



Compliance and Best Practices

Regulatory Compliance

An integral part of our Business Continuity Program is achieving compliance with regulatory requirements.

Several Omgeo services are subject to regulation by the U.S. Securities and Exchange Commission (“SEC”). Omgeo TradeSuite and Omgeo TradeMatch, which are U.S.—based electronic trade confirmation and central matching services, are subject to SEC regulation. Omgeo OASYS Global, which is an electronic trade confirmation service, is subject to SEC regulation when the service is used to satisfy rules of U.S. self-regulatory organizations that require the electronic confirmation and affirmation of certain trades settling in the U.S. Those trades are ones in which the broker-dealer provides delivery-versus-payment or receive-versus-payment privileges to its customer. Omgeo Central Trade Manager, which is a central matching service, is subject to SEC regulation when the service is used for trades in which either the broker-dealer or its institutional customer is a U.S. entity and the securities in the trade are issued by a U.S. issuer. The SEC regulation of Omgeo is set out in an SEC order granting an exemption from registration as a clearing agency to a subsidiary of Omgeo. The order is contained in SEC Release No. 34-44188; File No. 600-32; 66 FR 20494 (April 17, 2001).

The Board of Governors of the Federal Reserve System, the Office of the Controller of the Currency and the SEC have issued an Interagency Paper on Sound Practices to Strengthen the Resilience of the U.S. Financial System (the “Interagency Paper”). The Interagency Paper identifies sound practices for core clearing and settlement organizations and firms that play significant roles in critical financial markets. The sound practices, which are designed to help protect the U.S. financial system from the risks of a wide-scale disruption, focus on establishing back-up facilities to recover and resume clearing and settlement activities. Organizations that fall within the scope of the Interagency Paper are expected to adopt the sound practices. The SEC staff has advised Omgeo that WE ARE considered to be a core clearing and settlement organization for purposes of the Interagency Paper’s requirements. Omgeo’s business continuity plans reflect those requirements. The Interagency Paper is contained in SEC Release No. 34-47638; File No. S7-32-02; 68 FR 17809 (April 7, 2003).

Outside of the U.S., Omgeo continues to monitor regulatory requirements to maintain our compliance in the area of business continuity planning. Please continue to visit our web site for more information on our regulatory response.

Best Practices

Omgeo continues to partner with our parents, DTCC and Thomson Reuters, and participate in industry exercises, working parties and regional forums to ensure we implement best practices to increase the strength of our program and Omgeo’s overall resiliency.

Omgeo's business continuity planning considers several effective measures and business impact including:

- Consolidated and secure data center for systems and client data
- Out of region recovery for critical services
- Updated and maintained contact lists
- Alternate work sites
- Security
- Legal and regulatory
- Communication processes and systems
- Availability of key personnel
- Disruption of transportation systems