

# IMPORTANT NOTICE

National Securities Clearing Corporation



**A#6490**

**P&S#6060**

**DATE: August 14, 2007**

**TO: ALL PARTICIPANTS**

**ATTENTION: MANAGER MUTUAL FUNDS OPERATIONS,  
MANAGER DATA PROCESSING, MANAGER CASHIERS,  
MANAGER P&S DEPARTMENT**

**FROM: WEALTH MANAGEMENT SERVICES – MUTUAL FUNDS**

**SUBJECT: REMINDER - FUND NUMBER REQUIRED IN NETWORKING**

Effective Monday, September 17, 2007, National Securities Clearing Corporation (NSCC) will make the Clearing/Settling Fund Number a required field on the Networking Fund Conversion records and the Dividend/Capital Gain records. This will ensure proper return routing of rejected records. Please refer to Important Notice A#6444, P&S#6014, Subject - Fund Number Required in Networking, dated May 1, 2007

The Record Types affected are:

- Fund Acknowledgement (Record Type **F53**)
- Fund Account Update including Scrub and Fund Account Response (Record Type **F51**)
- Dividend Header (Record Type **F61**)
- Capital Header (Record Type **F62**)

**Please Note: Fund Acknowledgement (Record Type F53) can have up to three fixed length records. All F53 records submitted by the fund (Sequence Numbers 01, 02 and 03) will require that the Clearing/Settling Fund Number field be populated.**

See record changes below in **BOLD type**. Note: Firms are not affected by this change.

### Fund Acknowledgement (F53) #1

Field Name	Start	End	Len	Type	Description	Opt/Req 52/53
System Code	1	1	1	A/N	B = Firm F = Fund T = TPA	R/R
Record Type	2	3	2	A/N	52 = Account Transfer 53 = Fund Acknowledgment	R/R
Sequence Number	4	5	2	N	01	R/R
Clearing/Settling Firm Number	6	9	4	N		R/R
<b>Clearing/Settling Fund Number</b>	10	13	4	A/N		<b>O/R</b>
<b>Fields unchanged and removed between bytes 14 through 100 to save space.</b>						

### Fund Acknowledgment (F53) #2

Field Name	Start	End	Len	Type	Description	Opt/Req 52/53
System Code	1	1	1	A/N	B = Firm F = Fund T = TPA	R/R
Record Type	2	3	2	A/N	52 = Account Transfer 53 = Fund Acknowledgment	R/R
Sequence Number	4	5	2	N	02	R/R
Clearing/Settling Firm Number	6	9	4	N		R/R
<b>Clearing/Settling Fund Number</b>	<b>10</b>	<b>13</b>	<b>4</b>	<b>A/N</b>		<b>O/R (Effective Q3, 2007)</b>
Share Amount	14	26	13	N	Required for Transfer Type equals 2. 999,999,999.9999	OC/OC
<b>Fields unchanged and removed between bytes 27 through 100 to save space.</b>						

### Fund Acknowledgment (F53) #3

Field Name	Start	End	Len	Type	Description	Opt/Req 52/53
System Code	1	1	1	A/N	B = Firm F = Fund T = TPA	R/R
Record Type	2	3	2	A/N	52 = Account Transfer 53 = Fund Acknowledgment	R/R
Sequence Number	4	5	2	N	03	R/R
Clearing/Settling Firm Number	6	9	4	N		R/R

### Fund Acknowledgment (F53) #3

Field Name	Start	End	Len	Type	Description	Opt/Req 52/53
Clearing/Settling Fund Number	10	13	4	A/N		O/R (Effective Q3, 2007)
Physical Share Amount	14	26	13	N	999,999,999.9999	O/O
<b>Fields unchanged and removed between bytes 27 through 100 to save space.</b>						

