system based on the limiting participant's overall settlement activity. Neither the Company nor its predecessors have ever subjected their memberships to such an assessment.

The Clearing Fund consists of cash, securities issued or guaranteed by the U.S. Government, its states and their political subdivisions, or by Letters of Credit issued by authorized banks.

**NOTES TO FINANCIAL STATEMENTS**

(continued)

The composition of the Clearing Fund is as follows:

December 31,	1985	1984
Calculated requirements based on settlement activity	\$257,199,000	\$187,435,000
Cash in excess of such requirements	9,063,000	10,354,000
Clearing Fund	266,262,000	197,789,000
Less:		
Participants' cash deposits, including cash in excess of such requirements	(43,952,000)	(37,781,000)
Balance of requirement	\$222,310,000	\$160,008,000
Non-cash deposits currently on hand:		
Letters of Credit	\$198,270,000	\$144,410,000
Securities (at market value)	47,511,000	49,043,000
	\$245,781,000	\$193,453,000

Amounts deposited by participants in excess of those participants' individual Clearing Fund requirements are not available to meet deficiencies of another participant except to the extent that the entire Clearing Fund may be pledged by the Company to meet a short-term liquidity requirement.

Title to the cash deposits and securities remains with the participant subject to the Company's contractual right to use them (and to present drafts under Letters of Credit deposited by participants) in accordance with the Company's rules.

Substantially all of the cash portion of the Clearing Fund is included in temporary investments at December 31, 1985 and 1984. Interest amounts earned by the Company from investing the cash portion of the Clearing Fund are passed through to participants on a pro-rata basis; such amounts, which are not reflected in the financial statements, totalled \$3,639,000 and \$3,710,000 in 1985 and 1984, respectively.

**Note 4/Transactions with Related Parties:**

The NYSE, Amex and NASD provide regulatory services for which NSCC collects billings from participants on behalf of these organizations. Amounts collected and not yet remitted at December 31, 1985 and 1984 with respect to these transactions are as follows:

	1985	1984
NYSE	\$1,074,000	\$594,000
NASD	—	111,000
Total	\$1,074,000	\$705,000

As described in Note 5, the Company has a facilities management agreement with Securities Industry Automation Corporation (SIAC), which is owned by the NYSE and Amex. The Company rents certain office space from SIAC for which rental payments amounted to \$592,000 and \$565,000 in 1985 and 1984, respectively. The NYSE also owns a minority interest in The Depository Trust Company (DTC), whose facilities are used by the Company. DTC fees included \$6,632,000 and \$5,005,000 in 1985 and 1984, respectively, relating to charges for NSCC participants which the Company sponsors at DTC. NSCC passes through these charges to the sponsored participants.

Amounts payable at December 31, 1985 and 1984 to SIAC and DTC are as follows:

	1985	1984
SIAC	\$3,024,000	\$2,880,000
DTC	312,000	274,000

**Note 5/Facilities Management Agreement:**

Under the terms of an agreement, SIAC provides the necessary facilities, personnel and services in support of the Company's clearing services and related functions. SIAC's charge is based on its direct, computer and general overhead costs arising from providing such services. The agreement has no expiration date and continues in effect unless notice of cancellation is given by either party. Under the terms of this agreement the Company was liable, in the event of cancellation, for computer equipment leases in the amount of \$4,859,000 at December 31, 1985. This amount decreases to zero in 1990.

**Note 6/Lease Commitments:**

At December 31, 1985, minimum annual rental payments under all noncancellable operating leases totalled \$1,492,000 payable as follows: \$1,136,000 in 1986 and \$356,000 in 1987.

**NOTES TO FINANCIAL STATEMENTS**

(continued)

**Note 7/Contingencies:**

The Continuous Net Settlement (CNS) system interposes the Company between participants in each security position on a daily basis. The total long and short security positions are in balance each day. The failure of participants to deliver securities to the Company, and the corresponding failure of the Company to redeliver such securities results in unsettled positions. Unsettled positions are marked to the market daily and debited or credited through the settlement process to participants involved.

At December 31, 1985, unsettled positions due the Company approximated \$817,000,000 (\$587,000,000 at December 31, 1984), and the amounts due from the Company approximated \$500,000,000 (\$354,000,000 at December 31, 1984) for unsettled positions and \$317,000,000 (\$233,000,000 at December 31, 1984) for securities borrowed through the Company's Stock Borrow Program.

**Note 8/Pension Plan:**

The Company has a trustee noncontributory pension plan covering all employees who have attained age 21 (age 25 in 1984) and have six months of service. The total pension expense, which includes amortization of past service cost over 10 years, was \$171,000 and \$148,000 for 1985 and 1984, respectively, calculated under the entry age normal actuarial cost method. The Company makes annual contributions to the plan equal to the amount accrued for pension expense. Benefits and net assets for the pension plan are presented below:

January 1,	1985	1984
Actuarial present value of accumulated plan benefits:		
Vested	\$551,000	\$558,000
Nonvested	35,000	55,000
	<u>\$586,000</u>	<u>\$613,000</u>
Net assets available for plan benefits	\$953,000	\$745,000

During the past two plan years, certain actuarial assumptions and plan provisions were modified, including an increase in the rate of return used in determining the actuarial present value of accumulated plan benefits to 7.5% for 1984. The effect of these changes on pension expense and the accumulated plan benefits information is not significant.

**Note 9/Subsequent Event:**

On November 12, 1985, the Company established International Securities Clearing Corporation (ISCC), a wholly owned subsidiary which was incorporated in the State of New York; this international securities clearing subsidiary was formed to support U.S. brokers, dealers and banks through bilateral linkages with central clearing and depository organizations in other countries.

