

IMPORTANT NOTICE

DTCC Deriv/SERV LLC



#: 672

DATE: August 21, 2008

TO: Distribution

FROM: Deriv/SERV Product Management

SUBJECT: DTCC Deriv/SERV Release – Best Match Search Screen and Automation of the Disable Function

On Thursday evening, August 21, 2008, DTCC Deriv/SERV LLC will implement a release of the Trade Information Warehouse (TIW). There are two components of this release:

1. Best Match Search Screen:

This Search Screen will allow members to search for unconfirmed or alleged TIW trades with a “Best Match” percentage, i.e., those trades which match on a selected percentage of terms.

2. Automation of the Disable Process:

As detailed in Important Notice #670, distributed on August 19, submission of disable requests via the Web GUI will be supported. This automated request capability will replace the current fax (or e-mail) submission of the disable request. This automated functionality will be available for Credit, Rates and Equities.

A disable request submitted pursuant to the process described herein and in Important Notice #670 constitutes the submission to the Company of written confirmation of error described in Section 3 of the DTCC Deriv/SERV Operating Procedures for Automated Confirmation and Matching System (the “Operating Procedures”) under the heading “Transaction Records Confirmed in Error.” By submitting the automated request and approvals, the parties confirm to the Company that they are the parties to the Eligible Transaction with the indicated participant reference numbers and that the Eligible Transaction has been confirmed in error.

The manual procedures for breaking (disabling) a trade set forth in Important Notice #605, September 14, 2007, remain in effect during the period between August 21, 2008 and October 20, 2008, as Users transition to the automated procedures. Thereafter, the Automated Disable Process will be the only accepted means of requesting a disable request, unless a firm is unable to submit its disable request due to a system anomaly or if the web application is not available.

As a reminder, when a transaction is broken (disabled), that transaction will no longer be viewable on the General, and when applicable, the Assignment Search Results screen on the web front-end. Notification of the break will be by viewing the status of the request as “Disabled” on the 'new' Disable Search Results screen. There will not be an e-mail

confirmation from the Company to advise of the disable activity. Details of the broken trade can also be viewed in the Trade History Report.

Please be advised that these enhancements will be migrated into production on the evening of Thursday, 21st August, 2008, starting at 6:00 PM EST (11:00 PM GMT); the release process should take approximately two hours. During this time (6:00 PM – 8:00 PM EST, and 11:00 PM to 01:00 AM GMT), the Web service will not be available. Incoming MQ messages during this period will be accepted and queued for processing after completion of the release process.

The enhancements outlined in this Important Notice have been communicated via various Working Groups. By using the affected services, the User agrees to waive any applicable notice requirements relating to the enhancements.

Any questions or comments regarding this release or DTCC Deriv/SERV in general should be directed to your Client Account representative.