A#:	8994
P&S:	8567
Date:	April 28, 2021
To:	ALL MEMBERS AND LIMITED MEMBERS
From:	WEALTH MANAGEMENT SERVICES – MUTUAL FUNDS
Attention:	MANAGER MUTUAL FUNDS OPERATIONS, MANAGER DATA PROCESSING, MANAGER CASHIERS, MANAGER P&S DEPARTMENT
Subject:	MF Info Xchange Service Enhancements

Effective **May 14, 2021**, National Securities Clearing Corporation (NSCC) will implement additional enhancements and capabilities to MF Info Xchange – the first communications center of its kind from DTCC's Wealth Management Services. MF Info Xchange facilitates and streamlines the delivery and receipt of time-critical notices and helps to effectively organize, prioritize and manage events and notifications through a centralized communications service and event calendar - never miss an event again!

**As part of this release, NSCC will enhance MF Info Xchange as follows:**

1) **Approval Workflow**

   To further streamline communication process, MF Info Xchange will be enhanced with the notification approval workflow. This feature will be available to both fund and firm clients.

   A new "All notifications must be submitted for approval" field will be added to the "Company Information" screen. If this field is checked, the approval workflow will be turned on. All notifications for your organization will follow the approval process. Organizations that do not require an approval workflow process, are advised to leave this field blank.

   Users provisioned with the "Update" role will be able to create/update notifications but will be required to submit notifications for review and approval. Users provisioned with the "Approve" role will review and approve/reject notifications. Approved notifications will then be distributed to the designated receivers once the approver clicks the "Approve" button.
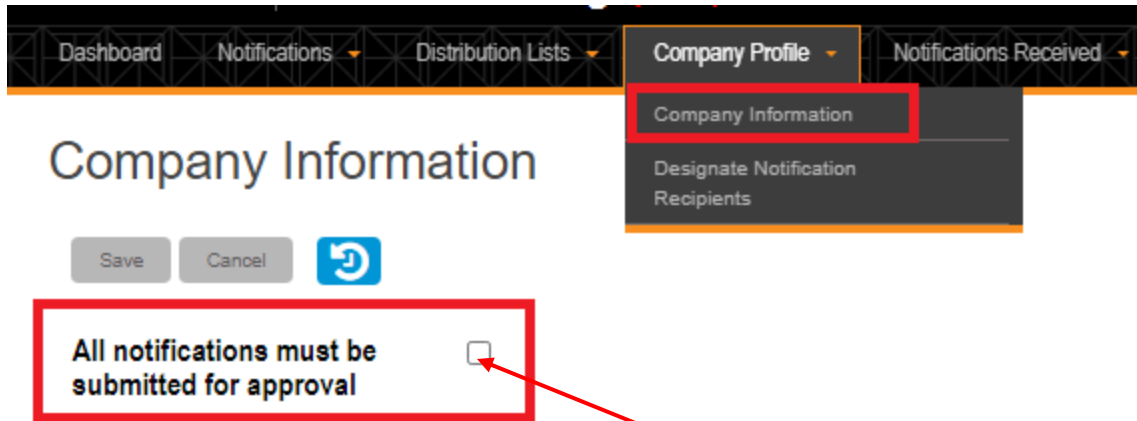
Notes:

- The "All notifications must be submitted for approval" field will NOT be checked. Clients wishing to utilize the approval workflow must click the checkbox to turn on the approval process.

- Only users provisioned with the "Approve" role can turn the approval workflow on or off. In order to utilize the approval workflow, at least one user at the organization must be provisioned with the "Approve" role.
- The approval workflow cannot be turned off until all pending approval notifications have been reviewed and approved/rejected.

Organizations utilizing the approval workflow will have the following new features on their dashboards:

1. **New "Notifications Pending Approval" and "Rejected Notifications" sections will be added to the "Notification Submitter" dashboard**
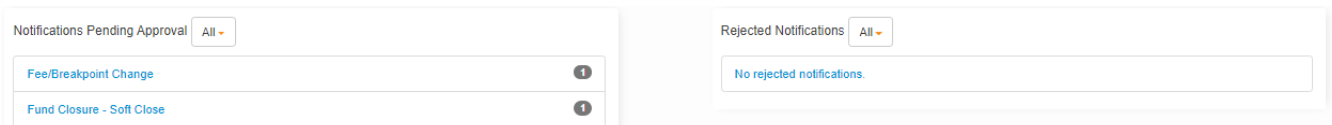

2. **New "Approval Status"** – each notification will have an "Approval Status". This status will be automatically set by the system based on the activity performed by the users.