### Fund Update (F51)

Field Name	Start	End	Len	Type	Description	Opt/Req 50/51
System Code	1	1	1	A/N	B = Firm F = Fund T = TPA	R/R
Record Type	2	3	2	N	50 = New Account 51 = Update to Existing Account, or Scrub, or Fund Account Response	R/R
Sequence Number	4	5	2	A/N	01	R/R
Clearing/Settling Firm Number	6	9	4	N		R/R
Reference Number	10	20	11	A/N	Must be valid if used.	O/O
<b>Fields unchanged and removed between bytes 21 through 80 to save space.</b>						
Scrub Indicator	81	81	1	A/N	0 = N/A 1 = Scrub record. 1 is allowed for fund input (System Code = F) only	O/O
Fund Account Response Indicator	82	82	1	A/N	0 = Fund should NOT send a Fund Account Response record (F51) to the firm.  1 = Fund should ALWAYS send a Fund Account Response record (F51) to the firm.  2 = Fund should ONLY send a Fund Account Response record (F51) to the firm if the fund could not comply with the firm's instructions	O/O
Clearing/Settling Fund Number	83	86	4	N	<b>Required if System Code = F (Effective Q3, 2007)</b>	O/OC
Returned from Post	87	87	1	A/N	0 = N/A	O/O

### Fund Update (F51)

Field Name	Start	End	Len	Type	Description	Opt/Req 50/51
Office (RPO)					1 = Returned from Post Office	
Filler	88	98	11	A/N	Space	R/R
Filler/Reject Code	99	100	2	A/N	Input: Space Output: Reject Code	R/R

### Dividend/Capital Gain Header (F61, F62)

Field Name	Start	End	Len	Type	Description	Opt/Req
System Code	1	1	1	A/N	F = Fund	R
Record Type	2	3	2	A/N	61 = Dividend 62 = Cap Gain	R
Capital Gain Indicator	4	4	1	A/N	Required for Record Type 62. 1 = Short Term Capital Gain 2 = 20% Rate Gain 3 = 28% Rate Gain 4 = Section 1202 Gain 5 = Un-recaptured Section 1250. Must be equal 2 or 3 when 5-Year Capital Gain Rate is Provided.	OC
Fund Payout Cycle	5	6	2	N	01 = Monthly 02 = Quarterly 03 = Semi-Annual 04 = Annual 05 = Periodic 06 = Special 07 = Stock Split	R
Dividend Distribution Type	7	7	1	N	1 = Accrual 2 = Equity	R
<b>Fields unchanged and removed between bytes 8 through 78 to save space.</b>						
Accrual Starting Date	79	86	8	N	mmddccyy Required if Dividend Distribution Type = 1 Accrual.	OC
Spillover Dividend Indicator	87	87	1	A/N	0 = No 1 = Yes	O
<b>Clearing/Settling Fund Number</b>	<b>88</b>	<b>91</b>	<b>4</b>	<b>A/N</b>		<b>R</b>
TPA Number	92	95	4	A/N		O
<b>Fields unchanged and removed between bytes 96 through 110 to save space.</b>						

As part of this release, two modifications were made to the existing **Networking Reject Code List**. The changes are highlighted in **BOLD** type in the table below.

<b>Networking Reject Code</b>	<b>Description</b>
<b>25</b>	Dividend <b>Debit/Credit</b> Indicator Missing/Invalid
<b>J2</b>	<b>Spillover Dividend Indicator Invalid</b>

The Networking Fund Conversion and Dividend/Capital Gains record layouts have been updated along with the Networking Reject Code List. Please see the NSCC website, <http://funds.dtcc.com>.

**Testing**

Beginning Monday, September 10, 2007, testing of the new record layouts will be accommodated in the Participant Services Environment (PSE) region. Participants wishing to test must contact the Enterprise Service Center (ESC) by calling the NSCC Production Support Hotline at 888-382-2721, option 1, and then option 4. To ensure proper set up for the PSE region, it is requested that at least three days prior notice be provided to ESC.

Questions and comments regarding this Important Notice may be directed to Mutual Fund Services at 212-855-8877, or the undersigned at 212-855-5674.

Randy W. Solomon  
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