

IMPORTANT NOTICE

DTCC Solutions LLC



#: CBRS004.10
Date: October 18, 2010
To: All current and prospective Cost Basis Reporting Service users
Attention: Managing Partner/Officer; Operations Partner/Officer; Manager, Customer Account Transfer Department; Manager, Margin Department; Manager, Data Processing Department; Manager, Mutual Funds Operations; Manager, Cashiers Department
From: Lydia Midwood
Subject: Updated Cost Basis Reporting Service record layouts

DTCC plans to change the current Cost Basis Reporting Service (CBRS) to provide cost basis information to industry participants with respect to IRS regulations that go into effect on January 1, 2011. Enhanced CBRS user testing began on September 13, 2010. Testing for the existing record layouts is no longer supported. The enhanced CBRS system is scheduled to go live in production on **December 10, 2010**. The existing system will no longer be supported once the new system is in production.¹

The CBRS record layouts have been updated. This Notice describes the various changes.

Specifics of the Changes to the Record Layouts

Fields on the Asset Input, Tax Lot Input, and Cost Basis Transaction MRO record layouts have changed. The table below details the changes. In the **Field** column, after each field name there is a code: **A** = Asset Input, **T** = Tax Lot Input, **O** = Cost Basis Transaction MRO record layout.

Field	Change
Total Original Cost (A – Original/Corrected)	<ul style="list-style-type: none">• Added Comment• Removed Best Practice
Total Current Cost (A – Original/Corrected)	<ul style="list-style-type: none">• Added Comment• Added Best Practice
Total Average Cost (A – Original/Corrected)	Changed wording of Best Practice

¹ Subject to approval from the U.S. Securities and Exchange Commission.

In response to customer feedback, 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 about this new service and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

To remove your name from the former system of email notifications, send a message to unsubscribe@dtcc.com.

Receiving Firm Number (A – Firm Reject/Request)	Added rule
Submitting Firm Number (A – Firm Reject/Request)	Added rule
Taxes Reported by Issuer/Transfer Agent (T)	Added rule
Tax Lot Original Cost (T)	<ul style="list-style-type: none"> • Added Comment • Removed Best Practice
Tax Lot Current Cost (T)	<ul style="list-style-type: none"> • Added Comment • Added Best Practice
Distribution Side (O)	Changed wording of values
TO Record Content Indicator (O)	Changed wording of values
TO Gifted or Inherited Indicator (O)	Added value 03 = Inherited then Gifted

Additional Information

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.