On January 2, 1986, NSCC contributed capital of \$1,000,000 to ISCC in exchange for 10,000 common shares of \$.50 par value per share. ISCC has also offered to interested settling members and shareholders of NSCC the opportunity to subscribe to ISCC debt through a private placement. It is expected that the approximate \$3,000,000 to be raised through this debt offering, together with the initial capitalization by NSCC, will assure the availability of adequate working capital to ISCC.

**REPORT OF INDEPENDENT ACCOUNTANTS**

153 East 53rd Street  
New York, NY 10022



February 19, 1986

**Price Waterhouse**

To the Board of Directors and Shareholders of  
National Securities Clearing Corporation

In our opinion, the accompanying balance sheet and the related statements of income and retained earnings and of changes in financial position present fairly the financial position of National Securities Clearing Corporation at December 31, 1985 and 1984, and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

*Price Waterhouse*

**Participating Organizations  
(as of April 10, 1986)**

ABD Securities Corporation  
Adams, Harkness & Hill, Inc.  
Adler, Coleman & Co., Inc.  
Advest, Inc.  
Agora Securities, Inc.  
Fred Alger & Company Incorporated  
Allen & Company Incorporated  
Alpine Associates  
Amalgamated Bank of New York  
American Investment Group  
American Securities Corporation  
American Stock Exchange Clearing Corporation  
Arnhold and S. Bleichroeder, Inc.  
Asiel & Co.  
B.E.S. Partners  
BHF Securities Corporation  
B & S Financial Services Inc.  
BT Brokerage Corporation  
Julius Baer Securities Inc.  
Robert W. Baird & Co., Incorporated  
Baird, Patrick & Co., Inc.  
Bank of Montreal, New York Branch  
The Bank of New York  
Bankers Trust Broker Clearing Unit  
Bankers Trust - Clearance  
Bankers Trust Company  
Adams, McEntee & Company  
Citizens First National Bank of New Jersey  
Citizens Trust Company  
Columbian Securities, Inc.  
Langdon P. Cook & Co.  
Incorporated  
Crocker National Bank  
First Interstate Bank of Nevada  
First Wisconsin National Bank of Milwaukee  
Fleet National Bank  
Glickenhau - Ltg. & Co.  
Midlantic National Bank  
National City Bank, Cleveland  
D.A. Pincus & Co., Inc.  
Refco Municipal Securities Co.  
RepublicBank Dallas, N.A.  
Sterling, Grace Municipal Securities Corporation  
Strahsmeier Securities Co.  
The Summit Trust Company  
Tollner & Bean, Inc.  
United Virginia Bank  
Wheeler Municipals Corp.  
Bankers Trust/Investment Services  
Bankers Trust - J.J. Kenny Co., Inc.  
Barclays Bank International Limited  
Barrett & Company  
Bear, Stearns & Co., Inc.  
Beare Brothers & Co., Inc.  
Beauchamp & Co.  
Benton & Company  
Sanford C. Bernstein & Co., Inc.  
William Blair & Company  
Blinder, Robinson & Co., Inc.  
Boettcher & Company, Inc.  
Boston Stock Exchange Clearing Corp.  
Bodell Overcash Anderson & Co., Inc.  
Buell Securities Corp.  
Cantella & Co. (Retail)  
Robert C. Carr & Co., Inc.  
Clayton, Polleys & Co.  
Diamant Investment Corp.  
Gage-Wiley & Co., Inc.  
Gowell Securities Corporation (Retail)  
Instant Funds Incorporated  
Investors Discount Corporation  
Kimball & Cross  
Linsco Corp.

Merrimack Valley Investment Inc.  
Oftring & Co., Inc.  
H.M. Payson & Co.  
Spencer, Swain & Co., Inc.  
Trusted Funds, Inc.  
Arthur W. Wood Company  
Boston Stock Exchange Specialist Account  
ABD Securities Corp.  
Steven J. Agoston  
Andrew Company  
John N. Aufiero  
Blodgett & Co., Inc.  
Cantella & Co.  
Dietrich & Company  
Feigelman Securities  
Gus N. Ganoudis  
Garden State Securities, Inc.  
Gowell Securities Corp.  
H.T.N. Securities  
Hawthorne Securities Corporation  
Jorgenson Securities, Inc.  
K. and S., Inc.  
King, Keller & Co.  
May & Gannon, Inc.  
Mermelstein & Co.  
Gerald P. Michaud  
John Murphy & Associates  
Olwell, McCallion, Inc.  
J. C. Bradford & Co.  
Branch, Cabell & Co.  
H. A. Brandt & Associates, Inc.  
Broadcort Capital Corporation  
Brokerage Clearance Services, Inc.  
Brounoff, Claire & Co., Inc.  
Brown Brothers Harriman & Co.  
Brown & Company Securities Corporation  
Brown, Lisle/Cummings, Inc.  
Alex. Brown & Sons, Inc.  
P. R. Burke & Co.  
Burns Fry & Timmins Inc.  
Burns, Pauli & Co., Inc.  
CBT Municipal Dealer  
Cable, Howse & Ragen  
Canadian Depository for Securities Limited  
Andras Canavest Hetherington Limited  
Bache Securities Inc.  
Alfred Bunting & Company Ltd.  
Burns Fry Limited  
Connor, Clark & Company Ltd.  
Darier Management Corporation Inc.  
Davidson Partners Limited  
F. H. Deacon, Hodgson Inc.  
Disnat Investment Inc.  
Dominick Corporation of Canada Limited  
Dominion Securities Pitfield Limited  
First Canada Securities Corporation  
First Marathon Securities Limited  
Geoffrion, Leclerc Inc.  
Gordon Capital Corporation  
Levesque, Beaubien Inc.  
Loewen, Ondaatje, McCutcheon & Company, Ltd.  
MacDougall, MacDougall & MacTier Inc.  
McLeod Young Weir Limited  
McNeil, Mantha, Inc.  
Merit Investment Corporation  
Midland Doherty Limited  
Odlum Brown Limited  
Pictet (Canada) and Company, Limited  
Pemberton Houston Willoughby Incorporated  
Richardson Greenshields of Canada, Limited  
Walwyn Stodgell Cochran Murray Limited  
Canadian Imperial Bank of Commerce  
S.B. Cantor & Co., Inc.  
Cantor, Fitzgerald & Co., Inc.

