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| A#: | 8123 |
| P&S#: | 7698 |
| DATE: | DECEMBER 1, 2015 |
| TO: | ALL PARTICIPANTS |
| ATTENTION: | MANAGING PARTNER/OFFICER, OPERATIONS PARTNER/OFFICER, COMPLIANCE OFFICER |
| FROM: | PRODUCT MANAGEMENT |
| SUBJECT: | MARCH 11, 2016 IMPLEMENTATION DATE FOR NSCC SETTLEMENT ELIGIBILITY OF T+1 SETTLEMENT CYCLE CORPORATE BOND, MUNICIPAL BOND, UIT (CMU) REAL TIME TRADE MATCHING (RTTM) TRADES |

On November 17, 2015 the SEC approved NSCC's proposed rule change to permit eligible T+1 settlement cycle (S/D = T/D +1) CMU RTTM trades to settle in either NSCC's Continuous Net Settlement ("CNS") system or in its Balance Order settlement on a trade-for-trade basisⁱ.

Currently, T+1 settlement cycle trades are processed as "Comparison Only" by CMU RTTM and do not appear on the NSCC Consolidated Trade Summary (CTS). Also, Non CNS T+1 CMU trades are not currently automatically forwarded to the Obligation Warehouse since NSCC Balance Orders are not created for them.

Effective T/D March 11, 2016, eligible CMU T+1 settlement cycle matched trades (T/D Friday 3/11/16, S/D Monday 3/14/16) will be permitted to settle through CNS or NSCC's Balance Order system on a trade-for-trade basis, and will appear on the NSCC Consolidated Trade Summary.

This change was outlined in NSCC Important Notices, A#8059, P&S # 7623 dated July 28, 2015ⁱⁱ and A#7982, P&S#7557, dated February 12, 2015ⁱⁱⁱ.

If you have any questions regarding this or other CMU RTTM services, please enter your question into the PBS WINS function, contact your Relationship Manager, email RMsupport@dtcc.com or contact the undersigned at 212-855-7623 (efanning@dtcc.com).

Ed Fanning
Director, Product Management

ⁱ <http://www.dtcc.com/~media/Files/pdf/2015/11/23/a8120.pdf>

ⁱⁱ <http://www.dtcc.com/~media/Files/pdf/2015/7/28/a8059.pdf>

ⁱⁱⁱ <http://www.dtcc.com/~media/Files/pdf/2015/2/12/a7982.pdf>