   "Approval Status" will be one of the following: Not Submitted, Pending Approval, Approved or Rejected.
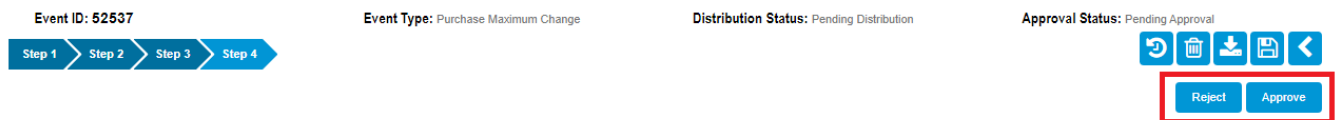
3. **New buttons on the Notification Step 4 screen**

- Users provisioned with the "Update" role will be able to **Submit For Approval** and/or **Redistribute an approved notification** (without making changes).
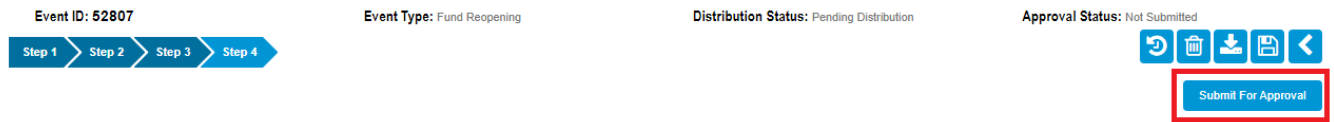
- Users provisioned with the "Approve" role will be able to Reject or Approve a notification that is pending approval.

4. **Workflow emails**

Users provisioned with the "Update" role will not be able to distribute new or revised notifications and will need to submit notifications for approval. This action will generate an email to all users (within the organization) provisioned with the "Approve" role. The user who submitted a notification for approval will be included on the "Request for Approval" email.

Users provisioned with the "Approve" role can reject or approve a notification. Depending on their action (approval or rejection), a "Notification Approved" or "Notification Rejected" email will be generated. The email will be sent to all users (within the organization) provisioned with the "Approve" role and the user who submitted the request for approval.

2) **Additional integration with Mutual Funds Profile Security (Profile Security)**

Current Functionality

Under the current functionality, clients can select key data elements (Security Issue ID, Fund Name, Fund Number, Ticker and Share Class) from Profile Security when creating a notification.

Enhanced Functionality

In order to further minimize keystrokes and reduce risk associated with manual entry, the existing seamless integration with Profile Security will be extended to extract and auto-populate additional data elements (including future dated changes) from Profile Security.

Future dated changes will be extracted into the notification if the future date of the change matches the Effective Date of the notification.

Additional Profile Security integration will be implemented for the following notifications/data elements and will include both current and future dated values (if available):

- Fee/Breakpoint Changes Notification
  - Redemption Fee Amount
  - Redemption Fee Percentage
  - Breakpoint Minimum Account Value
  - Breakpoint Maximum Account Value
  - Breakpoint Sales Charge Rate
  - Breakpoint Dealer Concession Rate
  - Breakpoint Underwriter Rate
  - CDSC Schedule Lower Limit
  - CDSC Schedule Upper Limit
- Fund Name Change
  - Fund Number
  - Security Issue ID
  - Fund Name
  - Ticker
  - Share Class
- Large Trade Threshold Change
  - Large Trade Notification Required
  - Large Trade Dollar Threshold Amount
- New Fund/New Share Class Launch (both current and future dated values will be available for auto-extraction)
  - Fund Number
  - Security Issue ID
  - Fund Name
  - Ticker
  - Share Class
  - Fund Status
  - Effective Date
- Purchase Minimum Change
  - Minimum Initial Purchase Amount
  - Minimum IRA/Roth IRA Initial Purchase Amount
  - Minimum IRA/Roth IRA Subsequent Purchase Amount
  - Minimum Coverdell IRA Purchase Amount
  - Minimum Coverdell IRA Subsequent Purchase Amount
  - Minimum Wrap Initial Purchase Amount
  - Minimum Wrap Subsequent Purchase Amount
  - Minimum Qualified Plans Initial Purchase Amount
  - Minimum Qualified Plans Subsequent Purchase Amount
  - Minimum Subsequent Purchase Amount
  - Minimum Periodic/Systematic Investment Purchase Amount
  - Minimum Initial Purchase Amount Non-Qualified Plan
  - Minimum Subsequent Purchase Amount Non-Qualified Plan
  - Minimum Initial Purchase Amount (Omnibus Account)
  - Minimum Subsequent Purchase Amount (Omnibus Account)
  - Minimum Initial Purchase Amount via an Exchange

- o Minimum Subsequent Purchase Amount via an Exchange
- Purchase Maximum Change
  - o Maximum Account Value Amount
  - o Maximum Purchase Amount
  - o Maximum Account Value Code

In order to leverage this feature, fund clients must have populated the applicable information in the Profile Security database. This emphasizes the importance of funds participating and ensuring all their securities are available in the Profile Security database. For more information on Profile Security please refer to http://www.dtcc.com/wealth-management-services/mutual-fund-services/mutual-fund-profile-service-ii

3) Notification Revisions

Current Functionality

Under the current design, updated notifications do not indicate notification revisions.