Capital Shares, Inc.  
Carolina Securities Corporation  
Carr Securities Corp.  
Carr & Thompson, Inc.  
Challenge Securities Inc.  
Chase Dealer & Investment  
The Chase Manhattan Bank, N.A.  
Chase/Syndicate  
Chemical Bank  
Chemical Bank - Municipal Dealer  
The Chicago Corporation  
The Cincinnati Stock Exchange  
Citibank Dealer - Municipal Operations  
Citibank/IFI Custody  
Citibank, N.A.  
Simmons First National Bank  
Citibank - Private Banking Division  
Conklin, Cahill & Co.  
The Connecticut Bank and Trust Company  
Connecticut National Bank  
Cosentino & DeFelice, Inc.  
Coughlin & Co., Inc.  
Cowen & Co.  
Craig-Hallum, Inc.  
Craigie Incorporated  
Custodial Trust Company (subsidiary of Bear, Stearns & Co., Inc.)  
Cutter & Dixon  
DBC Clearing Corporation  
DLJ Fixed-Income  
Dain Bosworth Incorporated  
Daiwa Securities America Inc.  
Davenport & Co. of Virginia, Inc.  
Shelby Cullom Davis & Co.  
Dean Witter Reynolds Inc.  
deCordova, Cooper & Co.  
Deltec Securities Corporation  
The Depository Trust Company  
Citizens Commercial & Savings Bank (Municipal Dealer)  
First National Bank of Cincinnati  
First National Bank of Louisville  
Manufacturers National Bank of Detroit - Municipal Bond Dept.  
Wachovia Bank & Trust - Bond Department  
Deutsche Bank Capital Corporation  
Dillon, Read & Co. Inc.  
Doft & Co., Inc.  
Dominick Investor Services Corp.  
Dominion Securities Pitfield Inc.  
Donald & Co. Securities, Inc.  
Drexel Burnham Lambert Incorporated  
E. I. Loan Services  
Easton & Co.  
Eberstadt Fleming, Inc.  
A. G. Edwards & Sons, Inc.  
Einhorn & Co.  
Engler & Budd Company  
Eppler, Guerin & Turner, Inc.  
Equity Securities Trading Co., Inc.  
Ernst & Company  
EuroPartners Securities Corporation  
Evans & Co., Incorporated  
Exchange Services, Inc.  
Execution Services Incorporated  
Fagenson & Company, Inc.  
Fagenson & Company, Inc. - Retail  
Fahnestock & Co.  
George R. Fairweather Securities, Inc.  
Fechtner, Detwiler & Co., Inc.  
Fernandez, Bartsch & Mirra  
Fiduciary Trust Company of New York  
Financial Clearing & Services Corporation  
First Albany Corporation

First Birmingham Securities Corporation  
The First Boston Corporation  
First Jersey National Bank  
First Jersey Securities, Inc.  
First Manhattan Co.  
First of Michigan Corporation  
First Options of Chicago, Inc.  
First Southwest Company  
Fossett Corporation  
Walter N. Frank & Co.  
Wm. V. Frankel & Co., Inc.  
Freehling & Co.  
Freeman Securities Company, Inc.  
Freeman Welwood & Co., Inc.  
French American Banking Corp.  
Albert Fried & Company  
J.W. Gant & Associates  
Gay & Co.  
Gintelco, Inc.  
Goldberg Securities, Inc.  
Goldman, Sachs & Co.  
Gordon & Co.  
Gradison & Company Incorporated  
Greenfield Partners  
Oscar Gruss & Son Incorporated  
Haas Securities Corporation  
Hanifen, Imhoff Inc.  
J.F. Hartfield & Co., Inc.  
The Heitner Corporation  
Henderson Brothers, Inc.  
Herzog, Heine, Geduld, Inc.  
Hill, Thompson, Magid & Co., Inc.  
J. J. B. Hilliard, W. L. Lyons, Inc.  
Hirshon, Roth & Co.  
Howard, Weil, Labouisse, Friedrichs Incorporated  
Wayne Hummer & Co.  
E.F. Hutton & Company Inc.  
IFB Managing Partnership, L.P.  
Icahn & Co., Inc.  
The Illinois Company Incorporated  
Ingalls & Snyder  
Interstate Securities Corporation  
Irving Trust Company  
The First National Bank in Albuquerque  
Mitsui Manufacturers Bank  
United Bank of Arizona  
Irving Trust/Investment/Dealer  
JMS Execution Services  
Benjamin Jacobson & Sons  
Janney Montgomery Scott Inc.  
Jefferies & Co., Inc.  
Jesup & Lamont Clearing Corp.  
Johnson, Lane, Space, Smith & Co., Inc.  
Johnston, Lemon & Co. Incorporated  
Edward D. Jones & Co.  
Josephthal & Co. Incorporated  
Kalb, Voorhis & Co.  
Kall & Co., Inc.  
Kaufmann, Alsborg & Co., Inc.  
Kellner, DiLeo & Co.  
J. J. Kenny Co., Inc.  
Kidder, Peabody & Co. Incorporated  
C. L. King & Associates, Inc.  
Koonce Securities Inc.  
Henry Krieger & Co.  
LaBranche & Co.  
Lafer Amster & Co.  
Lashco, Inc.  
Lasker, Stone & Stern  
Cyrus J. Lawrence Incorporated  
Lawrence, O'Donnell & Co.  
Lazard Freres & Co.  
Legg Mason Masten Inc.  
Lewco Securities Corp.  
S. B. Lewis & Company  
MKI Securities Corp.  
MN Services  
M. S. Securities Services Inc.  
McCourtney-Breckenridge & Company

