



*Important Notice*  
**National Securities Clearing Corporation**

<b>A#:</b>	<b>7997</b>
<b>P&amp;S#</b>	<b>7572</b>
<b>Date:</b>	<b>March 12, 2015</b>
<b>To:</b>	<b>ALL MEMBERS AND LIMITED MEMBERS</b>
<b>From:</b>	<b>WEALTH MANAGEMENT SERVICES – MUTUAL FUNDS</b>
<b>Attention:</b>	<b>MANAGER MUTUAL FUNDS OPERATIONS, MANAGER DATA PROCESSING, MANAGER CASHIERS, MANAGER P&amp;S DEPARTMENT</b>
<b>Subject:</b>	<b>Fund/SERV®, DTCC Payment aXis® and Networking Retirement Plan Reporting Enhancements</b>

Effective, **Monday, July 27, 2015**, National Securities Clearing Corporation (NSCC) will implement enhancements to the following services:

- **Fund/SERV®**
- **DTCC Payment aXis®**
- **Networking – Retirement Plan Reporting**

Below is a summary of the enhancements included in this release. Details illustrating the specific enhancements are included in the attached Appendix. The Appendix is segregated by service (Fund/SERV, DTCC Payment aXis and Networking – Retirement Plan Reporting). *The Appendix is for informational purposes and may not represent the final record layouts. NSCC reserves the right to make additional changes prior to implementation.*

As part of this release, NSCC will:

- **Allow transmission of zero dollar invoices through DTCC Payment aXis Invoicing and Fee Settlement.** This enhancement will support funds' requirements to receive asset information for Security Issue IDs that do not require payments due to all assets being ineligible for a specific fee type.
- **Modify the "Social Code" field to be "Required" on initial purchase orders through Fund/SERV.** This enhancement will provide funds the ability to determine whether the social code is allowable for a certain fund and account type combination, providing funds the ability to reject an order at time of placement versus when the registration is received.
- **Modify the following fields from "Required" to "Optional" on Retirement Plan Reporting:**
  - "DOL Plan Code Number"
  - "Plan Fiduciary Name"
  - "Plan Fiduciary Address Line #1"

- “Plan Fiduciary City”
- “Plan Fiduciary State”
- “Plan Fiduciary Zip”

This enhancement will allow TPAs, recordkeepers and retirement service providers to transmit the Retirement Plan Reporting files to broker dealers by excluding these fields when this information is not available.

- **Modify the following fields on Retirement Plan Reporting to include an option of “Unknown” (U):**
  - “ERISA Flag”
  - “QDIA”

This enhancement will allow the submitter to communicate that this information is unknown.

## **TESTING**

Effective, **Monday, July 6, 2015**, members can begin testing in the Participant Services Environment (PSE) region.

Members are encouraged to test and must contact their Relationship Manager before testing begins for proper setup in the PSE region. Relationship Managers should be contacted at least three (3) days prior to testing.

## **DOCUMENTATION**

Updated documentation will be available on DTCC’s website as follows:

Record layouts will be available on or about **April 30, 2015** and can be found at:

<http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section>.

Applicable User Guide and Best Practices updates will be available on or about **May 29, 2015** and can be found at: <http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section>.

Questions and comments regarding this Important Notice may be directed to Wealth Management Services at **212-855-8877**.

Yana Granovskiy  
Product Manager

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Product Management  
DTCC Wealth Management Services

## Appendix

### DTCC Payment aXis – Invoicing and Fee Settlement Enhancements

**Allow transmission of zero dollar invoices through DTCC Payment aXis.**

The following fields will be modified to allow for the transmission of zero dollar invoices:

Field Name	Record Types Affected	Start	End	Type	Description	Opt/ Req
Sub-Accounting Eligible Assets	42 seq 2	14	30	N	Required for Fee Type = 50, 56. 99,999,999,999,999.99 Assets eligible for Fee Type 50 or 56. <del>All zero values are not allowed for Fee Type 50.</del> <b>Zero values are allowed.</b>	Required
Sub-Accounting Eligible Assets	43 seq 2	14	30	N	Required for Fee Type = 50, 55, 56. Not allowed for Fee Type = 57. NSCC will reject if populated for Fee Type 57. 99,999,999,999,999.99 Assets eligible for Fee Type 50 or 56. <del>All zero values are not allowed for Fee Type 50.</del> <b>Zero values are allowed.</b>	Optional/Conditional
Sub-Accounting Eligible Assets	44 seq 2	6	22	N	Required for Fee Type = 50, 55. 99,999,999,999,999.99 <del>All zero values are not allowed for Fee Type 50.</del> <b>Zero values are allowed.</b>	Required
Rate	42 seq 2 43 seq 2	6 6	13 13	N N	<del>All zero values are not allowed.</del> <b>Zero values are allowed.</b>	Required
Sub-Accounting Ineligible	43 seq 2	31	47	N	Required for Fee Type = 50, <b>55</b> Optional for Fee Types = <del>55</del> , 56. Not allowed for Fee Type = 57. NSCC	Optional/Conditional

