



A#:	8429
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Date:	July 21, 2017 – Revision August 4, 2017¹
To:	ALL AIP MEMBERS
From:	WEALTH MANAGEMENT SERVICES – ALTERNATIVE INVESTMENT PRODUCT SERVICES
Attention:	ALTERNATIVE INVESTMENT RELATIONS ALTERNATIVE INVESTMENT OPERATIONS ALTERNATIVE INVESTMENT CUSTODY
Subject:	REVISED - AIP NON-TRADED REIT/BDC ORDER REDEMPTION PROCESSING & ADDITIONAL PRODUCTION OUTBOUND CYCLE ENHANCEMENTS - 2017

Effective **Friday, October 27, 2017** National Securities Clearing Corporation (NSCC) will implement enhancements to the Alternative Investment Product Services (“AIP”) into Production. AIP is scheduled to migrate the new coding and fields into Production on Thursday, October 26, 2017 **after** the 7:00pm (ET) End of Day Processing Cycle.

AIP will provide enhanced support for Non-Traded REIT/BDC Redemption Processing, which will incorporate new fields, values and validation rules to assist in systematically transmitting redemption orders via AIP.

Additionally, a new 5:10pm (ET) outbound cycle will be implemented in Production to balance AIP Members’ afternoon workload.

Below is a comprehensive description of these enhancements. In addition, we have provided a link to the Industry Enhancement Document and Data Dictionary 15.1 that identifies the impacted records, fields and values as part of this release. The updated AIP Industry Enhancement Document and Data Dictionary 15.1 will be posted to the AIP website on or about August 7, 2017.

¹ **1st revision dated August 4, 2017. Please see the updated Industry Document with revisions highlighted in green.**

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AIP Enhancement Summary (Mainframe, Web and Portal Users)

1. Security Announcement Enhancements

- Rename Description on the existing Announcement Type field
 - Existing Description: 01 = Tender Offer
 - **New Description: 01 = Tender Offer/Redemption**

- Rename Description on the existing Trade Date/Dealing Date – (Business Date) field
Required if the Announcement Type is (01 = Tender Offer)
 - Existing Description: 01 = Tender Offer
 - **New Description: 01 = Tender Offer/Redemption**

- Rename Description on the existing Tender Offer/Redemption Start Date field
Required if the Announcement Type is (01 = Tender Offer)
 - Existing Description: 01 = Tender Offer
 - **New Description: 01 = Tender Offer/Redemption**

- Rename Description on the existing Tender Offer/Redemption End Date field
Required if the Announcement Type is (01 = Tender Offer)
 - Existing Description: 01 = Tender Offer
 - **New Description: 01 = Tender Offer/Redemption**

- Rename field name on the existing Total Amount of Tender Offer Dollars field
 - Existing field name: Total Amount of Tender Offer Dollars
 - **New field name: Total Amount of Tender Offer/Redemption Dollars**

- Rename the existing Fund Settlement Date field and add new validation rules
 - Existing field name: Fund Settlement Date
 - **New field name: Settlement Date**
 - **Required if the Announcement Type is (01 = Tender Offer/Redemption)**

- Change condition and add new validation rule on an existing field
 - Existing field name: Rescission Date
 - Existing condition: Optional
 - **New condition: Optional Conditional**
 - **Required if Announcement Type is (01 = Tender Offer/Redemption)**

- Add new field name, length, type, condition and reject codes
 - **New field name: Total Amount of Tender Offer/Redemption Shares**
 - **New condition: Optional Field**
 - **Bytes = 14**
 - Use existing numeric format (9999999999.9999)
 - **New Reject Codes**