McDonald & Company Securities, Inc.  
 McLeod Young Weir Incorporated  
 Mabon, Nugent & Co.  
 MacAllaster Pitfield MacKay Inc.  
 Bernard L. Madoff  
 Manufacturers and Traders Trust  
 Company  
 Manufacturers Correspondent  
 Clearing Services  
 Manufacturers Hanover Trust  
 Company  
 Alamo National Bank  
 American Fletcher National Bank  
 The Arizona Bank  
 Banco Popular de Puerto Rico  
 BancOhio National Bank  
 Bank of Virginia  
 Bankers Trust of South Carolina  
 Boatmen's National Bank of  
 St. Louis  
 Central Fidelity Bank  
 Central Fidelity Bank – Investments  
 Central Fidelity Bank  
 (Lynchburg, VA)  
 Corpus Christi National Bank  
 The Exchange National Bank of  
 Chicago  
 The First National Bank of  
 Shreveport  
 First National Bank of South  
 Carolina  
 First Union National Bank  
 Hibernia National Bank in  
 New Orleans  
 Imperial Bank (Los Angeles)  
 Landmark First National Bank  
 LaSalle National Bank  
 Mellon Bank, N.A.  
 NCNB National Bank of North  
 Carolina  
 Old Stone Corporation  
 Pittsburgh National Bank  
 South Carolina National Bank  
 Southeast Bank, N.A.  
 Southtrust Bank of Alabama, N.A.  
 Sovran Bank, N.A.  
 Sovran Bank, N.A. — Trading  
 Unibanc Trust  
 United Bank and Trust Company  
 Manufacturers Hanover Trust  
 Company – Municipal Dealer  
 Operations  
 Marcus & Company  
 Marcus Schloss & Co., Inc.  
 Marine Midland Bank, N.A. —  
 Capital Markets Clearance  
 Marine Midland Bank – New York  
 First National Bank of Toms River,  
 N.J.  
 Second National Bank of Saginaw  
 United Jersey Bank  
 Carl Marks & Co., Inc.  
 Mayer & Schweitzer, Inc.  
 M. J. Meehan & Co.  
 Mericka & Co., Inc.  
 Merrill Lynch, Pierce,  
 Fenner & Smith Inc.  
 Mesirov & Company, Incorporated  
 Metropolitan Securities  
 Midland Doherty Inc.  
 Midwest Clearing Corporation  
 Bartlett & Co.  
 Alan Bush Brokerage Company  
 Equitable Securities Corporation  
 Howe, Barnes & Johnson, Inc.  
 The Milwaukee Company  
 Texas First Brokerage Services  
 Montgomery Securities  
 Morgan Guaranty Trust Company of  
 New York  
 Morgan Guaranty Trust Company of  
 N.Y. — Muni Bond Dealer  
 Morgan, Keegan & Company, Inc.  
 Morgan, Olmstead, Kennedy &  
 Gardner Incorporated

Morgan Stanley & Co. Incorporated  
 Muller and Company, Inc.  
 Murphey, Marseilles, Smith &  
 Nammack  
 Murphy & Durieu  
 NASD Market Services, Inc.  
 National Financial Services  
 Corporation  
 National Westminster Bank USA  
 Neuberger & Berman  
 Newbridge Securities Inc.  
 New Japan Securities  
 International, Inc.  
 Newhard, Cook & Co. Incorporated  
 J. F. Nick & Co.  
 The Nikko Securities Co.  
 International, Inc.  
 Nippon Kangyo Kakumaru  
 International, Inc.  
 Nomura Securities International, Inc.  
 Norbay Securities, Inc.  
 John Nuveen & Co. Incorporated  
 O'Connor & Associates  
 O'Connor Securities  
 Offerman & Co., Inc.  
 Olde & Co., Incorporated  
 Oppenheimer & Co., Inc.  
 Outwater & Wells, Inc.  
 Pacific Brokerage Services  
 Pacific Clearing Corporation  
 Crowell, Weedon & Co.  
 PaineWebber Incorporated  
 S. C. Parker & Co., Inc.  
 Pershing Division of Donaldson,  
 Lufkin & Jenrette Securities  
 Corporation  
 Carl H. Pforzheimer & Co.  
 Piper, Jaffray & Hopwood  
 Incorporated  
 E. J. Pittock & Co., Inc.  
 Prescott, Ball & Turben, Inc.  
 Prudential-Bache Securities Inc.  
 Purcell, Graham & Co., Inc.  
 Q&R Clearing Corporation  
 E. J. Quinn & Co., Inc.  
 RSF Partners  
 T. J. Raney & Sons, Inc.  
 Rauscher Pierce Refsnes, Inc.  
 Raymond, James & Associates, Inc.  
 W. H. Reaves & Co., Inc.  
 Regional Clearing Corp.  
 Reich & Co. Inc.  
 Richardson Greenshields  
 Securities Inc.  
 M. Rimson & Co., Inc.  
 Robb, Peck, McCooley Clearing  
 Corporation  
 Robertson, Colman & Stephens  
 Rodman & Renshaw, Inc.  
 Roney & Co.  
 Rose & Company Investment  
 Brokers, Inc.  
 L.F. Rothschild, Unterberg,  
 Towbin, Inc.  
 Roulston Research Corp.  
 R. Rowland & Co., Incorporated  
 Ryan, Beck & Co.  
 Sage, Ruddy & Co., Inc.  
 Salomon Brothers Inc.  
 M. A. Schapiro & Co., Inc.  
 J. Henry Schroder Bank & Trust  
 Company  
 Charles Schwab & Co., Inc.  
 Scott & Stringfellow, Inc.  
 Seasingood & Mayer  
 Securities Clearing of Colorado, Inc.  
 (Doing Business as: SECO  
 Securities, Inc.)  
 Securities Corp. (Allen)  
 Securities Settlement Corporation

