DTCC *Important Notice* National Securities Clearing Corporation

A#:	9183
P&S:	8756
Date:	JULY 20, 2022
То:	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:	MUTUAL FUND PROFILE SERVICE II – PROFILE SECURITY SPECIFICATION REPORTING TOOL

Mutual Fund Profile Service II – Profile Security database ("Profile Security") automates the creation of specification reporting by leveraging existing data populated within Profile Security. This functionality provides greater efficiencies when generating these reports, which are typically labor intensive and subject to errors due to the manual effort necessary to complete them.

Effective Monday, July 25, 2022, National Securities Clearing Corporation (NSCC) will introduce new specification reports, as well as enhanced specification report functionality, allowing customized reporting based on the Fund / Intermediary business need. These enhancements will provide Funds with improved data entry efficiencies and flexibility when generating specification reports:

1. <u>New Specification Reports</u>

Ability for Funds to create a customized specification report template based on the Fund / Intermediary business need will be introduced. There are 12 sections and each one can be customized as needed:

- Product Specification Report
- Blue-Sky Information
- Dividend Information
- Miscellaneous Information
- LOI Information
- ROA Information
- Jumbo / Finder's Fee Pricing Information
- Exchange Processing and Policies Information
- Transaction Processing Information
- Share Class Roll Information
- 12b-1 Processing Information
- Short-Term Redemption Fee Information

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit <u>http://www.dtcc.com/subscription_form.php</u>.

2. Enhanced Specification Report Functionality

• Ability to Create Intermediary Specific Templates

A new tab "Intermediary Template Profiles" allows Funds to create, edit or copy customized specification report templates by selecting which data point attributes should be provided in the specification report.

DTCC will be expanding this functionality through additional phases to allow Intermediaries to create customized specification report templates.

• Updated Report Generation Process

Enhanced options for generating customized specification reports:

- Step 1: Basic Information Updated drop-down template selection
- Step 2: Select Scope Additional reporting capabilities for multiple security issue ids
- Step 3: Select Template Fields New process to add additional template fields
- Step 4: Overrides Updated override capabilities

o Improved Report Information

- Grouping of security issue ids into a common family based on identical data point attribute values for blue sky eligibility, breakpoint information and CDSC information
- Indicator for when a data point was not selected as part of the customized specification report
- Indication whether the data point values differ at the security issue id level versus the share class or fund portfolio level

Details illustrating the specific enhancements are included in the attached Appendix. *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.*

There are no programming changes needed for clients to generate or receive the Specification Reports. To access the Specification Reporting tool, please log in to Profile Security and select the Specification Report menu option.

DOCUMENTATION

An updated User Guide will be available shortly. An email notification will be sent when revised documentation has been posted to our website.

TESTING

Effective Thursday, July 21, 2022, 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 if access to the PSE region has not been previously established.

Additional Questions and comments regarding this Important Notice may be directed to your Relationship Manager, Account Manager or Wealth Management Services at 212-855-8877.

Sharon Wilner Product Manager DTCC Wealth Management Services

Appendix

1. <u>New Specification Reports</u>

Ability for Funds to create a customized specification report template based on the Fund / Intermediary business need has been introduced. There are 12 sections and each one can be customized as needed.

- Product Specification Report provides information at the security issue id level for key operational rules, such as breakpoint schedules, blue sky eligibility, purchase minimums, etc.
- Specific Processing Specification Reports provides additional operational information on:
 - i. Blue-Sky
 - ii. Dividend
 - iii. Miscellaneous
 - iv. LOI
 - v. ROA
 - vi. Jumbo / Finder's Fee Pricing
 - vii. Exchange Processing and Policies
 - viii. Transaction Processing
 - ix. Share Class Roll
 - x. 12b-1 Processing
 - xi. Short-Term Redemption Fee

2. Enhanced Specification Report Functionality

A. Ability to Create Intermediary Specific Templates

A new "Intermediary Template Profiles" tab under the Specification Report section allows customized specification report templates to be created, viewed, edited, copied, or deleted. These customized templates will be utilized in the creation of the product specification report and/or specific processing specification reports.

