

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 6818
P&S# 6388
Date: May 6, 2009
To: ALL PARTICIPANTS
Attention: MANAGING PARTNER/OFFICER
OPERATIONS PARTNER/OFFICER
DIRECTOR OF OPERATIONS
MANAGER CUSTOMER ACCOUNT TRANSFER DEPARTMENT
MANAGER, MUTUAL FUND OPERATIONS
MANAGER MARGIN DEPARTMENT
DATA PROCESS MANAGER
From: Louis Lepore, Clearance & Settlement Product Management
Subject: ACATS – Foreign Asset Extension Modifications – Optional Changes

In Important Notice A#6792, P&S#6362 dated February 19, 2009, the National Securities Clearing Corporation (NSCC) announced the expansion of the Automated Customer Account Transfer Service (ACATS) asset input record to include a **new optional** foreign asset extension section. This section will assist ACATS member firms with the settlement matching process of foreign assets included in a customer account transfer. Effective **May 22, 2009**, NSCC will implement this new code into production. This will occur simultaneously with the code being made available for testing in the NSCC's Participant Services Environment (PSE) on **May 22, 2009**. In order to use the new foreign asset extension section, your firm must have their membership profile updated on the ACATS Participant Master File in production to include the new settlement location '55' - Foreign . To accomplish this, your firm must submit a participant profile update letter. A copy of this letter, which must be returned on your corporate letterhead back to your Relationship Manager, is attached at the end of this important notice.

ACATS member firms are reminded these modifications are optional. If a firm chooses not to use the new settlement location '55' - Foreign, any foreign security(s) they receive or deliver in an ACATS transfer will continue to be assigned a settling location '50' - R&D for themselves and the contra firm(s).

Participant Service Environment (PSE)

Beginning **May 22, 2009**, testing for these enhancements will be accommodated in the Participant Services Environment (PSE) region. Participants are strongly encouraged to take advantage of testing these modifications to ensure a seamless conversion. Participants are responsible for locating test partners and coordinating test scripts. Additionally, they must arrange to have settling location '55'-Foreign added to their profile on the ACATS Participant Master File in PSE. Participants must contact the Enterprise Service Center (ESC) by calling the NSCC Production Support Hotline at 888-382-2721, option 1, option 4. To ensure proper set up for the PSE region, it is requested that at least three days prior notice be provided to ESC.

Additional Information

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

Louis J. Lepore
Manager
Product Marketing and Development

TO BE EXECUTED ON COMPANY'S LETTERHEAD
(effective date should be minimum 5 days in advance)

[DATE]

Attention: Relationship Management
National Securities Clearing Corporation
55 Water Street - 25th Floor
New York, NY 10041

Re: Foreign Asset Extension Record – Settling Location “55”

Effective first trade date _____, please update the account profile for **(Member Name and Account Number)** on the ACATS Master File to include the new settling location value “55”- Foreign.

Very truly yours,

[*Firm Name*]

By: _____
(Authorized Signer)

(Print Name/Title)