DTCC

Important Notice

National Securities Clearing Corporation

A#:	8807
P&S#:	8380
Date:	JANUARY 31, 2020
To:	ALL ACATS PARTICIPANTS
From:	ACATS PRODUCT MANAGEMENT, DTCC EQUITIES CLEARING
Attention:	DIRECTOR OF OPERATIONS, ACCOUNT TRANSFERS DEPARTMENT, MUTUAL FUND OPERATIONS, P&S DEPARTMENT
Subject:	ACATS MODERNIZATION/SHORTENED CYCLE INITIATIVE –FINAL REMINDER

This is a follow-up to Important Notice A8735 (published 08/13/19) and A8672 (published 01/28/19). Click here for all associated ACATS Important Notices.

This notice serves as final reminder of the upcoming production migration for the ACATS Modernization/Shortened ACATS initiative pursuant to SEC Rule Filing SR-NSCC-2020-001.

Schedule:

- Production – **Monday, February 24, 2020 –** This is the first day in which the new changes will be live. The migration will occur after close of business on Friday, February 21, 2020, which will be the last business day ACATS will process transactions under the current functionality.

    - Note on Days in Status Conversion (Enhancement 2 in project scope section) for existing transactions (pre-migration): On Friday, February 21, 2020, ACATS will send two End of Day (EOD) Position files. The first file/report will be sent at its regularly scheduled time for current day activity under existing functionality. After close of business, ACATS will begin its migration to the new functionality in preparation for the Monday live date. Once this migration is complete (Friday evening), ACATS will send a second EOD Positions file (same file name) with updated Days in Status field values for already pending ACATS activity. The second End of Day Positions file will be an exact duplicate of the first file except for the update to the days in status field. The second file will not be sent before 8pm et on that Friday to ensure that firms have time to process their regular end of day activity. It is up to each firm to determine usage or non-usage of this second end of day file. Detailed information about this conversion process can be found in the Implementation Guidelines document (see documentation link below).

Project Scope:

Industry Requested Enhancements:
1. Increase from five to eleven multi-cycles per day.
2. Change in "Days in Status" field calculation to report actual business day of the transfer status. (ex, Request Day 1 vs. Request Day 2, Review Day 1 vs. Review Day 2).
3. Input deadline changes for transfer initiation, transfer reject, asset input and asset adjustment transactions.
4. New functions within accelerate which will both enable fund registrations to be transmitted earlier in the day to fund companies and restrict additional adjustment activity that can add additional days to a transfer.
5. Increase in the number of ACATS Fund/SERV cycles that fund companies can receive fund registration information.
6. Remove steps in the Position Transfer Fund (PTF) process allowing fund registration (FR) records to be sent at the same time as Transfer Input (TI) and Asset Transfer (AT) records.

(See Enhancement Specification for a detailed list of requirements by accessing the link in Documentation section of this notice)

Documentation:
All documentation related to this initiative can be found at dtcclearning.com. This includes: Enhancement Specifications, Implementation Guidelines, User Guides, Record Layouts, Test Cases and Best Practices.

https://www.dtcclearning.com/products-and-services/equities-clearing/automated-customer-account-transfer-service-acats/acats-modernization.html

Website registration is required for access to this documentation.

Working Group:
An industry working group pertaining to this initiative meets every Wednesday from 2 PM to 3 PM ET. If interested, please email Craig Gurien at cgurien@dtcc.com.

Additional Information:
A copy of this Important Notice can be obtained from the website of NSCC's parent corporation, The Depository Trust & Clearing Corporation, at http://www.dtcc.com. If you have any questions regarding this notice, please contact your DTCC Relationship Manager.

Craig Gurien,
Product Manager, ACATS