2. Order Enhancements

- Add new validation rule to the existing Trade Date/Dealing Date – (Business Date) field
 - **Required If Transaction Code is:**
 - 01 = Initial purchase**
 - 02 = Subsequent purchase**
 - 05 = Capital Call**
 - And**
 - For all security types on the security general profile except the following:**
 - 01 = Hedge Fund**
 - 02 = Fund of Funds**
 - 12 = Registered Hedge Fund**
 - Rename the existing Transaction Code description field
 - Existing Description: 03 = New Redemption Request
 - **New Description: 03 = Partial Redemption Request**
 - Existing Description: 04 = Redemption Request of Holdback
 - **New Description: 04 = Full Redemption Request**
 - Add new validation rule to the existing Money Amount field
 - **Required for Transaction Codes**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**
 - For Purchases settling through NSCC, the money amount must be greater than zero.**
 - Change condition on the existing Money Amount field
 - Existing condition: Required
 - New condition: Optional Conditional**
 - Add new validation rule to the existing Money Amount field
 - The following Transaction Codes are not allowed:**
 - 03 = Partial Redemption**
 - 04 = Full Redemption Request**
 - Add new validation rule to the existing Share Quantity field
 - Change condition on existing Share Quantity field
 - Existing condition: Optional
 - New condition: Optional Conditional**
 - **Required for Transaction Code**
 - 03 = Partial Redemption Request**
- Zeros are not allowed for Transaction Code (03 – Partial Redemption Request)

- Remove validation rule on the existing Original Control Number field
 - Required if Transaction Code = (04 – Redemption Request of Holdback)**
 - Change condition on the existing Original Control Number field
 - Existing condition: Optional Conditional
 - New condition: Optional**

- Add new validation rule to the existing RIA/RR Indicator field
 - Required if Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**

- Add new validation rule to the existing Introducing Broker Dealer Firm Name/Registered Investment Advisor Firm Name field
 - Required if Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**

- Add new validation rule to the existing Account Representative/Advisor Name field
 - Required if the following fields are provided:
 - Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - RIA/RR Indicator = 2 – Registered Representative (Existing Validation Rule)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**

- Add new validation rule to the existing Account Representative/Advisor Number field
 - Required if the following fields are provided:
 - Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - RIA/RR Indicator = 2 – Registered Representative (Existing Validation Rule)
 - Individual CRD/IARD Number is not populated (Existing Validation Rule)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**

- Add new validation rule to the existing Branch ID Number field

- Required if the following fields are provided:
 - Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - RIA/RR Indicator = 2 – Registered Representative (Existing Validation Rule)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**
- Rename Description on the existing Trading Model field
 - Existing Description: 1 = Non-clearing Trade
 - **New Description: 1 = Self-Clearing Trade**
- Add new validation rule to the existing Firm CRD Number field
 - Required if Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**
- Add new validation rule to the existing Individual CRD/IARD Number field
 - Required if the following fields are provided:
 - Trading Model = 2 – Clearing Trade (Existing Validation Rule)
 - RIA/RR Indicator = 2 – Registered Representative (Existing Validation Rule)
 - Account Representative/Advisor Number is not populated (Existing Validation)
 - And**
 - If Transaction Code is: (New Validation Rule)**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**
- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Redemption Reason Code**
 - **Add New Field length: 2 bytes**
 - **Add New Condition: Optional Conditional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**
 - **Add new validation rules:**
 - Required for Transaction Codes**
 - 03 = Partial Redemption Request**
 - 04 = Full Redemption Request**

- **Add New Values and Descriptions:**
 - 01 = Regular
 - 02 = Death
 - 03 = Disability
 - 04 = Hardship
 - 05 = Odd Lots
 - 06 = RMD – Required Minimum Distribution
 - 07 = Other/Unknown Exception
- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: CDSC Amount**
 - **Add New Field length: 16 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: N - Numeric**
 - **Add Format: 999999999999.99**
 - **Add New Reject Codes**
- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Redemption Fee**
 - **Add New Field length: 16 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: N - Numeric**
 - **Add Format: 999999999999.99**
 - **Add New Reject Codes**
- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Cost Basis Option**
 - **Add New Field length: 2 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**
 - **Add New Values and Descriptions:**
 - 01 = Fund Default
 - 02 = FIFO (First In, First Out)
 - 03 = LIFO (Last In, First Out)
 - 04 = HIFO (Highest Cost In, First Out)
 - 05 = LOFO (Lowest Cost In, First Out)
 - 06 = HILT (Highest Long-Term Cost, First Out)
 - 07= LILT (Lowest Long-Term Cost, First Out)
 - 08= HIST (Highest Short-Term Cost, First Out)
 - 09= Average Cost