Enhanced Functionality

In order to clearly identify the updates, a new "Notification Revisions" tab will be added to the Excel files. The new tab will display the revisions since the previous distribution of the notification. The tab will have the same format as the first tab; however, only new/deleted/modified data elements will be provided for the receiver's convenience. The values will be color-coded to clearly indicate the type of revision. In the event the distributed notification does not have any revisions since the previous distribution, the "Notification Revisions" tab will not be added to the Excel file.

The first tab will continue to display the current version of the notification.

## 4) Enhancements to "Large Trade" Notifications

Current Functionality

Under the current design, "Access to Portal View" field is defaulted to the Fund Participant Number provided in Step 2 of the notification. "Emails Designated by Recipients" field is defaulted to "Include emails provided ONLY by recipients selected in Access to Portal View". However, clients creating a Large Trade Notification can change the "Access to Portal View" field in Step 4 of the notification from the default value to a different fund company or "All Funds". In addition, clients can change the default value of the "Emails Designated By Recipients" field to "Include emails provided by ALL subscribing recipients".

Enhanced Functionality

In order to further streamline the large trade communication process and mitigate the risk of a firm inadvertently selecting the "All Funds" option, Step 4 of the Large Trade Notification will be enhanced as follows.

- "Access To Portal View" field will be disabled.
- "Emails Designated by Recipients" field will NOT list the option: "Include emails provided by ALL subscribing recipients" or individual fund companies.
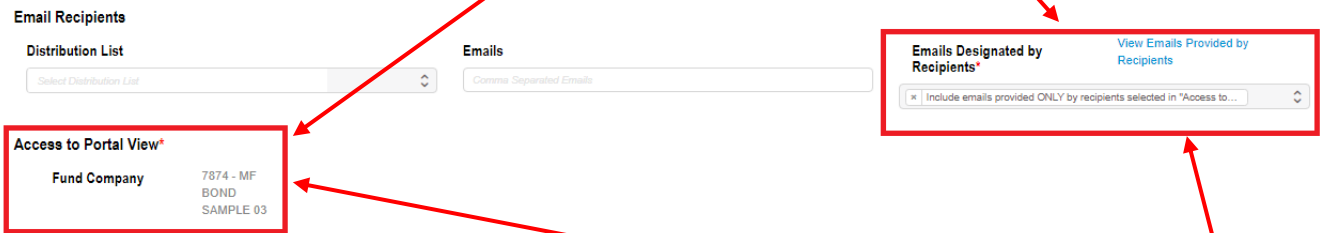
Notes:

The system will continue to default "Access to Portal View" field to the Fund Participant Number provided in Step 2 of the notification and "Emails Designated by Recipients" field to "Include emails provided ONLY by recipients selected in Access to Portal View". Firm clients will be able to change the default option in the "Emails Designated by Recipients" field to "DO NOT include emails provided by recipients".

If the Fund Participant Number provided in Step 2 is not subscribing to MF Info Xchange, the "Access to Portal View" field will be defaulted to "Non-subscribing fund" and the "Emails Designated by Recipients" field will be blank and disabled.
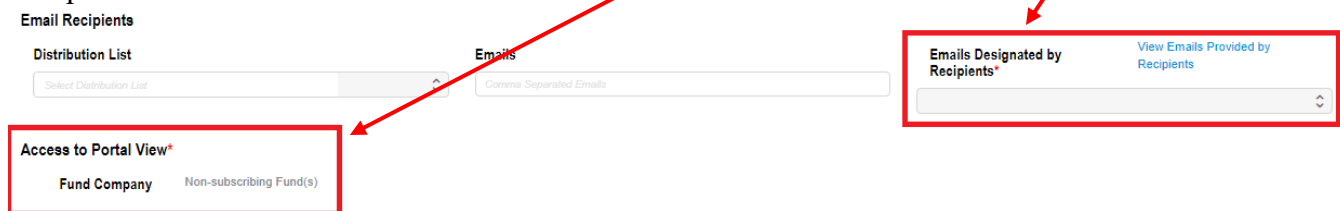
PLEASE NOTE: In order to perform code migration, MF Info Xchange will <u>not</u> be available in production on May 13, 2021 between 8pm-10pm ET.

<u>TESTING</u>
Effective April 30, 2021, clients can begin testing in the Participant Services Environment (PSE) region. Clients are encouraged to test and must contact their Relationship Manager before testing begins if access to the PSE region has not been previously established.

<u>DOCUMENTATION</u>
User guide is available in the DTCC Learning Center (https://dtcclearning.com/products-and-services/mutual-fund-services/). The guide will be updated on or about June 30, 2021.

Clients can find more information on MF Info Xchange at http://www.dtcc.com/wealth-management-services/mutual-fund-services/mf-info-xchange

Questions and comments regarding this Important Notice may be directed to your Relationship Manager, Account Manager or Wealth Management Services at **212-855-8877**.

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DTCC Wealth Management Services