IMPORTANT NOTICE

National Securities Clearing Corporation

The Depository Trust & Clearing Corporation

A# **6675**
P&S # **6245**
DATE: **August 15, 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: **MUTUAL FUND PROFILE SERVICE II (PROFILE SECURITY DATABASE) FOR DTCC WEBDIRECT AND MAINFRAME : HARD EDIT AND NEW REPORT MODIFICATIONS**

As stated in Important Notice A#6640 dated June 20, 2008, **effective Monday, August 18, 2008** National Securities Clearing Corporation (NSCC) will be implementing enhancements to Mutual Fund Profile Service II (Profile Security database) for DTCC users. NSCC has created two new reports, which will aid fund companies as they review and validate their existing data on the Profile database. These enhancements will also include enhanced WebDirect online screen and mainframe hard edit criteria.

Modifications to New Reports

Changes will be made to the two reports, "**Required Fields with No Data**" and "**Fields with Invalid Values**" to help users determine whether there are any errors found.

When a request is submitted by the user for the "Required Fields with No Data" report or the "Fields with Invalid Values" report, a report will be created when no records are found. When the user downloads and opens the report(s), the message "**No Validation Errors Found. Report Empty**" will appear within the report.

In addition, the following five new data fields will be added to the reports for validation. The new fields are:

- Management Company Level - (General Profile) (Record 020)
  - **Link By Custodian**

- **Link By Household**

- Share Class Level – (CDSC) (Record 022)
  - **CDSC Free Systematic Withdrawal Waiver Percentage**
  - **Alternate CDSC / Compensation / Schedule Exists**

- Security ID Level – (General Profile) (Record 020)
  - **CDSC Aging Applies**

Please refer to Important Notice A#6640 dated June 20, 2008 for complete details on these two updated reports, including directions for requesting and downloading the reports.

Modifications to New Hard Edits (online screens and mainframe layouts)

Important Notice A#6640 dated June 20, 2008 details in **Appendix C** the enhanced WebDirect online screen and mainframe hard edits effective August 18, 2008. The following changes to the DTCC Hard Edits have been made:

- DTCC will **NOT** implement a new hard edit for the **"Minimum Periodic / Systematic Investment Purchase Amount"** field (Appendix C – DTCC Edit # 7)

- DTCC will **NOT** validate the following fields for values greater than or equal to the Minimum Periodic/ Systematic Investment Purchase Amount.

  - **Maximum Purchase Amount** (Appendix C – DTCC Edit #4)
  - **Maximum Account Value** (Appendix C – DTCC Edit #16)

Please reference Important Notice A#6640, Appendix C, for more information regarding the new hard edit criteria.

Helpful Hints for Input to Social Codes (Share Class Level) (Record 025)

DTCC WebDirect on-line screen users

"Create" Social Code Data

As mentioned in Important Notice A#6614, dated May 14, 2008, a new value of **"All"** will be added to the dropdown menu of valid values in the Eligible Social Code field, a "key" data field. This value is available in the **"Create"** (Add) function of the "Data Management Transaction" screens. In addition to selecting "All" in the Eligible Social Code field, other optional conditional social code data fields, i.e. Eligible Date, Number of Eligible Participants, Number of Active Participants, etc. may require completion. When a fund utilizes the "Create" function, selects "All" from the dropdown list in the Eligible Social Code field, clicks "Submit", and receives the message "Transaction Completed Successfully", all the valid NSCC Social Codes will be populated on the database along with the optional conditional completed social code data for every NSCC Social Code (the list of Social Codes can be

found at www.dtcc.com Wealth Management Services). In other words, the same data that was completed for the optional conditional social code data fields in the Social Code tab, i.e. Eligible Date, Number of Eligible Participants, Number of Active Participants, etc…will be applied to all the eligible NSCC Social Codes.

Important Note: If some of the Social Codes have been populated on the database already, the user can utilize the "**Create**" function to add all the Social Codes. All the eligible NSCC Social Codes and the social code data as completed will be applied to the database and **overlay** the current data for any of the existing Eligible Social Codes and the social code fields.

Overrides (Updates/Changes) to Social Code Default Data

Update function at the Share Class level - Funds can utilize the "Update" function to override (change) Social Code default data in the fields within the Social Code tab. The Eligible Social Code is a "key" data field and cannot be updated. (The Eligible Social Code can be created or deleted.)

Note: Default data from higher hierarchy levels can be overridden. As a Best Practice it is recommended that overrides (changes to default data) occur at the lowest level, the Security Issue ID level. If the user wants the Security Issue ID to have different social codes than the default social codes, then the user should insert or add the Social Code(s) they want to have applied to the security Issue ID. The user does this by using the "**Create**" function and adding the social code(s) for the specific Security Issue ID.

Social Code Deletes

Delete function at the Share Class level- Use the "Delete" function to remove an Eligible Social Code and its associated social code data from the database. This will remove the default data at the Share Class level for a specific share class. No social code data will appear at the lower hierarchy levels.

Delete function at the Security Issue ID level - At the Security Issue ID level, any overridden default social codes and social code data can be deleted. The "Delete" will remove any overridden Eligible Social Code(s) and its social code data for the specific Security Issue ID so that the default Eligible Social Code(s) and social code data from the above default level can filter down and be applied to the Security Issue ID.

Social Codes and Mainframe Users

For Record type 025, the "All" value for the Eligible Social Code field is valid. When "All" is used in the Eligible Social Code field in Record 025, the system will create a Social Code record for all the valid NSCC Social Codes for the specified security issue ID. All the generated Social Code records will apply the same optional conditional information that was completed in the record (except for the Eligible Social Code) to each social code.

Documentation

The Profile Security WebDirect User Guide, Technical Manual, Best Practice Guide, and Data Dictionary will be updated and made available to participants on the Wealth Management Services website at http://www.dtcc.com/products/wealthmgmt/participants'section before the end of August.

Any questions or concerns regarding this Important Notice can be directed to your WMS Relationship Manager or the undersigned.

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