IMPORTANT NOTICE

National Securities Clearing Corporation

The Depository Trust & Clearing Corporation

A#:	**6717**
P&S#	**6287**
Date:	**October 1, 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, November 24, 2008 National Securities Clearing Corporation (NSCC) will be implementing enhancements to Mutual Fund Profile Service II (Profile Security database) for all NSCC users. Mainframe users will be required to program for these system changes. Throughout 2009, NSCC will be modifying MFPSII to enhance its usability and users will be notified of these changes.

Effective November 24, 2008 the enhancements include:

- Creating a new logical data grouping for "Fees and Expenses"
- Providing new mainframe variable length and fixed length record layouts for the new fees and expenses data grouping
- Making the new fields that were implemented on August 18, 2008 **Required and Optional Conditional for input**
- Adding 3 new state codes to the Blue Sky States
- Enhancing the User File Request (data file) for funds and firms
- Enhancing the Broker Inquiry Screens

The Profile Security Data Dictionary will include data field business definitions and best practices for guidance in completing the fees and expenses fields. By mid October, participants can refer to the Data Dictionary and also the Profile Security Web User Guide and Technical Manual located on the Wealth Management Services website at http://www.dtcc.com/products/wealthmgmt/Participants' Section.

I. DTCC WebDirect On-line Screen Changes

A new optional logical data grouping tab called "Fees and Expenses" will be added to the web screens at the Security Issue ID level of the relational database.

New DTCC WebDirect screens for fund input of the new fees and expenses fields will be created.

The following are the **new data fields** contained in the Fees and Expenses data grouping tab:

All examples and values are hypothetical.

Field Name	***Business Definition***	***Example***	***Example***
		CUSIP = 123456789	CUSIP = 123456789
Profile Effective Date	The current or future effective date of the change.	20080915	20081201
Fees and Expenses As Of Date	The Fees and Expenses listed are as of this date.	20080915	20081201
Total Annual Operating Expenses	The ongoing expenses paid by shareholders each year, as a percentage of the value of their fund investment.	1.17%	2.10%
Fee Waiver Indicator (No/Yes)	Is there a Fee Waiver to be applied against the Total Annual Operating Expenses resulting in a Net Annual Operating Expense?	No	Yes
Fee Waiver Rate	The waiver rate that is applied to the Total Annual Operating Expense to result in the Net Annual Operating Expense.		0.10%
Net Annual Operating Expenses	The ongoing expenses paid by shareholders each year, as a percentage of the value of their fund investment after the fee waiver is applied.		2.00%

If the fund chooses to complete Fees and Expenses for their Security Issue IDs, the input user should click on the Fees and Expenses tab and begin entering data using the Create function.

After the user enters the tab and selects or enters the Security Issue ID to populate its fees and expenses, each field must meet the edit criteria in order to “submit” the add transaction successfully.

Once in the tab, all fields will be **Required** for input, except for the Fees and Expenses fields below which have the following **Edit Rules:**

Either the "Net Annual Operating Expenses" or the "Total Annual Operating Expenses" will be Required to be populated, and both will be allowed to be completed.

If the “Fee Waiver Indicator” field is populated with “0 = No”, then the “Total Annual Operating Expense” field is Required, and the “Fee Waiver Rate” field and the “Net Annual Operating Expense” field will not be allowed.

If the “Fee Waiver Indicator” field is populated with “1 = Yes”, then the “Fee Waiver Rate" field and the “Net Annual Operating Expense” field will be Required. The “Total Annual Operating Expense” field is optional for input, and if populated, the sum of the Fee Waiver Rate and the Net Annual Operating Expense must equal the Total Annual Operating Expense.

Firms will receive output as new “Add” transactions in the nightly cycle when all required fields are input per Security Issue ID by funds via the “Create” function and the transactions are confirmed as completed successfully. Any “Updates” (changes to existing data) or Deletes made by funds by the input cutoff time to the Fees and Expenses data will go out to firms in the nightly cycle.

Each fees and expenses field on screen will have Field Help capability when the user clicks on the (?) next to the field and the data dictionary business definition will appear.

Through the Profile Broker Inquiry screens, firms will be able to view the current and future Fees and Expenses information for Security Issue IDs.

II. Mainframe Users – New Record Type 031

A new Record Type 031 for mainframe variable length and fixed length formats will be created for the Fees and Expenses data grouping. Funds and firms that choose to enter and receive data files via mainframe must program to the new record layout. Please refer to **Appendix A** for the record layout formats. The formats will also be posted to the Wealth Management Services website.

