



B #:	1114-14
Date:	June 4, 2014
To:	All Clients
Category:	Settlement
From:	Settlement Product Management
Attention:	Managing Directors/Vice Presidents/Managers
Subject:	Settlement Matching Phase 3: June 12 th -13 th Implementation

As announced in Important Notice 0695-14, DTC is making changes to assist clients with Settlement Matching. In order to mitigate implementation risk, these changes are being implemented on June 13, 2014 settlement date, a month before the first Receiver Authorized Delivery (RAD) threshold reduction on July 11, 2014. Clients can expect to follow the implementation timeline as detailed below.

Evening of June 12th

After Free Recycle Cutoff occurs at approximately 6:35 PM EST and before DTC begins to process transactions scheduled for the Settlement of June 13th, DTC will begin to implement the following changes:

- RAD Output (MQ Layout #20.16) will be enhanced to include intended delivery date, settlement date and transaction type indicator,
- Version 2 of Settlement Deliver Order Output (MQ Layout #20.01) will be enhanced to include intended delivery date, settlement date, IMS Transaction Identifier (TID), RAD Sequence Number and IDNET output indicator,
- Payment Order Output (MQ Layout #20.02) will be enhanced to include IMS TID and RAD Sequence Number,
- The MT530 RAD command will be enhanced to allow optional comments,
- RAD Drop Tickets will be retired,
- Overvalued transactions will no longer be subject to RAD,
- New transaction types will be routed to RAD:
 - Valued deliver orders using syndicate reason codes 49, 50, 560, 570,
 - ACATS auto deliver orders (reason code 88 and source code DCAT) ,
 - Reintroduced drops (including balance orders),
- Please note that RAD1 approval/cancel window for messaging will not change on the evening of June 12th.
- **After these changes have been implemented, DTC will begin the Night Cycle process, and clients can expect to see the changes outlined above.**

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- **Please note that all client requested changes to output should be submitted to pipegeusts@dtcc.com two weeks prior to going live, otherwise they will be processed on a best efforts basis.**

Morning of June 13th

- The RAD Transactions screen will be enhanced with the following:
 - Expanded Excel downloads of up to 5,000 records
 - A Comments Lens will be made available
 - A Reverse RAD Approval option (only actionable for future dated transactions that haven't been submitted for Settlement processing) will be added prior to settlement processing – if already submitted for settlement processing the approval will not be able to be reversed
- The Pending Transactions Screen will be enhanced to allow receiver pend-cancels (and subsequent billing will begin)

Evening of June 13th

Beginning at 5:00pm EST on June 13th, DTC will make available via automated output and on the Settlement Web transactions routed to RAD but settling on June 16th. DTC will begin to accept RAD authorizations and cancels (either via screen update or automated messages) on S-1 transactions only after 5:00pm EST, and provided the corresponding transactions are in an “awaiting RAD approval” status.

Questions regarding this important notice may be directed to your Relationship Manager, the Client Account Representative Team at 212-855-4270 (option 2) or rmsupport@dtcc.com