

# IMPORTANT NOTICE

**DTCC Solutions LLC**



**#:** CBRS006.11  
**Date:** July 27, 2011  
**To:** All current and prospective Cost Basis Reporting Service (CBRS) users  
**From:** Lydia Midwood  
**Subject:** New indicator on the Cost Basis User Master File: “Exempt Recipient Accounts”

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.

This Notice describes the change DTCC is making to the Cost Basis User Master File Record Layout. Please see Important Notices CBRS004.11 and CBRS005.11 for more information about this year’s enhancements, and testing.

The update to the Cost Basis User Master File will follow the same timeline as the enhancements described in Important Notice CBRS005.11: the new file will be available in the testing environment starting on the evening of September 29, 2011; and the new file will be available in the Production environment starting on the evening of November 17, 2011.

## **Cost Basis User Master File: “Exempt Recipient Accounts” indicator**

To assist firms in identifying eligible users, the Cost Basis User Master File is made available to firms on a daily basis. Firms use this file to assist in their transferring of cost basis data to significantly reduce or eliminate the cost basis records sent to ineligible receiving firms.

For the 2011 year-end enhancements, DTCC is adding a field to the Cost Basis User Master File record layout named “Exempt Recipient Accounts,” with two values: Y/N. This field will allow CBRS users to indicate whether they want retirement accounts excluded from the basis they receive. The field values mean the following:

- Y: Exclude retirement accounts from basis sent to this user
- N: Do not exclude retirement accounts from basis sent to this user

‘N’ is the default value for this field.

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](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](mailto:unsubscribe@dtcc.com).

Current CBRS users who would like to have a ‘Y’ value: the Business, Technical, or Billing Contact on the Service Add Letter should notify DTCC’s Account Administration to make the change by sending an email to [DTCCSolutionsAA@dtcc.com](mailto:DTCCSolutionsAA@dtcc.com).

New CBRS applicants who would like to have a ‘Y’ value should notify the Account Administration department on their Service Add letter as a part of the new account forms.

The revised record layout for the Cost Basis User Master File can be found on the CBRS documentation page on DTCC’s website. New Account Forms, including the Service Add Letter template, can also be found on the website:

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

#### *Additional Information*

Please see the CBRS User Guide to learn more about the Cost Basis User Master File, and 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](http://www.dtcc.com/products/documentation/cs/cbrs_notices.php)

If you have questions about CBRS, please call your Relationship Manager or the Customer Service Hotline at 888-382-2721, option 6, then option 7, then option 2.