III. New fields implemented on August 18, 2008 will become Required or Optional Conditional

Effective August 18, 2008 the following new fields were added to Profile Security as optional for input:

1. Link by Household - (Mgt Co level – ROA Linkage Rules)
2. Link by Custodian - (Mgt Co level- ROA Linkage Rules)
3. CDSC Free Systematic Withdrawal Eligible Percentage – (Share Class level – CDSC data)
4. CDSC Aging Applies – (Share Class Level – CDSC data)
5. Relationship Between Participant Minimum and Asset Size – (Share Class level – Social Code data)
6. Alternate CDSC /Compensation Schedule Exists – (Share Class level – CDSC data)

Effective Monday, November 24, 2008 the following fields will become **Required** for input:

- Link by Household
- Link by Custodian
- CDSC Aging Applies Code
- Alternate CDSC /Compensation Schedule Exists

When the user enters (clicks on) the logical grouping tab to perform an Update or Create function, the user must complete the required and optional conditional field(s) or they will receive a reject/error message on screen when they try to submit and the input does not meet the edit criteria for this field.

The **"Relationship Between Participant Minimum and Asset Size"** field will become **Optional Conditional.** Please refer to the Data Dictionary for the other optional conditional fields (Number of Eligible Participants Minimum, Number of Active Participants Minimum, Minimum Asset Size for Eligibility, Maximum Asset Size for Eligibility) requiring completion and their business definitions when "Eligibility Code" field is equal to "1 = Eligible, Restrictions May Apply or 2 = Eligible at NAV, Restrictions May Apply".

Field = Relationship between Participant Minimum and Asset Size
Values = 0 = Both must be met
1 = Either must be met
Business Definition = The relationship between Participant and Asset Size values. For example, if both the 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.

The **"CDSC Free Systematic Withdrawal Waiver Percentage"** field will become **Optional Conditional** and have the following edit criteria:

Edit Rule: If the "CDSC Systematic Withdrawal Waiver Code" field is populated with "1 = Yes", then the "CDSC Free Systematic Withdrawal Waiver Percentage" field is Required.

An appropriate error message will appear on screen when the user tries to submit and the input does not meet the edit criteria for the above mentioned fields.

IV. New Report Available

Effective immediately a new report will be available to funds when they sign up to use the Delta Data FUNDViews webtool. Funds can utilize this report to more easily identify data omissions or blanks for the 6 new fields which were added August 18th. For more information you can contact Alyson Minerd at aminerd@deltadatasoft.com or 1 800- 451-9188, ext 125 or your DTCC WMS Relationship Manager.

DTCC's validation report, Required Fields with No Data, remains available to funds online via the DTCC WebDirect screens. The DTCC report has the added value of indicating where the invalid value resides on the database, i.e. at the default information levels or at the Security Issue ID level.

V. Three state codes will be added to the state code table in Profile

To be consistent with Fund/SERV and Networking, the following 3 state codes will be added to Profile (Security Issue and Broker Inquiry) :

- **AA** = APO/FPO Americas
- **AE** = APO/FPO Europe
- **AP** = APO/FPO Pacific

These codes will be added to the web screen dropdown list of Blue Sky state codes. In addition, mainframe records will allow for the input of the 3 codes in Record 021 Blue Sky data.

VI. DTCC WebDirect Broker Inquiry Screens will be Enhanced

Broker Inquiry screens for firms will be modified to allow firms to query Security Issue Ids for Fee and Expense data and to accommodate 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 November 24, 2008.

The Broker Inquiry menu screen under Profile Security will have a new link called Security Issue Fees and Expenses for firms to select.

VII. User File Request will be Modified for Fees and Expenses Data

Effective November 24, 2008 funds and firms will be able to receive a full data file of their Security Issue IDs containing any Fees and Expenses for Security Issue IDs that were populated by funds.

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.

VIII. 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 by mid-October. Reject codes for each data field can also be found on the record layouts under the Reject Code column.

IX. Testing

Effective Friday, November 21, 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 (Relationship Services). To ensure proper set up for the PSE region, it is requested that at least three days prior notice be provided to ESC.

Any questions regarding this Important Notice can be directed to Wealth Management Services Marketing at 212-855-8877, your WMS Relationship Manager, or the undersigned.

Rita A. Gribben
Director/ Product Management
Wealth Management Services
212-855-5677

Appendix A – Record Layouts

New Record Type Effective November 24, 2008
Record 1 of 3 (Required)

Fees and Expenses (Record Type 031)

Field Name	Start	End	Len	Type	Description	Opt / Req	Reject Code
Physical Sequence Number	1	2	2	A/N		R	0080
Logical Sequence Number	3	4	2	A/N	01	R	0080
Filler	5	5	1	A/N	Space	R	
Reminder Indicator	6	6	1	A/N	Output Only; Space on input 'R' = Reminder on output	R	
Originator Type Indicator	7	7	1	A/N	'F' = Fund	R	0081
Profile Type	8	9	2	A/N	06 = Hierarchical Security Issue	R	0082
Record Type	10	12	3	A/N	**031 = Security Issue Fees and Expenses Data**	R	0083
Action Type	13	13	1	A/N	A = add C = change D = delete	R	0349
Submitting Participant Number	14	17	4	A/N	@	R	0100
Filler	18	28	11	A/N	Space	R	
Submission Date	29	36	8	A/N	ccyymmdd	R	0036
Profile Effective Date	37	44	8	A/N	ccyymmdd @	R	0044

