



Important Notice

National Securities Clearing Corporation

A#:	7806
P&S#:	7376
DATE:	MARCH 24, 2014
TO:	ALL MEMBERS
FROM:	PRODUCT MANAGEMENT, EQUITIES CLEARANCE
ATTENTION:	MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; MANAGER P&S DEPARTMENT; MANAGER DATA PROCESSING DEPARTMENT
SUBJECT:	IMPLEMENTATION AND REGISTRATION FOR SMART/TRACK FOR CNS CORPORATE ACTIONS

In Important Notice A#7671, P&S# 7341 dated January 28, 2014 the National Securities Clearing Corporation (“NSCC”) outlined proposed enhancements to corporate action processing through its Continuous Net Settlement (“CNS”) system. Subject to regulatory approval of a proposed rule change, NSCC is planning to implement these changes in a phased approach.

As discussed in that important notice, there will be a new product under the umbrella of the SMART/Track for Corporate Action Liability Notification Service entitled **SMART/Track for CNS Corporate Actions**. This product will be a centralized location for CNS corporate action processing.

IMPLEMENTATION

SMART/Track for CNS Corporate Actions will be implemented in a phased approach. Phase one will include the enhancements for processing optional dividends. Subject to approval of the proposed rule change, the implementation date for this is scheduled to be **May 16, 2014**.

Phase two will include the remaining enhancements for corporate action processing which will be implemented sometime during Q3 2014. More details about both implementations will be outlined in future important notices.

REGISTRATION FOR SMART/TRACK FOR CNS CORPORATE ACTIONS

Members are advised that DTCC will make available the new product supporting the above releases, **SMART/Track for CNS Corporate Actions (Product “CNR”)**, on the Customer Registration system on **Friday, April 11, 2014**. This is the date that a Super Access Coordinator (“SAC”) can begin to grant entitlements of the product to the Access Coordinator(s) or internal users of the product at your firm. Although users may get access to the product, nothing can be viewed or processed via the product until actual implementation occurs.

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

The registration process for Member firms will occur as follows:

- 1) If your firm already has a SAC registered for the **SMART/Track Corporate Action Liability Notification Service (Product “CALN”)**, DTCC will automatically set-up the existing SAC at your firm that grants entitlements for the Product “CALN” with the new Product “CNR”. If you do not want this default set-up to occur, please contact DTCC Relationship Management by sending an email to rmsupport@dtcc.com by **April 11, 2014**.
- 2) If your firm does not have a SAC registered for the **SMART/Track Corporate Action Liability Notification Service (Product “CALN”)** but has a SAC registered for other DTCC web portal products, then your firm will be contacted by DTCC Relationship Management to verify if they can be provisioned with the **SMART/Track for CNS Corporate Actions (Product “CNR”)**. If this is not agreed upon, then your firm must register a new SAC (see below).
- 3) If your firm does not have a SAC registered for other DTCC web portal products, then your firm must submit a SAC registration form following the steps below. You can download the form titled “DTCC Systems” from the following URL: <http://www.dtcc.com/client-center/access-coordinators.aspx>

The steps for registering for SMART/Track for CNS Corporate Actions (CNR) are as follows:

Firms are required to have at least 2 SACs for the CNR product. It is important to fill out the form with at least 2 people from your firm.

1. Fill in the names, telephone numbers, e-mails and street addresses of the people at your firm to be designated as Super Access Coordinators (SAC). **Please designate two SACs.**
2. Obtain the signature of an authorizing officer. The authorized signature cannot be provided by any of the designated SAC.
3. Follow the instructions contained within the form for submitting the form.

Again, **all CNS Members are required to have at least one staff person from their firm register for SMART/Track for CNS Corporate Actions.** The SAC will be responsible for granting entitlements to the Access Coordinator or internal user(s) of the product at your firm.

TRAINING

Members are reminded that an interactive learning tool is available that replicates the appearance, navigation, and functionality of **SMART/Track for CNS Corporate Actions**. Members are strongly encouraged to register for this online learning which is available via the dedicated online learning center at <https://dtcclearning.com/learning/clearance/topics/cns-corporate-actions.html>. For more details, please see NSCC Important Notice A#7682, P&S#7352, dated February 13, 2014.

ADDITIONAL INFORMATION

A copy of this Important Notice can be obtained from the DTCC web site at <http://www.dtcc.com>. If you have any questions regarding these enhancements, please contact your DTCC Relationship Manager or CNS Operations at (888) 382-2721, Option 2, then 2.