

# IMPORTANT NOTICE

National Securities Clearing Corporation



**A#6695**

**P&S #6265**

**DATE:** September 16, 2008

**TO:** ALL PARTICIPANTS

**ATTENTION:** MANAGING PARTNER/OFFICER,  
OPERATIONS PARTNER/OFFICER,  
DIRECTOR OF OPERATIONS,  
MANAGER CUSTOMER ACCOUNT TRANSFER DEPARTMENT,  
MANAGER MUTUAL FUNDS OPERATIONS,  
MANAGER MARGIN DEPARTMENT,  
DATA PROCESSING MANAGER,

**FROM:** Louis Lepore, Clearance & Settlement Product Management

**SUBJECT:** ACATS Mutual Fund Transfer Service – ACATS Participant Master File  
Autoroute# 02090068

## I. New Value – ACATS Participant Master File

In Important Notice A#6620, P&S#6190 dated May 20, 2008 and A#6653, P&S# 6223 dated July 7, 2008, the National Securities Clearing Corporation (NSCC) announced enhancements to the Automated Customer Account Transfer Service (ACATS) and Mutual Fund Services to support transfers of mutual fund assets between firms and mutual fund companies. These enhancements will enable an ACATS member firm (broker dealer and bank) to transfer a mutual fund position directly with the mutual fund company. To notify member firms as to which mutual fund companies will be utilizing this service, NSCC will be modifying the ACATS Participant Master File MRO (Autoroute# 02090068) to identify mutual fund participants. ACATS will activate the value of “3” = **Fund** in the ACATS Participant Type data field on the Master File (see below). Participants are advised to code and accept this new value. Additionally, participants should code to use the **ACATS Participant Type “3” = Fund** for the new **PTF** transfer type only. Any other transfer type (e.g. FUL, PTD) submitted to ACATS where the contra party is identified as Participant Type “3” will be rejected. As it occurs today, the ACATS Participant Master file will continue to be distributed weekly on Friday.

**ACATS PARTICIPANT MASTER FILE MRO**

**AUTOROUTE PRODUCT ID: 02090068**  
**RECORD LENGTH: 80**  
**RECORD TYPE : FIXED**  
**REVISION DATE : 9/16/2008**  
**RECORD 01 OF 01**

FIELD NAME	LENGTH	START	END	TYPE	COMMENTS
Record Type	1	1	1	A/N	B = Participant MRO
Filler	1	2	2	A/N	Reserved for future use— spaces
Physical Sequence Number	2	3	4	NUM	01
Logical Sequence Number	2	5	6	NUM	01
Filler	4	7	10	A/N	Reserved for future use— spaces
ACATS Participant Number	4	11	14	A/N	
<b>ACATS Participant Type</b>	1	15	15	A/N	Values: 1 Bank (Qualified Special Depositories Member) 2 Broker (NSCC Member) <b>3 Fund Eligible (For PTF transfer type only)</b> 4 Insurance Company (reserved for future use) 5 Trust (reserved for future use)
ACATS Participant Name	50	16	65	A/N	
ACATS Participant Cost Basis Eligibility Indicator	1	66	66	A/N	Values: 0 – Not Cost Basis eligible 1 – Cost Basis Eligible
Filler	14	67	80	A/N	Reserved for future use— spaces

**II. Testing**

To support member firms in testing this modification, NSCC has added a test mutual fund participant (Participant # 5119) to the ACATS Participant Master File in the Participant Services Environment (PSE) region. This mutual fund participant will have a value of “3” = Fund in the ACATS Participant Type data field. Firms can begin testing this modification immediately by receiving the ACATS

Participant Test Master File (Autoroute # 02980068) in PSE. This value will appear on this file going forward starting with the next weekly distribution on Friday, September 19, 2008.

### **III. Additional Information**

A copy of this Important Notice can be obtained from the ACATS section of DTCC's website at the following URL address: [http://www.dtcc.com/products/cs/equities\\_clearance/acats.php](http://www.dtcc.com/products/cs/equities_clearance/acats.php). If you have any additional questions, please contact your Relationship Manager or Bill Kapogiannis at (212) 855-5667 or the undersigned at (212) 855-4223.

Louis J. Lepore  
Manager  
Product Marketing and Development