Fees and Expenses (Record Type 031)

Field Name	Start	End	Len	Type	Description	Opt / Req	Reject Code
Security Issue Country Code	45	46	2	A/N	See ISO Country Codes @	R	0153
Security Issue ID	47	55	9	A/N	@	R	0040
ISIN Security Issue Check Digit	56	56	1	A/N	@	R	0041
Fees and Expenses As Of Date	57	64	8	N	ccyymmdd	R	0760
Total Annual Operating Expenses	65	69	5	N	99.999 Req'd if Waiver Fee Indicator = 0.	OC	0761
Fee Waiver Indicator	70	70	1	N	0 =No 1 =Yes	R	0762
Filler	71	74	4	A/N		R	
Test Indicator	75	75	1	A/N	Space = Production 1 = Test	R	0089
NSCC Rejection Indicator	76	76	1	A/N	Input: Space Output: 0 = Accepted by NSCC 1 = Rejected by NSCC 2 = Rejected by NSCC, Multiple Errors		
NSCC Reject Code	77	80	4	A/N	Input: Space Output: Reject code or space	R	

Record 2 of 3 (Required)

Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Physical Sequence Number	1	2	2	A/N		R	0080
Logical Sequence Number	3	4	2	A/N	03	R	0080
Filler	5	6	2	A/N	Space	R	
Share Class Name	7	26	20	A/N	@	R	0526
Net Annual Operating Expenses	27	31	5	N	99.999 Req'd if "Waiver Fee Indicator = 1"	OC	0763
Waiver Fee Rate	32	36	5	N	99.999 Req'd if "Waiver fee Indicator = 1"	OC	0764
Filler	37	80	49	A/N		R	

Record 3 of 3 (Required*)*

Field Name	Start	End	Len	Type	Description	Opt / Req	Reject Code
Physical Sequence Number	1	2	2	A/N		R	0080
Logical Sequence Number	3	4	2	A/N	03	R	0080
Filler	5	6	2	A/N	Space	R	
Fund Portfolio Name	7	66	60	A/N	@	R	0527
Filler	67	80	14	A/N		R	

Variable Length Record Layouts

New Record Type Effective November 24, 2008

Input/Output

Fees and Expenses (Record Type 031)

Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Record Length	1	4	4	N	0232	R	0088
Physical Sequence Number	5	6	2	A/N		R	0080
Logical Sequence Number	7	8	2	A/N	01	R	0080
Filler	9	9	1	A/N	Space	R	
Reminder Indicator	10	10	1	A/N	Output only; Space on input 'R' = Reminder on Output	R	
Originator Type Indicator	11	11	1	A/N	'F' = Fund	R	0081
Profile Type	12	13	2	A/N	06 = Hierarchical Security Issue	R	0082
Record Type	14	16	3	A/N	**031 = Fees and Expenses Data**	R	0083
Action Type	17	17	1	A/N	A = add C = change D = delete	R	0349
Submitting Participant Number	18	21	4	A/N	@	R	0100
Filler	22	32	11	A/N	Space	R	
Submission Date	33	40	8	A/N	ccyymmdd	R	0036
Profile Effective Date	41	48	8	A/N	ccyymmdd @	R	0044
Security Issue Country Code	49	50	2	A/N	See ISO Country Codes	R	0153

Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Security Issue ID	51	59	9	A/N	@	R	0040
ISIN Security Issue Check Digit	60	60	1	A/N	@	R	0041
Fees and Expenses As Of Date	61	68	8	N	ccyymmdd	R	0760
Total Annual Operating Expenses	69	73	5	N	99.999 Req'd if "Waiver Fee Indicator" = 0	OC	0761
Fee Waiver Indicator	74	74	1	N	0=No 1=Yes	R	0762
Filler	75	78	4	A/N	Space	R	
Test Indicator	79	79	1	A/N	Space = Production 1 = Test	R	0089
NSCC Rejection Indicator	80	80	1	A/N	Input: Space Output: 0 = Accepted by NSCC 1 = Rejected by NSCC 2 = Rejected by NSCC, Multiple Errors	R	
NSCC Reject Code	81	84	4	A/N	Input: Space Output: Reject code or space	R	
Share Class Name	85	104	20	A/N	@	R	0526
Net Annual Operating Expenses	105	109	5	N	99.999 Req'd if "Waiver Fee Indicator = 1"	OC	0763
Fee Waiver Rate	110	114	5	N	99.999 Req'd if "Waiver Fee Indicator = 1"	OC	0764
Filler	115	158	44	A/N		R	
Fund Portfolio Name	159	218	60	A/N	@	R	0527

Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Filler	219	232	14	A/N		R	