#:	CBRS005.11
Date:	July 26, 2011 <mark>Revised July 27, 2011</mark>
To:	All current and prospective Cost Basis Reporting Service (CBRS) users
From:	Lydia Midwood
Subject:	CBRS Enhancement Project Updates: User Testing; additional revisions to Asset and Tax Lot input record layouts REVISED

DTCC plans to change the record layouts for the Cost Basis Reporting Service (CBRS), to help the industry comply with IRS regulations that go into effect for mutual fund assets on January 1, 2012. These changes also reflect customer feedback on processing CBRS records for all asset classes.

CBRS user testing is scheduled to begin on **September 30, 2011**. At this time, testing for the existing record layouts will no longer be supported. The enhanced CBRS system is scheduled to go live in production on **November 18, 2011**.

This Notice discusses User Testing, and revisions to the Asset input and Tax Lot input record layouts.[1] Please see DTCC Solutions Important Notice CBRS004.11, dated June 17, 2011, for more details about the revised CBRS record layouts.

All <mark>new</mark> users must complete the CBRS new account forms to become eligible for the service in both testing and production. The CBRS new account instructions and forms are located at the following link:

http://www.dtcc.com/products/documentation/cs/cbrs.php

---

[1] <mark>In version dated July 26, 2011, this sentence read: This Notice discusses User Testing, and revisions to the Cost Basis User Master File record layout, and the Asset input and Tax Lot input record layouts.</mark>

User Testing

Once a firm establishes its CBRS account and connectivity to the system (either via computer to computer connection, WebDirect, or both), there are multiple resources available for users to test data input and output to CBRS.

Data Input

A firm can test data input by using three different counterparties: itself, a test account, or a testing partner.

To test with itself, a user populates its Firm Account Number and Type from the Cost Basis User Master File in the Submitting Firm Number and Type fields and the Contra Firm Number and Type fields in the CBRS input record layouts (both Asset and Tax Lot records).

To test with a test account, a user populates its Firm Account Number and Type from the Cost Basis User Master File in the Submitting Firm Number and Type fields and a test account number and type in the Contra Firm Number and Type fields in the CBRS input record layouts (both Asset and Tax Lot records).

The CBRS test account numbers and types are:

- DTC Participant: **00008608 DTCPRT**
- DTC Participant: **00008610 DTCPRT**
- NSCC Participant: **00000122 NSCPRT**
- NSCC Participant: **00000123 NSCPRT**
- Transfer Agent: **00036165 AGTNBR**
    - The test Transfer Agent account has two CUSIPs associated with it: **99999X037** and **99999Z024**

To test with a testing partner, a user can locate a partner from the list of eligible CBRS users on the Cost Basis User Master File. All users on the Cost Basis User Master File in the testing environment (PSE—the Participant Services Environment) are eligible to test the service. Once a user has found a testing partner, it populates its Firm Account Number and Type from the Cost Basis User Master File in the Submitting Firm Number and Type fields, and populates the testing partner's Firm Account Number and Type in the Contra Firm Number and Type fields in the CBRS input record layouts (both Asset and Tax Lot records).

> Please note: If a CBRS user does not have a Firm Account Number and Type on the Cost Basis User Master File, populate the Firm Number field with the CBRS Account ID, and the Firm Type field with the CBRS Account Type ('CBRACT').

Data Output

CBRS transaction output is available by 9 PM eastern time. The Cost Basis User Master File is available by 11 PM eastern time. (See the CBRS User Guide on DTCC's website for a detailed

description of CBRS processing and timing.)   On the CBRS transaction output, a firm receives the records it submitted, and the records it received from a testing partner, if applicable.[2]

Canned Transaction Output File

Four versions of a canned transaction output file will be available in the testing environment. A canned file contains static data that firms can use for testing. The canned output file serves as a sample of what CBRS transaction output looks like. The four versions correspond to the kind of user receiving the file: there is one file for a mutual fund company, one for a broker-dealer, one for a transfer agent, and one for a bank. The contents of the different versions, such as the Transaction Types, vary based on the kind of receiver. **The product identification number for the canned files is 02990264.** When a firm subscribes to this canned file as a part of the new account set-up, it needs to indicate which version of the file it wants to receive: mutual fund company, broker-dealer, transfer agent, or bank.

<u>Revision to Asset Input and Tax Lot Input record layouts</u>

DTCC has added an additional rule to the Receiver Customer Account Number field and the Deliverer Customer Account Number field on the Asset Input and Tax Lot Input record layouts:

> The Receiver Customer Account Number and Deliverer Customer Account Number will be *required* for Transaction Type 57 = Manual Mutual Fund Transfer.

The revised Asset Input and Tax Lot Input record layouts are posted on DTCC's website:

http://www.dtcc.com/products/documentation/cs/cbrs.php

Additional Information

Please see the CBRS User Guide to learn more about the service in general:

http://www.dtcc.com/products/documentation/cs/cbrs.php

A copy of this Important Notice can be obtained from DTCC's website:

http://www.dtcc.com/products/documentation/cs/cbrs_notices.php

If you have questions regarding CBRS, please call the Customer Service Hotline at 888-382-2721, option 6, then option 7, then option 2.

---

[2] There is one situation when a firm does not receive a submitted record on the transaction output file. CBRS drops a transaction on the rare occasion when a submitter enters their firm number incorrectly, and CBRS does not recognize the submitter. In this case, CBRS rejects the record because the submitter is invalid. However, CBRS cannot return the record to the submitter because the incorrect submitter number does not match the submitter's actual number, so CBRS does not know where to return the record.