



Important Notice
National Securities Clearing Corporation

A#:	A8863
P&S:	8436
Date:	07/01/2020
To:	ALL Participants
From:	PRODUCT MANAGEMENT, EQUITIES CLEARANCE
Attention:	MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; MANAGER P&S DEPARTMENT; MANAGER DATA PROCESSING; CASHIER
Subject:	ETF PHASE 1 PCF ENHANCEMENTS DEPLOYMENT DATE AND PLAN

As previously announced in Important Notice [A8720](#) and subsequent Important Notice [A8813](#), NSCC has been working on enhancing its Portfolio Composition File (PCF) service. The enhancements were developed with ETF Industry Working Groups comprised of ETF Agent Banks and Authorized Participants in response to the proposed ETF Rule 6C-11 which became effective on 09/26/2019. The enhancements include the introduction of multiple basket types to allow flexibility for Create/Redeem order customization, pricing baskets and additional data elements to support the clearance of fixed income ETF's in Phase 2.

The Phase 1 PCF Enhancements have received regulatory approval and will be deployed to production over the weekend of July 25 through July 26, 2020.

The PCF enhancements will be launched in a controlled release over the weekend and will require ETF Agent Banks and Clearing Member Subscribers to submit and receive the enhanced formats. The deployment plan below gives step-by-step instructions. NSCC Product Management will be gathering contact information at client firms of those individuals who will support the deployment and under separate cover send out invites for checkpoint calls and distributions.

Deployment Plan

Date / Time	Tasks / Cycles	Stakeholders	Comments Info
Friday 7/24, 2020			
2:00 -8:00 PM	Primary Cycle PCF Submission Legacy 250 byte format.	ETF Agent Banks	ETF Agents will submit daily PCF file 11301 to Production in the legacy 250 byte format. Please note ETF Agents should make every effort to

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			submit their PCF input on a timely basis so that no extensions will be required.
8:00 – 9:00 PM	PCF validation and enrichment.	NSCC PCF Service	Please note all PCFs submitted in legacy format will be edited, saved to ETF database and distributed to all subscribers. Although it is legacy format, the PCFs will be saved and be available for Create and Redeem Orders on Monday 07/27/2020
9:00 – 9:30 PM	Distribution of PCF output file 02261256 in legacy 400 byte format.	NSCC / Clearing Member and Non-Member Subscribers	No action required for subscribers. Legacy PCF output will be distributed via existing connectivity and file naming conventions.
9:30 PM	End of Day Station 20	NSCC	After PCF End of Day, NSCC will send an email to the client launch distribution announcing firms can begin their deployment. Please note that ETF Agents who have Supplemental Create/Redeem activity may have to wait until cycle ends at 11:30 PM.
11:45 PM – 2:30 AM	NSCC Deploys Code	NSCC Product and Development	NSCC will update PCF Schedules so that Saturday 07/25/2020 reflects the Friday 07/24/2020 Primary Cycle PCF.
Prior to the deployment date, NSCC will schedule a time slot for each Agent to submit their Enhanced 450-byte PCF input file 11301 on Saturday 07/25/2020. Under separate cover,			

NSCC will also publish each ETF Agent’s plan for submitting a sampling of PCF files or their entire portfolio of funds. As per existing functionality, the last NSCC Instruction ID for each fund submitted becomes the final copy that is distributed to subscribers and is available for Create and Redeem Orders for the next trade date. Existing Standard and Custom NSCC Instruction IDs will remain in production after deployment.

Date / Time	Tasks / Cycles	Stakeholders	Comments Info
Saturday 07/25/2020			
9:00 AM – 2:30 PM	Submission of Enhanced 450 byte PCF file 11301	ETF Agents / NSCC	Each Agent will be scheduled a separate timeslot to submit the enhanced format for either a sampling of funds to prove format code or the full universe of funds. NSCC will gather and publish each ETF Agent’s plan and distribute it prior to launch so that Clearing Member and Non-Clearing Member subscribers are aware what they will be receiving. ETF Agents must use 07/25/2020 in the Datatrak header yet the Processing Date in the PCF 01 Header Record must reflect Friday 07/24/2020. (See example below)
9:00 AM – 2:30 PM	Destination Profile Updates	NSCC Connectivity	NSCC connectivity will work through the day to update destination profiles for subscribers so that they reflect the enhanced byte length. No action is required by subscribers.

