IMPORTANT NOTICE
National Securities Clearing Corporation

DTCC.
The Depository Trust & Clearing Corporation

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P&S#	**6378**
Date:	**April 1, 2009**
To:	**ALL PARTICIPANTS**
Attention:	**MANAGING PARTNER/OFFICER, OPERATIONS PARTNER/OFFICER, COMPLIANCE OFFICER, DIRECTOR OF OPERATIONS, MANAGER CUSTOMER ACCOUNT TRANSFER DEPARTMENT, MANAGER MUTUAL FUND OPERATIONS, MANAGER MARGIN DEPARTMENT, DATA PROCESSING MANAGER**
From:	**LOUIS LEPORE**
Subject:	**OPTIONS SYMBOLOGY INITIATIVE (OSI) - ACATS & CBRS MODIFICATIONS - MANDATORY**

I. Introduction

Over the past few years, the Options Clearing Corporation (OCC) has been spearheading an industry-wide initiative called Options Symbology Initiative (OSI) which will change the way option contracts are represented and reported. These changes introduce a new symbology key which represents the minimum data requirements needed to transmit exchange listed option contracts between industry organizations. As a result, this new symbology key will affect the submission and reporting of option assets in both the **Automated Customer Account Transfer Service (ACATS) and the Cost Basis Reporting Service (CBRS).** Although the mandatory implementation date for industry organizations to comply with this initiative is February 12, 2010, the National Securities Clearing Corporation (NSCC) will implement the modifications required for ACATS and CBRS **on February 8, 2010.** This is due to a conversion process that is explained in Section II of this important notice. Member firms are urged to become more familiar with the OSI plan by visiting the following URL address at:
http://www.theocc.com/initiatives/symbology/default.jsp

Additionally, outlined in Section III of this important notice are the modifications for ACATS and CBRS. Although member firms may not process option assets through ACATS and CBRS, **all member firms who utilize CBRS are required to make these programming modifications since certain field positions in the record layouts are shifting**. In this regard, NSCC plans to have these modifications available for testing in the Participant Services Environment (PSE) in August 2009.

II. Conversion Processing

In order to support a seamless transition, NSCC will need to convert all option assets (on any ACATS transfer in progress) originally submitted in the old option formats into the new option formats. To accomplish this, NSCC will run a conversion process on **Friday, February 5, 2010** (the weekend prior to the industry scheduled implementation date of February 12, 2010)**.** This conversion will be conducted after ACATS and CBRS processing has been completed on the close of business Friday, February 5, 2010. **As a result, member firms must submit and accept options in the new formats starting Monday, February 8, 2010.** Any changes to this schedule will be announced via subsequent Important Notice.

III.   Modifications - ACATS and CBRS

As part of the OSI plan, NSCC has identified the following modifications which will be made to the ACATS & CBRS file formats. These modifications will be required on **Monday, February 8, 2010.**

1) Option Expiration Date Data Field - The field length will change from 6 bytes to 8 bytes. These 2 additional bytes will be for the day (DD) field. In addition, modifications will be made to the current field format of MMYYCC. The new field format will be CCYYMMDD.
2) Option Strike Price Fraction/Decimal Data Field - The field length will change from 2 bytes to 3 bytes to accommodate the minimum required 3 byte decimal format**. Option strike prices can no longer be represented in fractional format.** The option strike price will only be accepted and reported in decimal format where the valid values will be 000 through 999.

Until and including February 5, 2010, ACATS will only accept input for these data fields in the existing file formats. Output will continue to be reported as it is today. **Members who submit data in the modified file formats before then will have their transactions rejected or placed in Review-Error Status.** Beginning Monday**,** February 8, 2010, member firms must submit and accept option assets with the new file formats. Again, ACATS will run a conversion process on the close of business Friday, February 5, 2010 after ACATS and CBRS processing has been completed. (Any changes to this schedule will be announced via subsequent Important Notice). Options that were originally submitted in the old formats (e.g. without the day field included in the option expiration date or in the current 2 byte strike price fraction/decimal format) will automatically be converted into the new formats and continue to be reported that way until final transfer status has been reached.

The ACATS file format modifications for this enhancement begin in Section IV of this important notice and can also be obtained from the ACATS section of DTCC's website at
http://www.dtcc.com/products/cs/equities_clearance/acats.php

The CBRS file format modifications for this enhancement begin in Section V of this important notice and can also be obtained from the CBRS section of DTCC's website at
http://www.dtcc.com/products/cs/equities_clearance/cbrs.php

IV. ACATS File Formats

The following is a list of the new modifications to the ACATS Fixed and Variable file formats.