- Add new validation rule on existing Subscription Start Date field
 - **A soft reject must be sent to the fund when the subscription is transmitted outside of the subscription start date**
- Add new validation rule on existing Subscription End Date field
 - **A soft reject must be sent to the fund when the subscription is transmitted outside of the subscription end date**

3. Order with Registration Enhancements

- Add new validation rule to the existing Trade Date/Dealing Date – (Business Date) field
 - **Required If Transaction Code is:**
 - 01 = Initial purchase**
 - 02 = Subsequent purchase**
 - 05 = Capital Call**
 - And**
 - For all security types on the security general profile except the following:**
 - 01 = Hedge Fund**
 - 02 = Fund of Funds**
 - 12 = Registered Hedge Fund**
- Rename the existing Transaction Code description
 - Existing Description: 03 = New Redemption Request
 - **New Description: 03 = Partial Redemption Request**
 - Existing Description: 04 = Redemption Request of Holdback
 - **New Description: 04 = Full Redemption Request**
- Add new validation rule to the existing Money Amount field
 - **Required for Transaction Codes**
 - 01 = Initial Purchase**
 - 02 = Subsequent Purchase**
 - 05 = Capital Call**
 - Change condition on the existing Money Amount field
 - Existing condition: Required
 - New condition: Optional Conditional**
 - Add new validation rule to the existing Money Amount field
 - The following Transaction Codes are not allowed:**
 - 03 = Partial Redemption**
 - 04 = Full Redemption Request**

- Add new validation rule to the existing Share Quantity field
 - Change condition on existing Share Quantity field
Existing condition: Optional
New condition: Optional Conditional
 - **Required for Transaction Code**
03 = Partial Redemption Request

Zeros are not allowed for Transaction Code (03 – Partial Redemption Request)
- Remove validation rule to the existing Original Control Number field
Required if Transaction Code = (04 – Redemption Request of Holdback)
 - Change condition on the existing Original Control Number field
Existing condition: Optional Conditional
New condition: Optional
- Rename Description on the existing Trading Model field
 - Existing Description: 1 = Non-clearing Trade
 - **New Description: 1 = Self-Clearing Trade**
- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Redemption Reason Code**
 - **Add New Field length: 2 byte**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**
 - **Add New Condition: Optional Conditional**

Add new validation rule:
Required for Transaction Codes
03 = Partial Redemption Request
04 = Full Redemption Request

 - **Add New Values and Descriptions:**
01 = Regular
02 = Death
03 = Disability
04 = Hardship
05 = Odd Lots
06 = RMD
07 = Other/Unknown Exception

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: CDSC Amount**
 - **Add New Field length: 16 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: N - Numeric**
 - **Add Format: 99999999999.99**
 - **Add New Reject Codes**

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Redemption Fee**
 - **Add New Field length: 16 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: N - Numeric**
 - **Add Format: 99999999999.99**
 - **Add New Reject Codes**

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Cost Basis Option**
 - **Add New Field length: 2 byte**
 - **Add New Condition: Optional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**

- Add existing field name Redemption Percentage to the Correction /Prepaid Correction record
 - **Add Existing Field Name: Redemption Percentage**
 - **Add Existing Field length: 6 bytes**
 - **Add Existing Condition: Optional**
 - **Add Existing Type: N – Numeric**
 - **Add Existing Reject Codes – 0367 – Redemption Percentage missing/invalid**

 - **Add New Values and Descriptions:**
 - 01 = Fund Default**
 - 02 = FIFO (First In, First Out)**
 - 03 = LIFO (Last In, First Out)**
 - 04 = HIFO (Highest Cost In, First Out)**
 - 05 = LOFO (Lowest Cost In, First Out)**
 - 06 = HILT (Highest Long-Term Cost, First Out)**
 - 07 = LILT (Lowest Long-Term Cost, First Out)**
 - 08 = HIST (Highest Short-Term Cost, First Out)**
 - 09 = Average Cost**