Security Pacific Broker Services  
 Security Pacific Clearing &  
 Services Corp.  
 American Municipal Securities Inc.  
 James Baker & Company  
 Bancroft, O'Connor, Chilton &  
 Lavell, Inc.  
 Berghoff, Marsh & Company  
 Bernardi Securities, Inc.  
 A. F. Best Securities, Inc.  
 Bowman & Company, Inc.  
 Breaan Murray, Foster Securities Inc.  
 Bryan, Worley & Co., Inc.  
 Capitol Municipal Securities, Inc.  
 Carl & Company Incorporated  
 Carolan & Co., Inc.  
 Carty & Company, Inc.  
 Chase Lincoln First Bank, N.A.  
 Columbian Securities, Inc.  
 Cranston Securities Company  
 Crews & Associates, Inc.  
 Croake, Roberts, Inc.  
 Dayton, Kahn, Heppe,  
 Hancock & Co.  
 Dorsey & Company Incorporated  
 A. Webster Dougherty & Co., Inc.  
 Duncan-Williams, Inc.  
 Dupree & Company, Inc.  
 R.W. Ellwood & Co., Inc.  
 Essex Company  
 First Eastern Bank, N.A.  
 First Miami Securities, Inc.  
 First St. Louis Securities, Inc.  
 Flagship Securities, Inc.  
 GFC Securities Corporation  
 Gibraltar Securities Co.  
 A. F. Green & Co., Inc.  
 Greer Moreland Fosdick  
 Shepherd Inc.  
 Griffin, Kubik, Stephens &  
 Thompson, Inc.  
 J.B. Hanauer & Co.  
 Henry/Kearns Municipals, Inc.  
 Horizon Securities, Inc.  
 Investment Securities of  
 Oklahoma, Inc.  
 A.D. Jack & Company  
 Landmark Investments, Inc.  
 Lasater & Company  
 Leedy Corporation  
 David Lerner Associates, Inc.  
 M. G. Lewis & Co., Inc.  
 John P. McGowan and  
 Company, Inc.  
 Matthews & Wright, Inc.  
 Meuse, Rinker & Chapman  
 Incorporated  
 Mid-State Securities Corp.  
 Municipal Securities, Inc.  
 National Bank of Commerce  
 (Birmingham, Ala.)  
 National Bank of Commerce  
 (Memphis, Tenn.)  
 Plansmith Securities, Inc.  
 Powell & Satterfield, Inc.  
 Arch W. Roberts & Co.  
 Russell, Rea & Zappala, Inc.  
 St. Johns Capital Investors  
 Corporation  
 Sauerman Securities, Inc.  
 R. Seelaus & Co., Inc.  
 Southeastern Municipal Bonds, Inc.  
 Spelman & Co., Inc.  
 Townes & Co., Inc.  
 Vining-Sparks Securities, Inc.  
 Michael A. Weisser, Inc.  
 Westcap Securities, Inc.  
 A.H. Williams & Co., Inc.  
 Young Moore & Company, Inc.  
 B. C. Ziegler & Company  
 Ziegler Securities, Inc.  
 A. W. Zucker & Co.  
 Security Pacific Loan Group  
 Security Pacific Retail Services  
 Seidler Amdec Securities Inc.

