IMPORTANT NOTICE

National Securities Clearing Corporation

DTCC
The Depository Trust & Clearing Corporation

A#6614
P&S #6184 ***REVISED**

DATE:	**May 14, 2008**
TO:	**ALL PARTICIPANTS**
ATTENTION:	**MANAGER MUTUAL FUNDS OPERATIONS, MANAGER DATA PROCESSING, MANAGER CASHIERS, MANAGER P&S DEPARTMENT**
FROM:	**WEALTH MANAGEMENT SERVICES – MUTUAL FUNDS**
SUBJECT:	**ENHANCEMENTS TO MUTUAL FUND PROFILE SERVICE II (PROFILE SECURITY) FOR DTCC WEBDIRECT AND MAINFRAME**

Effective Monday, August 18, 2008 National Securities Clearing Corporation (NSCC) will be implementing enhancements to Mutual Fund Profile Service (Profile Security database) for DTCC WebDirect and mainframe users. Mainframe users will be required to program for these system changes. The enhancements are intended to improve data integrity and to enable data to be entered into the database in a more efficient manner.

These enhancements include:

- New values for existing data fields
- New data fields
- Renamed data fields
- Renamed on-line information level tabs
- Updated On-line Help screen business definitions of data fields

All changes may be found in the Profile Security Data Dictionary which includes updated data field business definitions. In addition, participants can reference the Profile Security Redesign Web User Guide, Technical Manual, and Best Practices Guide found at http://www.dtcc.com/products/wealthmgmt - see the "Customer Resources – Participants' Section".

<u>DTCC WebDirect On-line Screen Changes - (Mainframe changes where noted)</u>

1. **<u>Linkage Rules Tab</u>-** The "Linkage Rules" tab contains ROA information at the Management Company level and LOI information at the Share Class Level. To more explicitly describe the information contained in the "Linkage Rules" tab at these

hierarchy levels, the “Linkage Rules” tab will be titled “ROA Linkage Rules” at the Management Company level, and “LOI Rules” at the Share Class level..

The Linkage Rules link on the Broker Inquiry screens will be renamed “ROA/LOI Linkage Rules”.

2. **Profile Effective Date** - A picture icon of a calendar will appear to the right of “Profile Effective Date”. A date may be selected from the calendar to populate the effective date field. Alternatively, participants can continue to enter the date manually.

3. **Data Headers and Override Data** – “O = Override” will be added to all Data Headers (Blue Header Line) when there is at least one data field that has been overridden on the data screen. This will assist funds in identifying the overridden data without having to scroll to determine if an overridden data field exists.

4. **Last Update information** – information will be displayed on the Header line of the data screen indicating the last update to the logical grouping. The email address of the operator who input the updated data on-line will be displayed, along with the Date and Time of that activity. This will be displayed on all Data Management Transactions screens. If data is updated via a mainframe file transmission, the word “Batch” will be displayed instead of an email address, with the date and time.

5. **Existing Data Fields Renamed:**

    a. CDSC Commission Rate will now read “Advanced Commission Rate”
    b. Breakpoint Blending Applies Code will now read “ Finder’s Fee/Jumbo Breakpoint Blending Applies Code”

    The business definitions for these fields will be updated in the Data Dictionary and the On-line Help Business definition.

6. **Security ID Medium and Long Name** – to avoid visual on screen truncation of these two fields, the online display will be expanded. The number of characters for each field remains the same as defined in the Data Dictionary.

7. **Eligible Social Code field** (Share Class level Social Code data) – a drop down list of all available NSCC social codes with their corresponding definitions will be added to the Share Class level under Data Management Transaction screens for Create and Update functions. In addition, a value of “ALL” will be added to the drop down list of values. When “ALL” is submitted, a Social Code record for each available Social Code will be created. Please refer to the WebDirect User Guide for further instructions on utilizing this new value. Mainframe users can refer to the Technical Manual.

    Mainframe record layouts will be modified to include the new value of “ALL”. Please refer to the Technical manual for further edit rule information on utilizing this value on the Social Code record 025.