4. Account Registration/Maintenance Enhancements

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Cost Basis Option**
 - **Add New Field length: 2 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**

 - Add New Values and Descriptions:
 - 01 = Fund Default**
 - 02 = FIFO (First In, First Out)**
 - 03 = LIFO (Last In, First Out)**
 - 04 = HIFO (Highest Cost In, First Out)**
 - 05 = LOFO (Lowest Cost In, First Out)**
 - 06 = HILT (Highest Long-Term Cost, First Out)**
 - 07 = LILT (Lowest Long-Term Cost, First Out)**
 - 08 = HIST (Highest Short-Term Cost, First Out)**
 - 09 = Average Cost**

- Rename Description on the existing Trading Model field
 - Existing Description: 1 = Non-clearing Trade
 - **New Description: 1 = Self-Clearing Trade**

5. Order Acknowledgement/Reject/Exit Enhancements

- Add new validation rule to the existing Trade Date/Dealing Date – (Business Date) field
 - **Required If Transaction Code is:**
 - 01 = Initial purchase**
 - 02 = Subsequent purchase**
 - 05 = Capital Call**

- And**
For all security types on the security general profile except the following:
 - 01 = Hedge Fund**
 - 02 = Fund of Funds**
 - 12 = Registered Hedge Fund**

- Relax the edit on the Settlement Date field to allow the Fund to populate the settlement date on the Acknowledgement record
 - **The Settlement Date field will now be editable on the 005 – Fund Acknowledgement of Firm Order record**
 - **If not provided by the Fund, the Settlement Date will be systematically populated by NSCC from the original Order record.**
 - **If the Settlement Date is not populated in the Order, then it is systematically pulled from the Security Announcement record.**
 - **NSCC will validate the date format (mmddccyy)**

- Change condition on the existing Settlement Date field
 - Existing condition: S = Systematically Populated by NSCC
 - New condition: Optional**

- Rename the existing Fund/Firm Reject Indicator field
 - Existing Field Name: Fund/Firm Reject Indicator
 - **New Field Name: Fund/Firm Reject-Exit Indicator**

- Add new validation rules to include the EXIT Record Types when the Firm or Fund populates the Fund/Firm Reject-Exit Indicator to cancel an Order, prior to settlement.

Existing Description – 1= Rejected by Fund/Firm

Renamed Description – 1 = Rejected or Exited by Fund/Firm

The Fund/Firm Reject-Exit Indicator field is 'Optional' for the following record types:

- **009 – Firm Exit of Order**
 - **010 – Fund Exit of Order**
 - **038 – Firm Exit of Prepaid Order**
- Spaces for the other Record Types

- New validation rules to the Fund/Firm Reject-Exit Reason Code 1 field

Required for Record Types: (Existing Validation):

- 004– Firm Reject of Fund Order
- 006– Fund Reject of Firm Order
- 037 – Fund Reject of Prepaid Order

Optional for the following Record Types: (New Validation)

- **009 – Firm Exit of Order**
 - **010 – Fund Exit of Order**
 - **038 – Firm Exit of Prepaid Order**
- Spaces for the other Record Types**

- Rename the existing Fund/Firm Reject Reason Code 1 field

- Existing Field Name: Fund/Firm Reject Reason Code 1
- **New Field Name: Fund/Firm Reject-Exit Reason Code 1**

- Rename the existing Fund/Firm Reject Reason Code 2 field

- Existing Field Name: Fund/Firm Reject Reason Code 2
- **New Field Name: Fund/Firm Reject-Exit Reason Code 2**

- Rename the existing Fund/Firm Reject Reason Code 3 field

- Existing Field Name: Fund/Firm Reject Reason Code 3
- **New Field Name: Fund/Firm Reject-Exit Reason Code 3**

