

NEW SERVICE BULLETIN

Fixed Income Clearing Corporation



Participant Migration to DTCC SMART/Dialer – Correction

This New Service Bulletin supersedes the New Service Bulletin entitled “Participant Migration to DTCC SMART/Dialer” (dated June 1, 2005).

June 7, 2005

FICC is in the process of replacing the current dial-up service, the Dial-Up Network Connection for the Participant Access Network (DUNC for PAN), with a new dial-up service called SMART/Dialer. All firms currently connecting through DUNC for PAN will be required to convert to the new dial-up service or to switch to a SMART or SFTI high-speed leased line. If your firm already has a leased line to SMART or SFTI for other products or services, FICC strongly recommends you utilize it for accessing your fixed income applications (i.e., the Government Securities Division – “GSD,” – the Mortgaged-Backed Securities Division – “MBSD,” – and for Corporate and Municipal Bonds and UITs – “CMU”).

Reason for the Change

Recently enacted regulatory requirements call for a **DTCC communications network** that is geographically dispersed to support our business continuity efforts. The SMART network and the complementary SMART/Dialer are highly resilient and have a nation-wide reach. DUNC for PAN is not compliant with these new requirements. Additionally, SMART/Dialer provides a significant performance boost over the current DUNC for PAN solution. **DUNC for PAN will therefore be retired on September 30, 2005.**

SMART/Dialer Fees

Participants will be charged on a SMART/Dialer Account/User ID basis. (Once logged into their SMART/Dialer account, participants will be able to access their various video-based applications, such as RTTM, EPN, etc., by logging into those applications separately.) Participants will be charged \$250 per month for each SMART/Dialer Account/User ID that is set up. SMART/Dialer software can be downloaded onto multiple desktops at no additional cost. If a participant has already set up an account on PTS Jr, it is possible to leverage that same account for access to all FICC services (GSD, MBSD and CMU). This is possible as long as access to more than one application is not required simultaneously.

Dialing within the U.S.

Monthly fee per SMART/Dialer Account/User ID:	\$ 250
Monthly maximum minutes per User ID:	6,000 (100 hours)
Fee for exceeding monthly maximum:	\$ 5 per hour

The SMART/Dialer software setup screen will prompt you to select a dial-up phone number, which is a local call regardless of your location.

Dialing from outside the U.S.

Monthly fee for 40 hours connect time, per SMART/Dialer Account /User ID: \$ 250
Hourly connect fee after the first 40 hours: \$ 8

Firms that have SMART or SFTI leased lines should leverage these circuits, if possible, to access FICC products. This would include firms that are upgrading their slower-speed PTS lines to the new minimum 128K PBS configurations.

Access Network Surcharges

Later this year, DTCC plans to divide the costs incurred for supporting legacy facilities, expected to be in the millions, among those participants that have not yet completed the migration to SMART or SFTI telecommunications connections (including SMART/Dialer) and therefore continue to require the Broker or Access network connections. **DTCC will begin to incur these costs on July 1, 2005. Consequently, DTCC reserves the right to assess additional charges for any participants remaining on the legacy networks as of that date.** For additional information, read the DTCC Important Notice dated April 16, 2005 via the following link:

<http://www.dtcc.com/CustomerFocus/notices/z0016.htm>

FICC will not cancel your DUNC for PAN account, which is maintained through SIAC, without written instructions from your firm prior to September 30, 2005. After that date, which is the DUNC for PAN service termination date, all DUNC for PAN accounts will be automatically canceled by FICC. It is therefore important that you let the FICC Client Support group know when you have successfully migrated to SMART or SFTI telecommunications connections, and that you are ready to shut down your legacy dial-up to avoid being charged for both connections.

Conversion Process & Ongoing Support

The conversion to SMART/Dialer has been designed for ease of implementation. Your firm will need to download and install the SMART/Dialer software and run a simple test to ensure access to the FICC login screens. Once the login screens are accessed, all application functionality should be the same as it was previously with DUNC for PAN connections. After installing and connecting with SMART/Dialer, you will be supported by a dedicated help desk in the DTCC Customer Support Center trained in resolving all communications issues. The telephone number for the DTCC Customer Support Center is (888)-382-2721.

Next Steps

Contact your FICC Client Support representative to discuss your communications requirements and connection options. Your representative will help you move from your current connection to the new SMART/Dialer solution or to a compatible leased line circuit.

Please monitor DTCC.com/NSCC.com and FICC.com for more news, and stay alert for DTCC/NSCC/FICC Important Notices on this subject.

If you have any questions please call your FICC Client Support representative at either (212) 855-7655 or (212) 855-7593.