New Input Modifications:

ACATS AT Variable - 36667
- **Option Expiration Date** - Use Filler Field, Bytes 447 - 448 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 449 - 455 will remain a Filler Field

- **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 465 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 466 - 467 will remain a Filler Field

ACATS AT Fixed – 32667 (Record 8 - Option Asset Section)
- **Option Expiration Date** - Use Filler Field, Bytes 22 - 23 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 24 - 30 will remain a Filler Field

- **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 40 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 41 - 42 will remain a Filler Field

Note: These modifications will also be updated in the option asset section on the Add an Asset and Adjust an Asset input screens on DTCC Web Direct as well as the option asset section for PTD's and PTR's

New Output Modifications:

Multi-Cycle Transaction MRO AutoRoute 02090716 & End-of-Day Transaction MRO AutoRoute 02090717 (Variable Record Length)
- **Option Expiration Date** - Use Filler Field, Bytes 601- 602 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 603 - 608 will remain a Filler Field

- **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 619 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 620 - 621 will remain a Filler Field
  - The Option Decimal/Fraction Indicator Field in Byte 609 will only report a value of D=Decimal Strike Price

ACATS Output Settlement AutoRoute 02090719 (Variable Record Length)
- **Option Expiration Date** - Use Filler Field, Bytes 551 - 552 for the day field
  - Reformat expiration date as CCYYMMDD

- Bytes 553 - 558 will remain a Filler Field

- o **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 569 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 570 - 571 will remain a Filler Field
  - The Option Decimal/Fraction Indicator Field in Byte 559 will only report a value of D=Decimal Strike Price

ACATS Output Position AutoRoute 02090718 (Variable Record Length)
- o **Option Expiration Date** – Use Filler Field, Bytes 551 - 552 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 553 - 558 will remain a Filler Field

- o **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 569 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 570 - 571 will remain a Filler Field
  - The Option Decimal/Fraction Indicator Field in Byte 559 will only report a value of D=Decimal Strike Price

Multi-Cycle Transaction MRO AutoRoute 02090722 & End-of-Day Transaction MRO AutoRoute 02090723 (Fixed Record Length - Record 10 - Option Asset Section)
- o **Option Expiration Date** - Use Filler Field, Bytes 22 - 23 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 24 - 29 will remain a Filler Field

- o **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 40 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 41 - 42 will remain a Filler Field
  - The Option Decimal/Fraction Indicator Field in Byte 30 will only report a value of D=Decimal Strike Price

ACATS Output Settlement AutoRoute 02090725 (Fixed Record Length - Record 10 - Option Asset Section)
- o **Option Expiration Date** - Use Filler Field, Bytes 22 - 23 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 24 - 29 will remain a Filler Field

- o **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 40 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 41 - 42 will remain a Filler Field
  - The Option Decimal/Fraction Indicator Field in Byte 30 will only report a value of D=Decimal Strike Price

ACATS Output Position AutoRoute 02090724 (Fixed Record Length - Record 10 - Option Asset Section)

o **Option Expiration Date** – Use Filler Field, Bytes 22 - 23 for the day field
  - Reformat expiration date as CCYYMMDD
  - Bytes 24 - 29 will remain a Filler Field

o **Option Strike Price Fraction/Decimal Field** - Use Filler Field, Byte 40 as additional byte
  - The new field values will be 000 through 999 and represent decimal format only
  - Bytes 41 - 42 will remain a Filler Field
  - The Option Decimal/Fraction Indicator Field in Byte 30 will only report a value of D=Decimal Strike Price

V.   CBRS File Formats

The following is a list of the new modifications to the CBRS file formats. **Again, effective February 8, 2010, all members who utilize the CBRS service are required to make these programming modifications since some of the fields in the record layouts are shifting.**

New Input Modifications:

Cost Basis Asset Input (A) - 36708 (Variable Record Length)

o **Option Expiration Date**
  - The field length will include 2 additional bytes (change from a 6 byte field to an 8 byte field)
  - The field will start on Byte 130 and now end on Byte 137
  - This causes the Option Expiration Strike Price Integer Field to now start on Byte 138 and end on Byte 142 (see below)
  - The new field format for the Option Expiration Date will be CCYYMMDD

o **Option Strike Price Fraction/Decimal**
  - The field length will include 1 additional byte (change from a 2 byte field to a 3 byte field)
  - The new field values will be 000 through 999 and represent decimal format only
  - The field will start on Byte 143 and end on Byte 145
  - A new 4 byte Filler Field will start on Byte 146 and end on Byte 149
  - This causes the Asset Description Field to now start on Byte on 150 and end on Byte 289 and the Asset Category Field to now start on Byte 290 and end on byte 293
  - The remaining 13 byte Filler Field will start on Byte 294 and end on Byte 306 (see below)

