

# **IMPORTANT NOTICE**

**National Securities Clearing Corporation**



**A#:** 7033  
**P&S#** 6604  
**Date:** July 27, 2010  
**To:** ALL FULL SERVICE PARTICIPANTS  
**Attention:** OPERATIONS, CASHIERING, SETTLEMENTS  
**From:** PRODUCT MANAGEMENT, EQUITY CLEARANCE  
**Subject:** Updated Documentation for Obligation Warehouse (OW)

As noted in the NSCC Important Notice A# 6848, P & S# 6418, dated July 22, 2009, NSCC is planning to enhance its current Reconfirmation and Pricing Service (RECAPS) and rename it the Obligation Warehouse (OW).

The purpose of this notice is to inform Members that the MQ messaging documentation has been revised to include additional functionality requested by the industry. Version 4.0 is being presented as a draft to reveal the changes, with highlights to note additions and strike-thrus for deletions.

More detailed information about the functionality of OW will be included in a questions and answers document available on the Clearance Learning Center in the near future.

Modifications to the OW include:

- Cash trades (i.e. where the trade date and settlement date are equal) cannot be entered in OW until the next business date following the settlement date.
- Non-CNS ACATS receive and deliver instructions for mutual funds, limited partnerships, and safekeeping items will not be eligible for processing in OW.
- Money tolerance of \$5 per million will be applied to both comparison and delivery notifications as an edit check.
- A participant will be able to update OW with information about a partial delivery when made away from DTC Settlement.
- Participants can update OW with delivery information, regardless if the obligation is uncomparing or compared.
- An obligation may be re-opened (either partially or fully), as a result of a delivery reclaim message to OW.

NSCC participant user documentation for the OW service is accessed through the Clearance Learning Center web link. <http://dtcclearning.com/learning/clearance/>

DTCC is now offering enhanced access to all important notices via a new, Web-based subscription service. The new notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit [http://www.dtcc.com/subscription\\_form.php](http://www.dtcc.com/subscription_form.php).

**Participant Testing (PSE): November 2010 --- January 2011**

The Obligation Warehouse will offer a more robust participant test environment starting in Q4 2010.

- PSE testing uses full functionality of the OW service, including:
  - Matching of ex-clearing obligations
  - Deliveries, either from DTC Settlement or bilateral notification; and,
  - CNS eligibility checks.
- Weekly automated loads of CNS exits, NSCC Balance Orders and ACATS receive and deliver instructions.
- Two industry-wide tests of the RECAPS process in OW.

Production implementation for OW is planned for January 2011, and will be detailed in a future Important Notice.

Both the participant test plan and time line for the implementation of OW will be added to the Clearance Learning Center.

For questions regarding this notice, please contact your Relationship Manager or the undersigned at (212) 855-7659.

Janice DiTore  
Director, Product Management