

IMPORTANT NOTICE

DTCC Deriv/SERV LLC



#: 626

DATE: December 4, 2007
TO: Distribution
FROM: Deriv/SERV Product Management
SUBJECT: Deriv/SERV Interest Rates Release – 4.00 (December Release)

Deriv/SERV will implement various enhancement features to the Interest Rates platform at the close of business date (NY) on December 7, 2007.

This release consists of the following main components:

- Accepting, validating and matching of trades executed under the German Master Agreement for Financial Derivatives Transactions (*Rahmenvertrag für Finanztermingeschäfte*) (the “DRV”).
 - The Master Agreement Type, New Master Agreement Type, Definition Type and New Definitions Type fields will accommodate the new value of “DRV”.
 - Assignment matching whilst moving from one Master Agreement to another (i.e., ISDA-to-DRV or DRV-to-ISDA) can be facilitated.
- Accommodating Inflation Swaps (IFS) as an additional product type for Interest Rates.
 - The spreadsheet and FpML templates will be duly upgraded to reflect the new field requirements for submission of Inflation Swaps.
 - The GUI search and all referral screens will capture and refer to IFS similar to ‘Interest Swap’. Reports capture the IFS activity.
 - All post trade events for Inflation Swaps will follow the same manner as ‘Interest Swap’.
- Improve the matching algorithm functionality as follows:
 - Transferor Inside Assignments will only be compared against the corresponding Remaining Party Inside Assignments.
 - Data will be removed from the additional payments fields for all assignments (previously data was only removed following comparison with the post trade effective date).

These key features will greatly reduce the amount of potential mis-matches.
- Various GUI modifications/fixes on trade management. Of special note are:
 - The ability to search under the General and Assignments Search screen using the Block reference number.
 - The restriction that prevented a partial Assignment being submitted when an Unconfirmed Full Assignment exists has been lifted.

Please note that your profile must be configured accordingly for **Inflation Swaps**. If you intend to utilize this service, please contact our Implementation team via [derivserv_implementation @dtcc.com](mailto:derivserv_implementation@dtcc.com) to update your account profile.

Please refer to the Participant website for additional technical specifications on Inflation Swaps.

Please direct any queries related to this notice to Bill Stenning (wstenning@dtcc.com) or Kirston Winters (Kwinters@dtcc.com).