Name	Length	Start	End
Option Expiration Date	8	130	137
Option Strike Price Integer	5	138	142
Option Strike Price Decimal	3	143	145
Filler	4	146	149
Asset Description	140	150	289
Asset Category	4	290	293

Filler   **13**   **294**   **306**

Cost Basis Tax lot Input (T) - 36708 (Variable Record Length)

o **Option Expiration Date**
- The field length will include 2 additional bytes (change from a 6 byte field to an 8 byte field)
- The field will now start on Byte 130 and now end on Byte 137
- This causes the Option Expiration Strike Price Integer Field to now start on Byte 138 and end on Byte 142 (see below)
- The new field format for the Option Expiration Date will be CCYYMMDD

o **Option Strike Price Fraction/Decimal**
- The field length will include 1 additional byte (change from a 2 byte field to a 3 byte field)
- The new field values will be 000 through 999 and represent decimal format only
- The field will start on Byte 143 and end on Byte 145
- A new 4 byte Filler Field will start on Byte 146 and end on Byte 149, thus causing the Asset Description Field to now start on Byte on 150 and end on Byte 289
- The remaining 13 byte Filler Field will start on Byte 290 and end on Byte 302 (see below)

Name	Length	Start	End
Option Expiration Date	8	130	137
Option Strike Price Integer	5	138	142
Option Strike Price Decimal	3	143	145
Filler	4	146	149
Asset Description	140	150	289
Filler	13	290	302

Please note: These modifications will also be updated on the CBRS Asset and Tax Lot input screens on DTCC Web Direct.

New Output Modifications:

CBRS Transaction MRO Output - 02400264 - Asset Output Section (Variable Record Length)

o **Option Expiration Date**
- The field length will include 2 additional bytes (change from a 6 byte field to an 8 byte field)
- The field will start on Byte 278 and end on Byte 285
- This causes the Option Expiration Strike Price Integer Field to now start on Byte 286 and end on Byte 290 (see below)
- The new field format for the Option Expiration Date will be CCYYMMDD

o **Option Strike Price Fraction/Decimal**
- The field length will include 1 additional byte (change from a 2 byte field to a 3 byte field)
- The new field values will be 000 through 999 and represent decimal format only
- The field will start on Byte 291 and end on Byte 293
- A new 4 byte Filler Field will start on Byte 294 and end on Byte 297

- This causes the Asset Description field to now start on Byte 298 and end on Byte 437 and the Asset Category Field to now start on Byte 438 and end on Byte 441
- The remaining 13 byte Filler Field will start on Byte 442 and end on Byte 454 (see below)

Name	Length	Start	End
Option Expiration Date	8	278	285
Option Strike Price Integer	5	286	290
Option Strike Price Decimal	3	291	293
Filler	4	294	297
Asset Description	140	298	437
Asset Category	4	438	441
Filler	13	442	454

CBRS Transaction MRO Output - 02400264 -Tax Lot Output Section (Variable Record Length)

- o **Option Expiration Date**
  - The field length will include 2 additional bytes (change from a 6 byte field to an 8 byte field)
  - The field will start on Byte 263 and end on Byte 270
  - This causes the Option Expiration Strike Price Integer Field to now start on Byte 271 and end on Byte 275 (see below)
  - The new field format for the Option Expiration Date will be CCYYMMDD

- o **Option Strike Price Fraction/Decimal**
  - The field length will include 1 additional byte (change from a 2 byte field to a 3 byte field)
  - The new field values will be 000 through 999 and represent decimal format only
  - The field will start on Byte 276 and end on Byte 278
  - A new 4 byte Filler Field will start on Byte 279 and end on Byte 282
  - This causes the Asset Description field to now start on Byte 283 and end on Byte 422
  - The remaining 13 byte Filler Field will start on Byte 423 and end on Byte 435 (see below)

Name	Length	Start	End
Option Expiration Date	8	263	270
Option Strike Price Integer	5	271	275
Option Strike Price Decimal	3	276	278
Filler	4	279	282
Asset Description	140	283	422
Filler	13	423	435

VI.   Testing - Participant Services Environment (PSE)

In order to prepare for these changes, members will have the ability to test in the Participant Service Environment (PSE) beginning in August 2009 and ending in February 2010. A subsequent notice about testing details will be distributed at a later date.

VII.   Additional Information

A copy of this Important Notice can be obtained from NSCC's web site at http://www.nscc.com in the Important Notice section. If you have any questions regarding these enhancements, please contact your DTCC Relationship Manager or the undersigned at (212) 855-4223.

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Product Marketing and Development