8. **Add New Values and/or Change Allowable Values of Existing Data Fields:**

New value(s) will be added to the drop down lists on screen for the following fields (Fund Portfolio level General Profile data):

- **Dividend Accrual Bulk Rate Method Code field –**
  - 2 = Not Applicable, Individual Rates Provided

- **Dividend Accrual Month End Bulk Rate field –**
  - 3 = Not Applicable, Individual Rates Provided

- **Dividend Accrual Purchase Start Date Code field, Dividend Accrual Exchange Start Date Code field, Dividend Accrual Full Transfer Start Date Code field, and Dividend Accrual Partial Transfer Start Date Code –**
  - 2 = Trade Date
  - 3 = Trade Date + 1

- **Dividend Accrual Redemption Stop Date Code field, Dividend Accrual Exchange Stop Date Code field, and Dividend Accrual Transfer Stop Date Code –**
  - 2 = Trade Date
  - 3 = Trade Date – 1

Mainframe record layouts will reflect the new values on General Profile record 020.

The business definitions for these fields will be updated in the Data Dictionary and the On-line Help Business definition.

- **12b-1 Record Date field** (Share Class level Commission data):
  - The current value of 01 – 31 Day of Month will be changed to 01 – 30 Day of Month on the drop down list of values
  - A new value will be added for this field
    - LC = Last Calendar Day

Mainframe record layouts will reflect the new value on Commission record 024.

- **CDSC Redemption Hierarchy Method Code field and CDSC Exchange Hierarchy Method Code field** (Share Class level CDSC data) **–** a new value will be added
  - 8 = Lot Level Depreciation Only

Mainframe record layouts will reflect the new value on CDSC record 022.

9. **New Optional Fields Added (to become "Required" or "Optional Conditional" at a later date) – the following new fields have been added to the Profile Security database. Upon Production date of August 18th, these new fields will be initialized by DTCC with a "blank/space". They are optional for input temporarily to accommodate funds requiring additional time to validate their data for input, and to accommodate firms requiring time to program these new fields and their new values on output.**

DTCC will notify funds and firms in advance when these fields will become "Required" or "Optional Conditional" for input in the next release of enhancements for Profile Security. Our anticipated next release target date for making these fields Required/ Optional Conditional is prior to year end.

- **Two new "optional" fields** and their valid values will be added to the web screens (Management Company level ROA Linkage data):
    - **Link By Household Code**
        - 0 = No
        - 1 = 9 Digit Zip Code
        - 2 = 9 Digit Zip Code , Last Name, and Tax Identification Number (two out of 3)
    - **Link By Custodian Code**
        - 0 = No
        - 1 = Yes
- **On production date, DTCC will populate a "blank/space" for this field. Funds should populate these fields.** At a future release date targeted prior to year end, funds and firms will be notified by DTCC in advance when these new fields will become "Required" for input.

Mainframe record layouts will reflect the new fields and values on ROA/LOI Linkage Rules record 029.

- A new Optional rate field "**CDSC Free Systematic Withdrawal Eligible Percentage"** will be added to the web screens (Share Class level CDSC data). The business definition is "What percentage of a systematic withdrawal is CDSC free?"
- **On production date, DTCC will populate a "blank/space" for the new "CDSC Free Systematic Withdrawal Eligible Percentage" field.** Funds should review if the "CDSC Systematic Withdrawal Waiver Code" field is currently populated on the database with "Yes". At a future release date targeted prior to year end, funds and firms will be notified by DTCC in advance when this new field will become "Optional Conditional" for input.

Mainframe record layouts will reflect the new rate field on CDSC record 022.

- A new optional field "**CDSC Aging Applies Code"** will be added to the web screens (*Security issue ID level general profile data). The business definition is "Do shares tracking contingent deferred sales charge continue their CDSC aging when exchanged into the Security issue ID. In some instances, shares can suspend their CDSC aging, but not their CDSC applicability, while residing in certain Security Issue ID types." The valid values are:
    - 0 = No
    - 1 = Yes

- **<u>On production date, DTCC will populate a "blank/space" for this field. Funds should populate this field.</u>** At a future release date targeted prior to year end, funds and firms will be notified by DTCC in advance when this new field will become Required for input.

<u>Mainframe record layouts will reflect the new field on CDSC record *020.</u>

- A new Optional field **"Relationship Between Participant Minimum and Asset Size"** will be added to the web screens (Share Class level Social Code data).

  The valid values for this field are:
  - 0 = Both must be met
  - 1 = Either must be met

The business definition is "The relationship between Participant and Asset Size values. For example, if both Eligible / Active Participant Minimums and Asset Size for Eligibility must be met before investment is permitted, the value "0" would be selected. Alternatively, if either the Participant Minimums or Asset Size for Eligibility can be met to permit investment, the value '1" would be selected".

<u>On production date, DTCC will populate a "blank/space" for this field.</u> At a future release date targeted prior to year end, funds and firms will be notified by DTCC in advance when this new field will become "Optional Conditional" for input.