Assets					will reject if populated for Fee Type 57. 999,999,999,999,999.99 <b>Zero values are allowed.</b>	
Sub-Accounting Ineligible Assets	44 seq 2	23	39	N	Required for Fee Type = 50, <del>55</del> <del>Optional for Fee Type = 55.</del> 999,999,999,999,999.99 <b>Zero values are allowed.</b>	<b>Optional Required</b>
Sub-Accounting Balance	42 seq 2	65	81	N N	Required for Fee Type = 50. Not allowed for Fee Type = 56. Not expected for Fee Type 56, however NSCC will NOT reject if provided. 999,999,999,999,999.99 Account balance as-of Period End Date Sum of Eligible, Ineligible and Excluded Assets for the fund/rate <del>All zero values are not allowed for Fee Type 50.</del> <b>Zero values are allowed.</b>	Optional/Conditional
Sub-Accounting Balance	43 seq 2	65	81	81	Required for Fee Types = 50. Not expected for Fee Type = 55, 56, 57. NSCC will NOT reject if populated. 999,999,999,999,999.99 Total of Sub-Accounting Eligible, Ineligible and Excluded Assets. Sum of the "Sub-accounting balance" fields from Detail Records 42 (if records 42 are provided) Expressed in dollars. <del>All zero values are not allowed for Fee Type 50.</del> <b>Zero values are allowed.</b>	Optional/Conditional
Sub-Accounting Balance	44 seq 2	57	73	N	Required for Fee Type = 50. Not expected for Fee Types = 55. NSCC will NOT reject if provided. 999,999,999,999,999.99 Sum of the "Sub-Accounting Balance"	Optional/Conditional

					fields on records 43  <del>All zero values are not allowed for Fee Type 50.</del>  <b>Zero values are allowed.</b>	
Number of Ineligible Positions	43 seq 3	27	35	N	<b>Optional Required</b> for Fee Type = 55, 57. Not allowed for Fee Type = 56. NSCC will reject if provided.  999,999,999  Positions excluded from Service Fee Calculations based upon Fund/Firm Agreements. Examples include minimum balance requirements or other account exclusions.  Not allowed for Fee Type 56 – this information will be passed in the “Ineligible Participant Count” field.  <b>Zero values are allowed.</b>	Optional/ <b>Conditional</b>
Number of Ineligible Positions	44 seq 3	15	23	N	999,999,999 Positions excluded from Service Fee Calculations based upon Fund/Firm Agreements. Examples include minimum balance requirements or other account exclusions.  <b>Zero values are allowed.</b>	<del>Optional</del> <b>Required</b>

**FUND/SERV Enhancements**  
(Mainframe & WebDirect screens)

Both fixed and variable record layouts will be modified. However, for the purpose of illustration, the variable record layouts are used below.

**Modify the “Social Code” field to be “Required” on initial purchase orders through Fund/SERV**

The proposed enhancement will modify the “Social Code” field from “Optional” to “Required” on the following records:

Field Name	Record Types Affected	Start	End	Type	Description	Opt/ Req
Social Code	Order001	365	366	A/N	See Social Code List at <a href="http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section">http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section</a>  <b>Required when “Transaction Code” = 01 – Initial Purchase</b>	<del>Optional</del> <b>Optional/Conditional</b>
Social Code	As-of Order004 Confirmation 005 Reconfirmation 006	365	366	A/N	See Social Code List at <a href="http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section">http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section</a>  <b>Required when “Transaction Code” = 01 – Initial Purchase</b>	<del>Optional</del> <b>Optional/Conditional</b>
Social Code	Correction 003 Correction Confirmation 025 Post Settlement Correction by Fund 026	365	366	A/N	See Social Code List at <a href="http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section">http://www.dtcc.com/investment-product-services/wealth-management-services/mutual-funds-client-documentation/product-client-center/gated-documents.aspx?gated=wms-section</a>  <b>Required when “Transaction Code” = 01 – Initial Purchase</b>	<del>Optional</del> <b>Optional/Conditional</b>

## Networking - Retirement Plan Reporting Enhancements

1. Modify “DOL Plan Code Number”, “Plan Fiduciary Name”, “Plan Fiduciary Address Line #1”, “Plan Fiduciary City”, “Plan Fiduciary State” and “Plan Fiduciary Zip” fields from “Required” to “Optional”

The proposed enhancement will modify the following fields from “Required” to “Optional”:

Field Name	Record Types Affected	Start	End	Type	Description	Opt/ Req
DOL Plan Code Number	B/F/T 47 seq 1	27	29	N	3 digit code assigned by Department of Labor to the plan	<del>Required</del> <b>Optional</b>
Plan Fiduciary Name	B/F/T 47 seq 1	64	93	A/N	Fiduciary responsible for the plan (A person or an entity named as the fiduciary in the written plan document or through a process described in the plan. The named fiduciary can be identified by office or by name.)	<del>Required</del> <b>Optional</b>
Plan Fiduciary Address Line #1	B/F/T 47 seq 1	94	128	A/N	1 <sup>st</sup> line of Plan Fiduciary/Sponsor's address	<del>Required</del> <b>Optional</b>
Plan Fiduciary City	B/F/T 47 seq 1	164	196	A/N	City name of Plan Fiduciary/Sponsor's address	<del>Required</del> <b>Optional</b>
Plan Fiduciary State	B/F/T 47 seq 1	197	198	A/N	2 byte alpha code of state of Plan Fiduciary/Sponsor's address	<del>Required</del> <b>Optional</b>
Plan Fiduciary Zip	B/F/T 47 seq 1	199	209	A/N	Zip Code 5 digit Zip Code + 4 digit Zip-Four + 2 digits for future postal expansion	<del>Required</del> <b>Optional</b>

**2. Modify the following fields to include an option of Unknown (U): “ERISA Flag” and “QDIA”.**

The proposed enhancement will add a third option U (Unknown) to the following fields:

Field Name	Record Types Affected	Start	End	Type	Description	Opt/ Req
ERISA Flag	B/F/T 47 seq 2	127	127	A/N	Identify if Plan is ERISA or not Y=Yes N = No <b>U = Unknown</b>	Required
QDIA	B/F/T 48	67	67	A/N	Is this Security Issue ID a QDIA investment? Y=Yes N = No <b>U = Unknown</b>	Required