Seligman Securities, Inc.  
 H. B. Shaine & Co., Inc.  
 Shatkin Investment Corp.  
 Shatkin-Lee Clearance  
 Shatkin-Lee Securities Co.  
 Shearson Lehman Brothers, Inc.  
 I. M. Simon & Company, Inc.  
 Smith Barney, Harris Upham & Co.  
 Incorporated  
 E. H. Smith, Jacobs & Co.  
 Smith, Moore & Co.  
 Southwest Securities Incorporated  
 Spear, Leeds & Kellogg  
 State Street Boston Securities  
 Services Corp.  
 R. J. Steichen & Co.  
 Stern & Kennedy  
 Sterne, Agee & Leach, Inc.  
 Stifel, Nicolaus & Company  
 Incorporated  
 Stock Clearing Corporation  
 Stock Clearing Corporation of  
 Philadelphia  
 Butcher & Singer Inc.  
 StockCross, Inc.  
 Stokes, Hoyt & Co.  
 J. Streicher & Co.  
 The Stuart-James Company, Inc.  
 Swiss American Securities, Inc.  
 Swiss Bank Corporation International  
 Securities Inc.  
 Thomson McKinnon Securities Inc.  
 A. B. Tompane & Co.  
 The Toronto-Dominion Bank  
 Transaction Services, Inc.  
 Transatlantic Securities Company  
 Tucker, Anthony & R. L. Day, Inc.  
 UBS Securities Inc.  
 Underwood, Neuhaus & Co.,  
 Incorporated  
 United Missouri Bank of  
 Kansas City, N.A.  
 United States Trust Company of  
 New York  
 Universal Securities Corporation  
 Vail Securities Investment, Inc.  
 Van Kampen Merritt Inc.  
 Edward A. Viner & Co., Inc.  
 W & D Securities, Inc.  
 Wachovia Brokerage Service  
 Wagner, Stott & Co.  
 Wall Street Clearing Company  
 Wall Street Trust, A Bank of New  
 York Division  
 Jefferson Guaranty Bank  
 Maryland National Bank  
 NCNB National Bank of  
 North Carolina a/c Cape  
 Securities  
 Texas Independent Bank  
 Walsh, Greenwood & Co.  
 S. G. Warburg, Rowe & Pitman,  
 Akroyd Inc.  
 S. G. Warburg, Rowe & Pitman,  
 Akroyd Securities, Inc.  
 Weber, Hall, Sale & Associates, Inc.  
 Wechsler & Krumholz, Inc.  
 Wedbush, Noble, Cooke, Inc.  
 Weiss, Peck & Greer  
 H. G. Wellington & Co., Inc.  
 Wells Fargo Bank, N.A.  
 Wheat, First Securities, Inc.  
 Williams Securities Group, Inc.  
 Wilshire Associates  
 Windsor Associates  
 Wittow & Company, Inc.  
 Wolfe & Drizos Corporates, Inc.  
 Wood Gundy Corp.  
 Yamaichi International (America) Inc.  
 Zeller, Torykian & Co., Inc.  
 Ziegler Thrift Trading, Inc.

*For Municipal Comparison Only:*

Acker, Wolman Securities Corp.  
Allied Bank of Texas  
M.E. Allison & Co., Inc.  
Allison-Williams Co.  
American National Bank – St. Paul  
American Security Bank, N.A.  
(Washington, DC)  
AmSouth Bank, N.A.  
Anderson Traub & Fisher Inc.  
Atlantic National Bank of Florida  
A.E. Aub & Co.  
Bank IV Wichita, N.A.  
Bank of America, BIRD  
Dealer-Portfolio  
Bank of California  
Bank of Hawaii  
Bank of New England, N.A.  
Bank of Oklahoma, N.A.  
Bank South, N.A. (Atlanta)  
Bankers Trust Company  
– Investment Dealer  
Barnett Bank of Jacksonville, N.A.  
Barr Brothers & Co., Inc.  
BayBank Boston, N.A.  
Blank, Conger and Sena  
Branch Banking & Trust Co.  
Brislin & Woram  
Buetti, Cannon & Co., Inc.  
K.R. Butler Inc.  
Cantor, Fitzgerald Municipal Brokers,  
Inc.  
Capital Markets Corporation  
Center Bank, N.A. St. Louis  
Central Bank of the South  
The Central Trust Co. N.A.  
(Cincinnati)  
Chapdelaine & Co.  
Citizens Fidelity Bank & Trust  
Company (Louisville, KY)  
The Citizens & Southern National  
Bank – Dealer Account  
City National Bank, Beverly Hills,  
California  
Colorado National Bank of Denver  
Comerica Bank – Detroit  
Commerce Bank of Kansas City, N.A.  
Commerce Union Bank  
Commercial National Bank of Peoria  
Commonwealth Securities and  
Investments, Inc.  
B. J. Compton & Sons, Inc.  
Connecticut National Bank  
– Investment Dealer  
Connors & Company  
Coogan, Gilbert & Co., Inc.  
R. W. Corby & Company, Inc.  
R. L. Cray & Co., Inc.  
Cronin & Co., Inc.  
Cullen/Frost Bank – Dallas  
Cusack, Light & Company, Inc.  
Dahlke & Company, Inc.  
Denver National Bank – Investment  
Dept.  
Deposit Guaranty National Bank,  
Jackson, MS  
Ladd Dinkins & Company  
Discount Corporation of New York  
Municipals  
Dolphin & Bradbury  
Doley Securities Inc.  
Dominion Bank, N.A. (Roanoke, VA)  
Douglas & Co. Municipals, Inc.  
Harry Downs & Co., Inc.  
Clifford Drake & Company, Inc.  
Duke McElroy and Company  
R.J. Edwards, Inc.