2:30 – 3:00 PM	PCF validation and enrichment.	NSCC	NSCC will edit all enhanced PCF input and prepare to distribute.
3:00 – 3:30 PM	Distribution of enhanced 500-byte PCF output file 02261256.	NSCC / Clearing Member and Non-MemberSubscribers	NSCC will schedule an open call with the ETF Agent and AP community to confirm receipt of enhanced 500-byte output by Clearing Member and non-Member subscribers.
<p>Rollback Scenarios – The success of the deployment will be focused on ETF Agents’ ability to submit the enhanced format successfully. Input and output enhanced formats have been tested thoroughly by ETF Agents and APs since late 2019. Yet at any time during the scheduled Agent submissions between 9 AM and 3 PM, if any Agent experiences major issues, a rollback plan may be implemented. This highly unlikely scenario will be announced via the deployment distribution and a support hotline will be provided under separate cover.</p>			
	Rollback Plan	NSCC / ETF Agents / All PCF subscribers	At any point during ETF Agent submissions, if a rollback plan is implemented, all firms will rollback to legacy formats. NSCC will schedule a placeholder call for the entire ETF community for 9:00 PM on Saturday 07/27/2020. All firms will be expected to confirm rollback and ETF Agents may submit a legacy file to confirm their code.
Monday 07/27/2020			
12:30 AM – 12:00 PM	Submission and Distribution of Enhanced 450-byte PCF format	NSCC / Clearing Member and Non-MemberSubscribers	The enhanced format will be in full effect for the Supplemental Cycle on Monday 07/27/2020

2:00 PM – 8:00 PM	Primary Cycle PCF submission and distribution.	ALL	The enhanced format will be in full effect for the Primary Cycle on Monday 07/27/20
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ETF Agent File Submission – ETF Agents

When submitting the Enhanced 450 byte PCF Input File 11301 on Saturday July 25, 2020, ETF Agents will populate the Datatrak Header Submission Date as 07/25/2020.

ETF Agents will populate the ETF Application 01 Header Record as 07/24/2020 (see 2nd screen shot) as the ETF system will be running in Primary Cycle for 07/24/2020.

DATATRAK Header (Selected applications only)

When the data file is fixed-length, the header has the same record length as the data records. For a variable-length file, a minimum header length of 65 bytes is required.

Description	Length	Start	End	Type	Comments
Constant 1	5	1	5	A/N	'HDR.S'
DATATRAK Sysid	5	6	10	A/N	System Identifier
Constant 2	2	11	12	A/N	'.E' (period, E)
Constant 3	2	13	14	A/N	'00'
Constant 4	2	15	16	A/N	'.C' (period, C)
Originator	4	17	20	A/N	Submitter
Constant 5	2	21	22	A/N	'.S' (period, S)
Suboriginator	4	23	26	A/N	Submitted for Broker
Submission Date	8	27	34	A/N	MMDDCCYY

± Type 1–Header Record

DATATRAK Production 11301/Test 41301 Type 1 – Header						
Seq	Description	Length	Start	Type	Comments	Required/Optional
1	Record Type	2	1	A/N	01 = Record Type 1	Required
2	File Description	25	3	A/N	Portfolio Composition	Optional
3	ETF Agent	8	28	N	NSCC Member Number. Right justified with leading zeros.	Required
4	File Identifier	8	36	A/N	Input File Number.	Optional
5	Processing Date	8	44	N	CCYYMMDD	Required
6	Processing Time	6	52	N	HHMMSS	Optional
7	Future Use	393	58			
END OF RECORD						

Email Subscription Alerts – Currently the PCF Service sends email alerts in PCF status to Members who are subscribed to the service. With the deployment, those wishing to receive the Email Alerts will need to login on the the new ETF UI on the Clearing Dashboard to re-subscribe. Details of the subscription process can be viewed in the ETF Clearing Dashboard User Guide, which is available via the DTCC Learning Center.

The ETF file layouts are also posted to the [Equities Clearing - ETF](#) section of the DTCC Learning Center (<https://www.dtclearning.com>), along with other documentation related to these enhancements.

For questions, please contact your DTCC Relationship Manager or the undersigned at PeterJSmith@dtcc.com

Pete Smith, Equity Clearing Product Management