- Rename the existing Fund/Firm Reject Reason Code 4 field

- Existing Field Name: Fund/Firm Reject Reason Code 4
- **New Field Name: Fund/Firm Reject-Exit Reason Code 4**

6. Order Confirmation/Correction/Prepaid Confirmation/Prepaid Correction/Contract Note Enhancements

Add new validation rule to the existing Trade Date/Dealing Date – (Business Date) field

Required If Transaction Code is:

01 = Initial purchase

02 = Subsequent purchase

05 = Capital Call

And

For all security types on the security general profile except the following:

01 = Hedge Fund

02 = Fund of Funds

12 = Registered Hedge Fund

If not provided in the Order, then it is pulled from the Security Announcement record

HF Security Types (01,02,12) - Backdating is not allowed

Non-Hedge Funds - Backdating is allowed

- Existing condition: Required
 - **New condition: Optional Conditional**
-
- Rename the existing Transaction Code description field
 - Existing Description: 03 = New Redemption Request
 - **New Description: 03 = Partial Redemption Request**

 - Existing Description: 04 = Redemption Request of Holdback
 - **New Description: 04 = Full Redemption Request**
-
- Remove validation rule on the existing Original Control Number field
 - Required for Transaction Codes**
 - 03 = Redemption Request of Holdback**
 - 04 = Full Redemption Request**
-
- Change condition on the existing Original Control Number field
 - Existing condition: Optional Conditional
 - New condition: Optional**

- Add new validation rule to the existing Money Amount field
 - Change condition on existing Money Amount field
 - Existing condition: Required
 - New condition: Optional Conditional**

For the following record types:

007 = Confirmation

040 = Prepaid Confirmation

042 = Contract Note

The Money Amount is required and must be greater than 0 for settling transactions.

For the following record types:

008 = Correction

041 = Prepaid Correction

The Money Amount is required if the Transaction Code is:

01 = Initial purchase

02 = Subsequent

05 = Capital Call

The Money Amount is not allowed if the Transaction Code is:

03 = Partial Redemption Request

04 = Full Redemption Request

- Add new validation rule to the existing Share Quantity field
 - **Required for record types:**
 - 008 – Correction (Originator Type B only)**
 - 041 – Prepaid Correction (Originator Type B only)**
 - If Transaction Code (03 = Partial Redemption Request) is provided**
 - Change condition on existing Share Quantity field
 - Existing condition: Required
 - New condition: Optional Conditional**

Zeros are not allowed for Transaction Code (03 – Partial Redemption Request)

- Add new validation rule to the existing RIA/RR Indicator field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)
- If the Trading Model = 2 – Clearing Trade

And

If Transaction Code is: (New Validation Rule)

- 01 = Initial Purchase**
- 02 = Subsequent Purchase**
- 05 = Capital Call**

- Add new validation rule to the existing Introducing Broker Dealer Firm Name/Registered Investment Advisor Firm Name field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)
- If the Trading Model = 2 – Clearing Trade

And

If Transaction Code is: (New Validation Rule)

- 01 = Initial Purchase**
- 02 = Subsequent Purchase**
- 05 = Capital Call**

- Add new validation rule to the existing Account Representative/Advisor Name field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)
- If the following is provided:
Trading Model = 2 – Clearing Trade
RIA/RR Indicator = 2 – Registered Representative

And

If Transaction Code is: (New Validation Rule)

- 01 = Initial Purchase**
- 02 = Subsequent Purchase**
- 05 = Capital Call**

- Add new validation rule to the existing Account Representative/Advisor Number field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)
- If the following is provided:
Trading Model = 2 – Clearing Trade
RIA/RR Indicator = 2 – Registered Representative
Individual CRD/IARD Number is not populated

And

If Transaction Code is: (New Validation Rule)

- 01 = Initial Purchase**
- 02 = Subsequent Purchase**
- 05 = Capital Call**

- Add new validation rule to the existing Branch ID Number field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)
- If the following is provided:
Trading Model = 2 – Clearing Trade
RIA/RR Indicator = 2 – Registered Representative

