DTCC | *Important Notice*
National Securities Clearing Corporation

A#:	9045
P&S:	8618
Date:	September 2, 2021
To:	**ALL MEMBERS AND LIMITED MEMBERS**
From:	**WEALTH MANAGEMENT SERVICES – MUTUAL FUNDS**
Attention:	**MANAGER MUTUAL FUNDS OPERATIONS, MANAGER DATA PROCESSING, MANAGER CASHIERS, MANAGER P&S DEPARTMENT**
Subject:	**Fund/SERV® and Networking Enhancements**

Effective, **Monday, March 28, 2022**, National Securities Clearing Corporation (NSCC) will implement enhancements to the following services:

➢ **Fund/SERV®**
➢ **Networking**

Funds require further transparency into advisory programs, platforms, distribution channels, and servicing relationships of trust-networked accounts, intermediary accounts not held in omnibus, and in certain instances omnibus accounts where the information is not being provided through the Omni/SERV Activity and Position files. This information is necessary for intermediary oversight, fee reconciliation, and internal reporting. The current process to obtain the information is a highly manual and fragmented process. These requested enhancements will allow intermediaries to provide Funds the necessary transparency in a streamlined and automated manner, consistent with how similar information is provided today for omnibus accounts through the Omni/SERV Activity and Position files.

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 and Networking). ***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.***

**Note: A second Mutual Fund release coincides with this March 28th implementation date. The details regarding that release can be located within under Important Notice a9044 dated September 2, 2021.

As part of this release, NSCC will add the following optional fields to the Fund/SERV and Networking Account Conversion/Update Records:

- 'Intermediary Program Indicator 1' and 'Intermediary Program Indicator 2'
- 'Servicing Group ID'
- 'Additional Relationship ID 1' and 'Additional Relationship ID 2'

TESTING

Effective, **Wednesday, February 16, 2022,** members can begin testing in the Participant Services Environment (PSE) region.

Clients are encouraged to test and must contact their Relationship Manager before testing begins if access to the PSE region has not been previously established.

DOCUMENTATION

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

- Record layouts will be available on or about **September 30, 2021**.
- Applicable User Guides will be available on or about **December 31, 2021.**
- NSCC will collaborate with the New Account/Maintenance Working Group of the Investment Company Institute's (ICI) Broker/Dealer Advisory Committee (BDAC) and Bank Trust and Retirement Committee (BTRAC) to create Best Practices, which will be available prior to implementation. The Best Practices will provide additional guidance on the use of the enhancements specified in this Important Notice.

An email notification will be sent when revised documentation has been posted.

Questions and comments regarding this Important Notice may be directed to your DTCC Relationship Manager, or Wealth Management Services at **212-855-8877** or WMSconnect@dtcc.com.

John Saxenian
Product Manager

Product Management
DTCC Wealth Management Services

Appendix

A. Fund/SERV Enhancements
(Mainframe & Web Screens)

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

The new fields and sequences indicated below will be added to the following Fund/SERV® records:

- Order (001)
- Correction/Correction Confirmation/Post Settlement Correction by Fund (003/025/026)
- As-Of Order/Confirmation/Reconfirmation/Fund Originated Order/Fund Originated As-Of Order/Post Settlement Cancellation by Fund (004/005/006/007/009/140)
- Full Registration (401)

1. **Add the following optional fields:**

- Intermediary Program Indicator 1
- Intermediary Program Indicator 2
- Servicing Group ID
- Additional Relationship ID 1
- Additional Relationship ID 2

The addition of these fields will provide Funds greater transparency into advisory programs, platforms, distribution channels, and servicing relationships of trust-networked accounts and intermediary accounts not held in omnibus. The fields may also be leveraged in certain instances for omnibus accounts where the information is not being provided through the Omni/SERV Activity and Position files; i.e.; specific trades which are not aggregated and transmitted at the individual shareholder level. Please see the 'Description' field in the new sequences below for additional information on these fields.

Important Notes:
- **Values are uniquely defined by each intermediary and communicated to the Funds directly.**
- NSCC will not edit against values provided in these fields as each value is uniquely defined by intermediaries.
- No new reject codes are being introduced.

2. **The following optional sequences will be added to accommodate the new fields**:

New Sequence #	Impacted Record(s)
07	Order (001)
08	As-Of Order/Confirmation/Reconfirmation/Fund Originated Order/Fund Originated As-Of Order/Post Settlement Cancellation by Fund (004/005/006/007/009/140)
14	Correction/Correction Confirmation/Post Settlement Correction by Fund (003/025/026)
34	Full Registration (401)

Important Note:

Each of the new sequences across the impacted records will follow the same layout.   For demonstration purposes, only one sequence is shown below with the applicable sequence number for each record listed in the 'Logical Sequence Number' field.

