# DCN Lite Processing Guide

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# Introduction

DTCC's DCN Lite system provides agents the capability to send formatted payment detail in an Excel spreadsheet, which is then uploaded into our Dividend Control Number (DCN) system. The DCN system provides automated matching of bulk payment detail, which would otherwise require manual processing by the DTCC P&I Cash Processing staff. This spreadsheet maximizes the likelihood of allocation on payable date, especially for payments sent close to the 3PM EST cutoff time. The system allows compliance with the payment detail requirement by DTCC's Operational Arrangements.

# Details

An Excel template spreadsheet will be provided which includes the required fields in the proper order. On payable date, the completed spreadsheet for the items due that day is attached to an email and sent to P&IPaymentDetail@dtcc.com. Our automated processing system will extract the data from the email, validate the formatting, and upload it to our DCN system. Once the payment wire is received with the control number matching the one provided on the spreadsheet, the payment is automatically applied to those items. This control number is unique for a transmission and must follow a specific format. The requirements for the 20 digits of the DCN control number are as follows:

- ❖ The first 8 digits must be the agent's 6-digit DDA number and 2-digit business unit number.
- ❖ The next 4 are the payable date in MMDD format. This represents the payable date of the security, which may not always be the same as the wire date (if funds are sent early or late). In addition, do not include securities for multiple payables dates into one DCN file. There should be separate DCNs for each payable date. Items payable on a Saturday, Sunday, or a holiday are carried forward to the next business day.
- ❖ The next 4 are the sequence number, which must be different for each transmission, and are determined by the agent.
- ❖ The final 4 are for the agent's internal use.

The six pieces of information that must be included for each record in the template are:
- ➢ the 20-digit numeric DCN control number in the format specified above

> ➢ the 1-digit department to which the payment is being sent: dividends (D) or redemptions (R). (Please note that this refers to the DTC bank account that the agent is sending the funding to. The account ending in 776 corresponds to the Dividends (D) items, while the account ending in 306 is for redemptions (R).)
> ➢ 9-digit alphanumeric CUSIP (each complete CUSIP must be provided separately, records that only contain the six digit issuer base will be rejected)
> ➢ the 1-digit payment type, dividend (D), principal (P), interest (I) or bearer bond coupon (C)
> ➢ the payment date in MM/DD/YYYY format
> ➢ the payment amount without commas.

For example:

| DCN Number | Department | CUSIP | Payment Type | Payment Date | Payment Amount |
|---|---|---|---|---|---|
| 12345678910111213141 | D | 123456AB9 | I | 01/03/2011 | 99999.99 |

The 20-digit DCN control number from the spreadsheet is to be used as the subject of the email in the following format:

<p align="center">DCN12345678910111213141</p>

This is the trigger to our systems that the email contains payment detail. The DCN control number must also be included in the OBI reference field of the wire in the same format. This is again the trigger for our systems that the payment detail has been transmitted in the DCN format.

Important: Each DCN spreadsheet must correspond with an individual wire. The amount of the payment detail contained in a control number must match the amount of the payment actually sent to DTCC. A discrepancy between the detail and the actual funding provided will prevent our systems from closing the payment automatically.