And

If Transaction Code is: (New Validation Rule)

- 01 = Initial Purchase**
- 02 = Subsequent Purchase**
- 05 = Capital Call**

- Rename Description on the existing Trading Model field
 - Existing Description: 1 = Non-clearing Trade
 - **New Description:** 1 = **Self**-clearing Trade
 - Add new validation rule to the existing Firm CRD Number field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)
- If the Trading Model = 2 – Clearing Trade

And

If Transaction Code is: (New Validation Rule)

- 01 = Initial Purchase**
- 02 = Subsequent Purchase**
- 05 = Capital Call**

- Add new validation rule to the existing Individual CRD/IARD Number field
 - Required for record types: - (Existing validation Rule)
 - 008 – Correction (Originator Type B only)
 - 041 – Prepaid Correction (Originator Type B only)

If the following is provided:

Trading Model = 2 – Clearing Trade

RIA/RR Indicator = 2 – Registered Representative

Account Representative/Advisor Number is not populated

And

If Transaction Code is: (New Validation Rule)

01 = Initial Purchase

02 = Subsequent Purchase

05 = Capital Call

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Redemption Reason Code**
 - **Add New Field length: 2 bytes**
 - **Add New Condition: Optional Conditional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**

- **Add new validation rules:**

Required for record types:

008 – Correction (Originator Type B only)

041 – Prepaid Correction (Originator Type B only)

If the following Transaction Codes are provided:

03 = Partial Redemption Request

04 = Full Redemption Request

- **Add New Values and Descriptions:**

01 = Regular

02 = Death

03 = Disability

04 = Hardship

05 = Odd Lots

06 = RMD – Required Minimum Distribution

07 = Other/Unknown Exception

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: CDSC Amount**
 - **Add New Field length: 16 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: N - Numeric**
 - **Add Format: 999999999999.99**
 - **Add New Reject Codes**

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Redemption Fee**
 - **Add New Field length: 16 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: N - Numeric**
 - **Add Format: 999999999999.99**
 - **Add New Reject Codes**

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Cost Basis Option**
 - **Add New Field length: 2 bytes**
 - **Add New Condition: Optional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**

 - **Add New Values and Descriptions:**
 - 01 = Fund Default**
 - 02 = FIFO (First In, First Out)**
 - 03 = LIFO (Last In, First Out)**
 - 04 = HIFO (Highest Cost In, First Out)**
 - 05 = LOFO (Lowest Cost In, First Out)**
 - 06 = HILT (Highest Long-Term Cost, First Out)**
 - 07= LILT (Lowest Long-Term Cost, First Out)**
 - 08= HIST (Highest Short-Term Cost, First Out)**
 - 09= Average Cost**

- Add existing field name Redemption Percentage
 - **Add Existing Field Name: Redemption Percentage**
 - **Add Existing Field length: 6 bytes**
 - **Add Existing Condition: Optional**
 - **Add Existing Type: N – Numeric**
 - **Add Existing Reject Codes – 0367 – Redemption Percentage missing/invalid**

- Add new field name, values, descriptions, condition, validation rule and reject codes
 - **Add New Field Name: Reconfirmation Indicator**
 - **Add New Field length: 1 bytes**
 - **Add New Condition: Optional Conditional**
 - **Add New Type: A/N – Alpha/Numeric**
 - **Add New Reject Codes**

 - **Add New Values , Descriptions and Validation Rules:**
 - ❖ **Space = First Confirmation or First Confirmation after a Correction**

 - ❖ **C-Z = Reconfirmation Values**

 - ❖ **For the first Reconfirmation, the Indicator must begin with “C” and for each subsequent Reconfirmation the indicator must be greater than the previous Reconfirmation Indicator in sequential order.**

New Order Redemption Process

- **Remove existing validation rule requiring record type (042 - Contract Note) to finalize all redemptions**
 - 03 = Partial Redemption**
 - 04 = Full Redemption Request**

- **Remove existing validation rule on the existing Contract Note Date field**
 - Required for Transaction Codes**
 - 03 = New Redemption Request**
 - 04 = Redemption Request of Holdback**

7. NSCC Reject Codes/Descriptions

All New Reject Codes will be added to the NSCC Reject Reason Code list in Data Dictionary 15.0.

