



DTCC

*The Depository Trust &
Clearing Corporation*





Business Continuity at DTCC

Conference on Market Infrastructures' Business Continuity Arrangements

European Central Bank

September 25, 2006



Key Plan Components

- **Remote data processing capabilities**
 - ✓ **“Dark site” backup implemented May 2003**
- **Remote business operations capabilities**
 - ✓ **“Active/active” processing configuration, implemented December 2004 – February 2005**
- **Management rotation and training**
- **Continuity testing standards for top-tier clients**



Remote Data Processing

- **“Dark site” data processing capabilities located 1,000+ miles away from production sites**
- **Some production systems are controlled remotely at all times (though actual systems rotate bi-weekly)**
- **Remote data replication lag now under two minutes**
 - ✓ **Participant guidance on identifying lost data distributed**
 - ✓ **Recovery scenarios tested quarterly**
- **Remote staffing capabilities being increased to provide for a third of total Infrastructure staff**



Remote Operations

- **Active second operations site located 700+ miles away from primary site**
- **All critical functions supported remotely, with 50% of activity supported daily**
- **Settlement processing controllable from either site independently**
- **Remote site now houses 50% of operations staff, plus staff areas and Applications support personnel**



Other Actions

- **Executive management rotations ensure that at least one senior executive is offsite at all times**
- **“War game” exercises challenge more junior staff to respond to business continuity issues**
- **Periodic drills ensure appropriate response on employee safety issues**



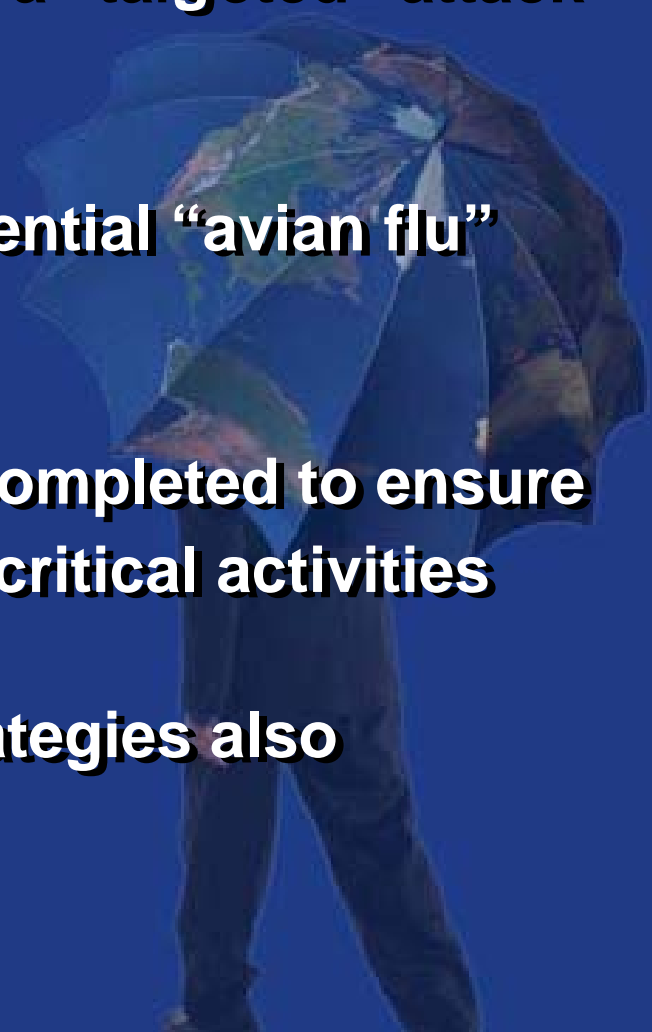
Other Actions

- **Top-tier clients required to test back-up connectivity annually**
- **Testing requirement covers 80% of daily volumes**
- **Annual “industry-wide” test supports assessment of broader client community**



More Recent Challenges

- **Actions to provide against a “targeted” attack implemented**
- **Extensive planning for potential “avian flu” pandemic in process**
 - ✓ **“Triaging” of functions completed to ensure continued resourcing of critical activities**
- **Outsourcing and other strategies also being pursued**





And Open Issues

- **How can we agree on a balanced approach on testing infrastructure resilience?**
- **Do we need to pursue further discussions on mutual back-up arrangements?**
- **Can the infrastructures extend (or reshape) their services to support enhanced member resilience?**
- **How can we accelerate agreement on/ implementation of a means of coordinating internationally in an emergency?**