

#:	CBRS001.2015
Date:	March 16, 2015
To:	All Cost Basis Reporting Service (CBRS) users
From:	Product Management
Subject:	CBRS enhancement affects Tax Lot Input Record

The Cost Basis Reporting Service (CBRS) will be enhancing the Tax Lot Input Record layout to add consistency so that all the fixed income asset categories are addressed on the applicable fields. The changes will be implemented on two dates.

March 20, 2015 - the fields named below will incorporate all fixed income asset categories for CBRS:

- Tax lot Original Cost,
- Accrue Market Discount Election,
- Include Market Discount in Income Election,
- Interest as OID Election,
- Amortize Premium Election,
- Spot Rate Election, and
- Last Adjustment Date.

The complete list of fixed income asset categories includes:

- Corporate Bond,
- Certificates of Deposit and Commercial Paper,
- Foreign Debt,
- U.S. Government and Government Agency,
- Municipal Bonds,
- Zero Coupon Bonds, and
- Mortgage Backed Securities.

Additionally, if a Wash Sale is being reporting on a covered fixed income, then both the **Original Acquisition Date for the Wash Sale Adjustment** and the **Wash Sale Adjustment Amount** are required to be populated.

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March 27, 2015 - CBRS Web will be modified for the CBRS Tax Lot Input Record layout by the renaming of two fields.

- **Carryover Offset**, position 811-827, will become **Future Use**. (This field has never been used.)
- **Disallowed Carryover Offset**, position 828-844, will be renamed to **Carryover Offset** to better describe the reporting of excess unamortized premium that cannot be offset with interest payments. The renaming of this field will also change the CBRS web page and Excel file downloads.

The defined changes will have the first day in production on the applicable Friday as identified above.. The Participant Testing region (PSE) is available for firms to test weekdays from 9:00 to 16:00 ET.

Additional Information

Please see the CBRS User Guide to learn more about the service:

<http://www.dtcc.com/en/clearing-services/equities-clearing-services/cbrs.aspx>

A copy of this Important Notice can be found at the link above.

If you have questions about CBRS, please call your Relationship Manager or the Customer Service Hotline at 888-382-2721, option 5, followed by option 4.