- Rename Description on existing NSCC Reject Code:
 Existing Description = Tender Offer Oversold missing/invalid
New Description = Tender Offer/**Redemption** Oversold missing/invalid

 Existing Description = Total Amount of Tender Offer Dollars invalid
New Description = Total Amount of Tender Offer/**Redemption** Dollars invalid

NSCC Reject Reason Codes	
NSCC Reject Code	New Description
0055	Tender Offer/Redemption Oversold invalid - (Rename Existing Code)
0439	Total Amount of Tender Offer/Redemption Dollars invalid - (Rename Existing Code)
0584	Redemption Reason Code invalid
0585	CDSC Amount invalid
0586	Redemption Fee invalid
0587	Cost Basis Option invalid
0588	Total Amount of Tender Offer/Redemption Shares invalid
0589	Reconfirmation Indicator missing/invalid
New Soft Reject Code	New Description
0920	Order received prior to Announcement Start Date
0921	Order received after Announcement End Date

8. Firm/Fund Reject Codes/Descriptions

All New Reject Codes will be added to the Firm-Fund Reject Reason Code list in Data Dictionary 15.0.

- Rename the Firm/Fund Reject Code Title:
Existing Title = Firm-Fund Reject Codes
New Title = Firm-Fund Reject/**Exit** Codes
- Rename the Description on existing Firm-Fund Reject/**Exit** Codes:
Existing Description = Tender Offer Oversold invalid
New Description = Tender Offer/**Redemption** Oversold invalid

Existing Description = Total Amount of Tender Offer Dollars invalid

New Description = Total Amount of Tender Offer/**Redemption** Dollars invalid

Firm-Fund Reject/ Exit Codes	
Reject/Exit Codes	New Description
0055	Tender Offer/Redemption Oversold invalid (Rename Existing Code)
0439	Total Amount of Tender Offer/Redemption Dollars invalid (Rename Existing Code)
0584	Redemption Reason Code missing/invalid
0585	CDSC Amount invalid
0586	Redemption Fee invalid
0587	Cost Basis Option invalid
0588	Total Amount of Tender Offer/Redemption Shares invalid

9. New Additional Production Output Processing Cycle Enhancement

- Add new 5:10pm (ET) cycle

Alternative Investment Products (AIP) – Monday through Friday Schedule

Current - AIP Production Output Schedule

Cycle Numbers	Output Cycle Times - ET
C1	6:10AM
C2	9:10AM
C3	12:10PM
C4	4:10PM
C98 – End of Day Processing	7:00PM

New - AIP Production Output Schedule

Cycle Numbers	Output Cycle Times - ET
C1	6:10AM
C2	9:10AM
C3	12:10PM
C4	4:10PM
C5	5:10PM
C98 – End of Day Processing	7:00PM

Testing

Effective Friday, September 15, 2017 participants can begin testing these AIP Enhancements in the first AIP cycle of the day at 9:00am (ET).

Participants are encouraged to test and must contact AIP Product Management before testing begins for proper setup in the PSE region. AIP Product Management should be contacted at least three (3) days prior to testing.

Documentation

The updated AIP Industry Document & Data Dictionary 15.1 (Record Layouts) will be available on or about August 7, 2017 on DTCC's Wealth Management Services website located under the PSE Enhancements Section of the AIP website <http://www.dtcc.com/aip>. In addition, all impacted records, fields and values are highlighted in 'red' in Data Dictionary 15.1 for your review.

The record and field format information provided within this Important Notice is for informational purposes only and does not constitute the final Record Layouts. NSCC reserves the right to make additional changes to the Record Layouts prior to implementation.

Questions and comments regarding this Important Notice may be directed to Michelle McLean at 212-855-2443.

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The logo for DTCC, consisting of the letters "DTCC" in a bold, black, sans-serif font.

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