Record Sequence # 07 (001)
Record Sequence # 08 (004/005/006/007/009/140)
Record Sequence # 14 (003/025/026)
Record Sequence # 34 (401)

Optional Record
Input/output

Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Physical Sequence Number	1	2	2	A/N		R	004
Logical Sequence Number	3	4	2	A/N	**07** (001 Record) **08** (004/005/006/007/009/140 Record) **14** (003/025/026 Record) **34** (401 Record)	R	004
Filler	5	7	3	A/N	**Space**	R	

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Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Intermediary Program Indicator – 1	8	11	4	A/N	**Indicates the program, platform, or channel applicable to an account.** **Examples may include:** • **Program indicator for advisory accounts** • **Distribution channel applicable to the account (e.g., retail, RIA, etc.)** • **Retirement platform pertaining to the account** **<u>Values are uniquely defined by intermediaries</u>.**	O	
Intermediary Program Indicator – 2	12	15	4	A/N	**Further defines the program, platform, or channel applicable to an account.** **<u>Values are uniquely defined by intermediaries</u>**	O	
Servicing Group ID	16	24	9	A/N	**This field is used to communicate aggregated servicing relationships, or define additional relationships on accounts.** **Examples may include:** • **Consolidating (Super) Branches** • **Third-party administrators (TPAs)** • **Investment Advisers** • **Consultants** **This field does not replace the main branch field on the account.** **<u>Values are uniquely defined by intermediaries.</u>**	O	

Field Name	Start	End	Len	Type	Description	Opt/ Req	Reject Code
Additional Relationship ID – 1	**25**	**44**	**20**	**A/N**	**This field is used to communicate additional relationship details to further define servicing relationships between accounts.** **Values are uniquely defined by intermediaries.**	**O**	
Additional Relationship ID – 2	**45**	**64**	**20**	**A/N**	**This field is used to communicate additional relationship details to further define servicing relationships between accounts.** **Values are uniquely defined by intermediaries.**	**O**	
Filler	**65**	**100**	**36**	**A/N**	**Space**	**R**	

B. <u>Networking Account Conversion/Update Enhancements</u>
(Mainframe and Web Screens)

1. **Add the following optional fields to the Account Conversion/Update (A/B/T50, A/B/T/F51) Record:**

   ➢ Intermediary Program Indicator 1
   ➢ Intermediary Program Indicator 2
   ➢ Servicing Group ID
   ➢ Additional Relationship ID 1
   ➢ Additional Relationship ID 2

   The addition of these fields will provide Funds greater transparency into advisory programs, platforms, distribution channels, and servicing relationships of trust-networked accounts and intermediary accounts not held in omnibus. The fields may also be leveraged in certain instances for omnibus accounts where the information is not being provided through the Omni/SERV Activity and Position files; i.e., specific trades which are not aggregated and transmitted at the individual shareholder level. Please see the 'Description' field in the new sequence below for additional information on these fields.

Important Notes:
- **Values are uniquely defined by each intermediary and communicated to the Funds directly**
- NSCC will not edit against values provided in these fields as each value is uniquely defined by intermediaries.
- No new reject codes are being introduced.

2. **The following optional sequence will be added to accommodate the new fields**:

New Sequence #	Impacted Record(s)
38	Account Conversion/Update (A/B/T50, A/B/T/F51)

Account Conversion/Update (A/B/T50, A/B/T/F51) #38

Optional Record
Input/output

Field Name	Start	End	Len	Type	Description	Opt/Req 50/51
System Code	1	1	1	A/N	A = Investment Agent B = Firm F = Fund T = TPA	R/R

Record Type	2	3	2	N	50 = New Account
					51 = Update to Existing Account, or
					           Scrub, or
					           Fund Account Response
						R/R

Sequence Number	4	5	2	A/N	38	R/R
Clearing/Settling Firm Number	6	9	4	N		R/R

7

Field Name	Start	End	Len	Type	Description	Opt/Req 50/51
Intermediary Program Indicator – 1	**10**	**13**	**4**	**A/N**	**Indicates the program, platform, or channel applicable to an account.** **Examples may include:** • **Program indicator for advisory accounts** • **Distribution channel applicable to the account (e.g., retail, RIA, etc.)** • **Retirement platform pertaining to the account** **Values are uniquely defined by intermediaries.**	**O/O**
Intermediary Program Indicator – 2	**14**	**17**	**4**	**A/N**	**Further defines the program, platform, or channel applicable to an account.** **Values are uniquely defined by intermediaries.**	**O/O**
Servicing Group ID	**18**	**26**	**9**	**A/N**	**This field is used to communicate aggregated servicing relationships, or define additional relationships on accounts.** **Examples may include:** • **Consolidating (Super) Branches** • **Third-party administrators (TPAs)** • **Investment Advisers** • **Consultants** **This field does not replace the main branch field on the account.** **Values are uniquely defined by intermediaries.**	**O/O**
Additional Relationship ID – 1	**27**	**46**	**20**	**A/N**	**This field is used to communicate additional relationship details to further define servicing relationships between accounts.** **Values are uniquely defined by intermediaries.**	**O/O**

8

Field Name	Start	End	Len	Type	Description	Opt/Req 50/51
Additional Relationship ID – 2	**47**	**66**	**20**	**A/N**	**This field is used to communicate additional relationship details to further define servicing relationships between accounts.** **Values are uniquely defined by intermediaries.**	**O/O**
Filler	**67**	**100**	**34**	**A/N**	**Space**	**R/R**