<u>Mainframe record layouts will reflect the new field on Social Code record 025.</u>

- **A new Optional field** "**Alternate CDSC /Compensation Schedule Exists"** will be added to the web screens (Share Class level CDSC data).

  The valid values for this field are:
  - 0 = No
  - 1 = Yes, waived dealer concession, no CDSC, immediate trails

<u>The business definition is "Some share classes support alternate compensation schedules which accommodate for different combinations of dealer concessions, CDSC applicability, and commencement of trail commission payments. Is that scenario applicable to this share class?"</u>

<u>On production date, DTCC will populate a "blank/space" for this field. Funds should populate this field.</u> At a future release date targeted prior top year end, funds and firms will be notified by DTCC in advance when this new field will become "Required" for input.

<u>New Enhanced WebDirect Online Screen and Mainframe Data Edits</u>

DTCC will be implementing hard edits for online screen and mainframe input shortly. A separate Important Notice will be released in the next few weeks explaining the details of these new system edits.

Data Dictionary and On-line Help Updates

The Business Definitions in the Data Dictionary and on Online Help screens will be updated for the following fields:

Advanced Commission Rate (formerly CDSC Commission Rate)
Alternate CDSC/compensation Schedule Exists (new field)
Breakpoint Dealer Concession Rate
Breakpoint Sales Charge Rate
Breakpoint Underwriter Rate
CDSC Aging Applies Code (new field)
CDSC Free Systematic withdrawal Eligible Percentage (new field)
CDSC Hardship Waiver Code
CDSC Lower Limit
CDSC Upper Limit
Date of Most Recent Prospectus Supplement
DCC&S Cut-off time (was truncated)
Dividend Accrual Month End Bulk Rate Method Code
Dividend Type Code
Eligible Date
Eligible Social Code
Finder's Fee/ Jumbo Breakpoint Blending Applies Code (formerly Breakpoint Blending Applies Code)
Link by Child Code
Link By Custodian Code (new field)
Link By Domestic Partnership Code
Link By Household Code (new field)
Link By Stepchild Code
LOI Back-dating Days
Minimum Periodic/ Systematic Investment Purchase Amount
Maximum Asset Size for Eligibility
NAV Repurchase Code
Redemption Fee Code
Relationship between Participant Minimum and Asset Size (new field)
Security ID
STR Exchange Buy Aging Date Code
STR Aging Start Date Code
Symbol
Symbol Code

DTCC WebDirect Broker Inquiry Screens

Broker Inquiry screens for firms will be modified to accommodate adding new values to existing data fields, adding new data fields, renaming data fields, and changing text of On-line help definitions of data fields. Firms will be able to view all data on screen for Security issue IDs on and after production date of August 18, 2008.

User File Requests

To receive the entire data file of the Profile Security database, funds and firms can input a User File Request through DTCC WebDirect and select MRO file or a CSV file.

Firms and funds utilizing mainframe will continue to receive output at a Security issue ID level per record type. Record 080 can be submitted to NSCC to receive the entire data file.

Please contact your relationship manager if you have any questions about AutoRoute Id setup to receive the output files.

Mainframe Changes – Revised Record layouts

New Batch variable length and fixed length record layouts have been developed. Firms and funds that choose to receive data files via mainframe must program to the new formats. The new layouts can be found at http://www.dtcc.com/products/wealthmgmt/Participants' Section shortly.

New Reject Codes

An updated list of Reject Codes can be found on the Wealth Management Services website http://www.dtcc.com/products/wealthmgmt/Participants' Section shortly.

Testing

Effective Thursday, July 24, 2008 testing of the new record layouts and web screen functionality will be accommodated in the Participant Services Environment (PSE) test region. Participants will be affected by these changes and are advised to test. Participants wishing to test must contact the Enterprise Service Center (ESC) by calling the NSCC Production Support Hotline at 212-855-1144, option 5, option 2. To ensure proper set up for the PSE region, it is requested that at least three days prior notice be provided to ESC.

Documentation

The Profile Security WebDirect User Guide, Technical Manual, Best Practice Guide, and Data Dictionary will be updated and made available to participants within the next several weeks on the website at found at http://www.dtcc.com/products/wealthmgmt - see the "Customer Resources – Participants' Section".

Mutual Fund Profile Service Webshow

NSCC will be hosting a Webshow on the new Profile Security enhancements and other MFPS information in June. Further details will be emailed to participants in the near future.

Any questions or concerns regarding this Important Notice can be directed to Mutual Fund Marketing at 212-855-8877, your relationship manager, or the undersigned.

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