Egan, Marrin & Rubano, Inc.  
Ehrlich-Bober & Co., Inc.  
Emanuel & Company  
Equibank, N.A.  
European American Bank & Trust  
Company  
Faherty, Aliaga & Co., Incorporated  
The Fidelity Bank (Philadelphia, PA)  
The Fifth Third Bank  
FinSer Investment Company  
First Alabama Bancshares, Inc.  
First American National Bank –  
Nashville  
First Bank (N.A.) Milwaukee  
First Charlotte Corporation  
First Citizens Bank & Trust Company  
First City National Bank of Houston –  
Safekeeping  
First Fidelity Bank, N.A., New Jersey  
First International Investment  
Corporation  
First Interregional Equity Corp.  
First Interstate Bank of Arizona, N.A.  
First Interstate Bank of California –  
Dealer Bond Department  
First Interstate Bank of Denver, N.A.  
First Interstate Bank of Oregon, N.A.  
First Interstate Bank of Washington  
First Investment Securities, Inc.  
First Missouri Bank & Trust Company  
The First National Bank & Trust Co.  
of Tulsa  
The First National Bank of Boston –  
Dealer  
First National Bank in Palm Beach –  
Bond Department  
First National Bank of Atlanta  
First National Bank of Chicago  
First National Bank of Commerce  
(New Orleans, LA)  
First National Bank of Maryland  
First National Bank of Minneapolis –  
Bond Dealer  
First National Bank of Springfield  
The First National Bank of St. Paul  
First National Bank & Trust Co.,  
Oklahoma City  
First National Bank of Topeka  
First of America Bank – Detroit, N.A.  
First Southern Securities, Inc.  
First Tennessee Bank, N.A.  
Florida National Bank (Jacksonville)  
Fox Reusch & Co., Inc.  
The Frazier Lanier Company  
Garvin Independent Municipal  
Brokers  
Georgia Railroad Bank & Trust Co.  
Glickenhau & Co.  
Halliburton & Associates, Inc.  
Halpert, Oberst and Company  
Hand Investment Company, Inc.  
Harper, McLean & Company  
Chester Harris & Co., Inc.  
Hatcher & Co., Inc.  
Hattier, Sanford & Reynoir  
Frank Henjes & Company, Inc.  
Hill, Crawford & Lanford, Inc.  
William R. Hough & Co.  
John F. Houlahan & Co., Inc.  
The Huntington National Bank  
(Columbus, OH)  
Hutchinson, Shockey, Erley & Co.  
Independent State of Minnesota  
Indiana National Bank  
InterFirst Bank Dallas – Dealer  
International Bank  
Lex Jolley & Co., Inc.  
Joe Jolly & Co., Inc.  
Johnston, Brown, Burnett & Knight,  
Inc.

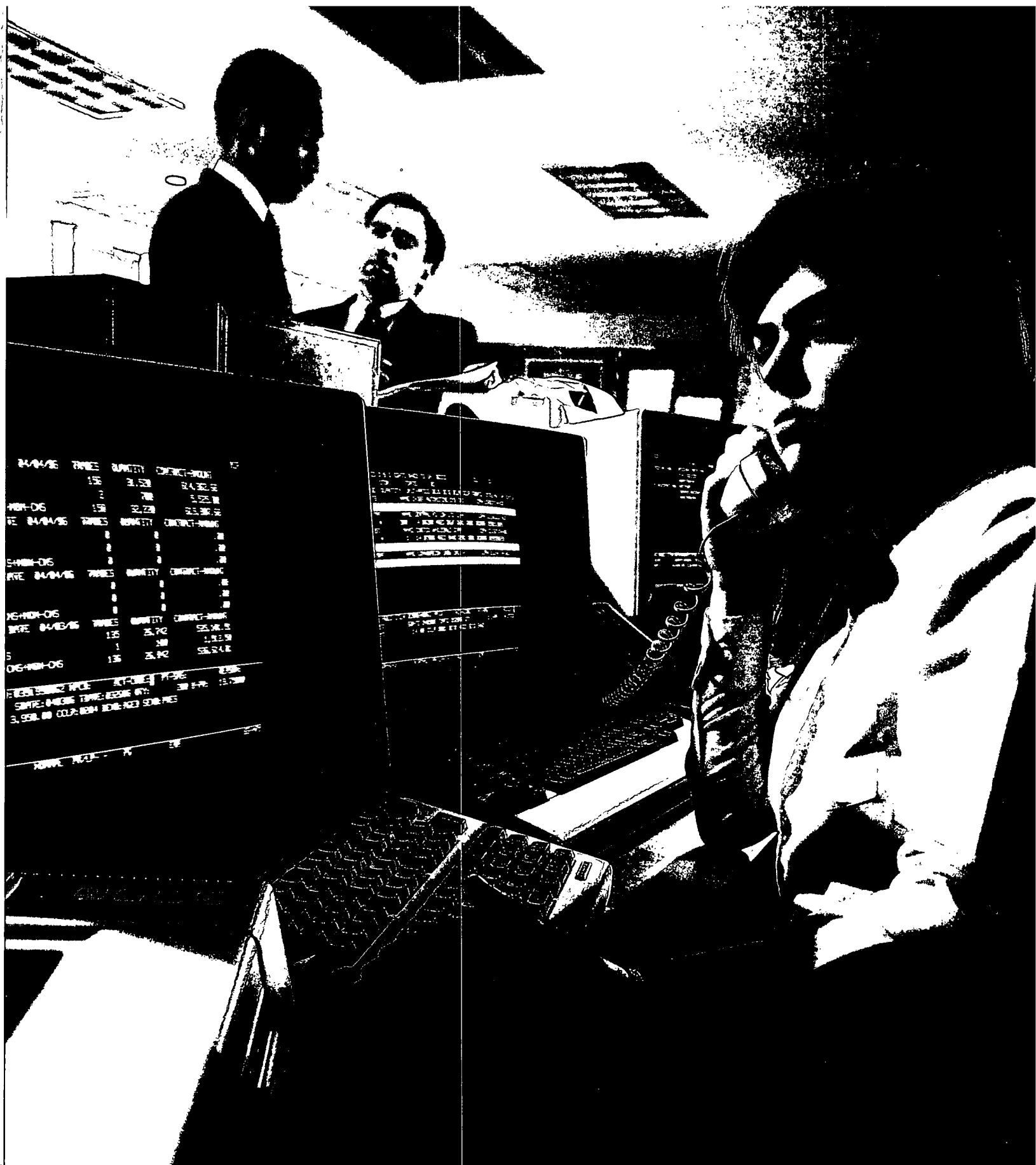
Kaiser & Company  
Kansas State Bank & Trust Company  
(Wichita, KS)  
Keenan & Clarey, Inc.  
Kemper Sales Company  
Kirchner, Moore & Company  
W.L. Knox & Company  
Lebenthal & Co., Inc.  
Liberty National Bank and Trust  
Company (Louisville, KY)  
Liberty National Bank & Trust  
Company Investment Dept.  
(Oklahoma City, OK)  
Lovett Mitchell Webb & Garrison, Inc.  
M&I Marshall & Ilsley Bank  
McLaughlin, Piven, Vogel Inc.  
McLiney and Company  
Mann, Urfer Inc.  
Manufacturers and Traders Trust Co.  
– Muni Trading & Safekeeping  
Manufacturers Hanover Securities  
Corporation  
Marcotte Hume & Associates  
Incorporated  
Marine Bank, N.A. (Milwaukee, WI)  
Mark Twain National Bank  
(St. Louis, MO)  
MBank Austin, N.A.  
MBank Dallas  
MBank Houston, N.A.  
MCG Portfolio Management Corp.  
Mercantile Trust Company, N.A.  
Merchants National Bank & Trust  
Company of Indianapolis  
N.D. Meyer & Co., Inc.  
Miller & Schroeder Financial Inc.  
Miller Securities, Incorporated  
E. A. Moos & Co., Inc.  
R. H. Moulton & Co.  
Mounger & Bartlett, Incorporated  
Mountaineer Securities Co.  
Municipal Investors Service, Inc.  
NCNB National Bank of Florida  
National Bank of Commerce Trust &  
Savings Association – Dealer  
National Bank of Georgia – Dealer  
National Bank of Detroit  
The National Bank of Washington  
Newman and Associates, Inc.  
Norstar Bank, N.A. – Buffalo  
Norstar Bank of Long Island  
Norstar Bank of Upstate New York  
(Albany)  
Norstar Bank, Rochester  
Norwest Bank Minneapolis – Norwest  
Securities  
O'Brien & Shepard, Inc.  
Old National Bank of Washington  
Leo Oppenheim & Co., Inc.  
Oregon Bank  
J.A. Overton & Co.  
Pacific Securities, Inc.  
Park Investment Corp.  
Peoples National Bank of Washington  
R.W. Peters, Rickel & Co., Inc.  
Philadelphia National Bank –  
Corestates Capital Markets  
Group  
Wm. E. Pollock & Co., Inc.  
Porter, White & Yardley, Inc.  
Rainier National Bank  
RepublicBank First National  
Midland (TX)  
Rhode Island Hospital Trust  
National Bank  
Rogers & Lamb  
Roosevelt & Cross, Incorporated  
Ross Capital Group Inc.  
S.S.B. – Bank Portfolio

Schaffer, Necker & Co.  
Scharff & Jones, Inc.  
Scheetz, Smith & Company Inc.  
Schmidt Securities, Inc.  
Seasongood & Mayer Municipals  
Seattle First National Bank  
Seattle Northwest Securities  
Corporation  
Securicorp. Inc.  
Security National Bank of Kansas City  
Society National Bank  
Security Pacific National Bank  
Shawmut Bank – Investment Division  
Shawmut Worcester County Bank,  
N.A.  
Herbert J. Sims & Co., Inc.  
R.W. Smith & Associates, Inc.  
Society National Bank  
J.W. Sparks Municipals, Inc.  
Stepp Investments, Ltd.  
M.L. Stern & Co., Inc.  
Stoeber, Glass & Co. Inc.  
Sun Bank, N.A. (Orlando, FL)  
Swink & Company, Inc.  
Texas American Bank/Fort Worth,  
N.A.  
Texas Commerce Bank – El Paso  
Texas Commerce Bank, N.A.  
Texas State Securities, Inc.  
Third National Bank in Nashville  
Thorn, Alvis, Welch, Inc., Investment  
Securities  
Thornton, Farish & Gauntt, Inc.  
Titus & Donnelly Inc.  
Trust Company Bank – Investment  
Banking Division (Atlanta, GA)  
Trustmark National Bank  
UMIC, Inc.  
Union Bank – Treasury Department  
Union Planters National Bank –  
Investment Banking Group  
United Bank of Denver, N.A.  
Valley National Bank of Arizona  
St. Denis J. Villere & Co.  
J.H. Wagner & Co. Inc.  
Wells Fargo Bank, N.A. – Funding  
Group  
R.D. White & Company  
Whitney National Bank of New  
Orleans  
Wolfe & Drizos Municipals, Inc.  
Wood Gundy Corporation  
Worthen Bank & Trust Co., N.A.,  
(Little Rock, AR)

*For Fund/SERV:*

Colonial Investment Services, Inc.  
A. G. Edwards & Sons, Inc.  
Smith Barney, Harris Upham & Co.  
Incorporated

Design:  
Bloch Graulich Whelan Inc.  
New York



At the NASD's TARS (Trade Acceptance and Reconciliation Service) Department, Rodney V. Dawson (left), Supervisor, Member Services, and Donald J. Catapano, Director, Uniform Practice, review activity reports from the supervisory terminals. The NASD's TARS provides participants in NSCC's OTC Comparison System with an on-line facility for reporting trade corrections.



2096 A			2096 A		
STATUS			STATUS		
SD	RD	DM	SD	RD	DM
1	•	•	1	•	•
2	•	•	2	•	•
3	•	•	3	•	•
4	•	•	4	•	•
[Signature]			[Signature]		
121	RD	DM	121	RD	DM