DTCC Mutual FL	nd Profile Service II - Security Database						Search	Q demo.fund@fund.com v
PROFILE SECURITY <	Intermediane Template Profiles							
SPECIFICATION REPORT	Internetially remplate Profiles	Management Company:	DEMO - DEMO FUNDS	* Template:	Additional 120-1 Information			
My Specification Reports	Intermediary Template Profiles save selections of optional data points based on a	agreement with the intermed	iary. Provide the Management Company and	he template above	to see any existing intermediary Template Prof	les.		
Supplemental Data Points					Creale			
Intermediary Template Profiles	Intermediary Template Profile ~							
Blank Templates								
a Data Dictionary	12b1 Test				View Copy Edit Delete			
? Help								

• Select the "Create" button

DTCC Mutual Fu	nd Profile Service II - Security Database			Search	Q demo.fund@fund.com v
PROFILE SECURITY	Intermediary Template Profiles	Management Company DEMO - DEMO FUNDS *	Tempiste Additional 12b-1 Information *		
SPECIFICATION REPORT		manggement company.			
My Specification Reports	Intermediary Template Profiles save selections of optional data points based on	in agreement with the intermediary. Provide the Management Company and the	e template above to see any existing Intermediary Template Profiles.		
Supplemental Data Points			Create		
Intermediary Template Profiles	Intermediary Template Profile ~				
🖨 Blank Templates					
a Data Dictionary	12b1 Test		View Copy Edit Delete		
? Help					

• Provide an "Intermediary Name," choose the report template from the dropdown list and select "Create"



- A list of data point attributes applicable to that report template, along with the information provided, will be presented.
 - Each data points attribute has been assigned a "Classification"
 - i. Required: These data point values will always be presented and cannot be deselected
 - ii. Optional: A user can select whether these data $p\phi$ ints are required for the report
 - iii. Optional Group: Similar to optional data points, a user can select whether these data point groups are required for the report. Optional groups represent a collection of data point attributes, providing the user with greater efficiency and avoiding the user from having to select individual data points
 - The "Create" button will create the specification report template

PROFILE SECURITY		Intermediary Temp	late Profiles		
	Intermediary Template Profiles	Create or edit an Intermediary T	emplate Profile.		
My Specification Reports	Intermediary Template Profiles save selections of optional data points based on an agreem	Intermediary Name:	Test Intermediary		
Supplemental Data Points		Management Company:	DEMO - DEMO FUI	NDS -	te
Profiles	Intermediary Template Profile ~	Template:	Additional 12b-1 Infe	ormation ~	
Blank Templates		Please select the optional data r	points to make them requir	ed for users who generate reports using this Intermediary Template Profile. This	
Data Dictionary	Test Intermediary	template may contain fields that	cannot be populated syste	ematically and are not reflected in the selection criteria below. These fields will be an constaint the Specification Report	
? Help		Gold Name 4	Classification -		
			Classification *		
		Ch	Description		
		Participant Number	Required		
		 12b-1 Reason Codes Eligibility 	Optional Group	Provides all eligible and ineligible 12b-1 Reason Codes	
		 12b-1 Schedule Information 	Optional Group	Provides all 12b-1 Schedule information contained on the 12b-1 Schedules Tab	
		 12b-1 - Account Types Ineligible for 12b-1 Payments Apply 	Optional	Indicates if there are account types which are ineligible for 12b-1 payments	
		 12b-1 Share Aging Rules Apply 	Optional	Indicates if any funds/fund share classes age purchases for any period of true before these purchases become eligible for 12b-1 payments	
		12b-1 Payments on Full Liquidations	Optional	If a full-iquidation occurs in the middle of a 12b-1 period, is a 12b-1 payment made for the time in the period that the shares were eligible for 12b-1 payments; or, we the shares not eligible for 12b-1 payments at all because there was a full individual or?	
		 12b-1 Redemption Hierarchy 	Optional	Indicates how 12b-1 shares redeemed	
		 12b-1 Calculation Method Code 	Optional	Indicates how 12b-1 trail payments are calculated for the period	
		12b-1 Eligibility Date	Optional	Indicates when shares move into eligibility	
		« 1 2 3 4 »			
				Cancel	

• Once the specification report template has been created, it can be viewed, copied, edited, or deleted on the Intermediary Template Profile page by selecting the report from the drop-down list.

DTCC Mutual Fun	en reakes und Profile Service II - Security Database	
PROFILE SECURITY	Intermediary Template Profiles Management Company: DEMO - DEMO FUNDS * Template: Addit	tional 12b-1 Information
My Specification Reports	Intermediary Template Profiles save selections of optional data points based on an agreement with the intermediary. Provide the Management Company and the template above to see	onal 12b-1 Information
Supplemental Data Points Intermediary Template	Additional Additi	In the Sky Information Create
Protiles	Additi	ional Exchange Processing and es Information
 Data Dictionary Help 	Test Internediary Addition	ional LOI Information Delete

B. Updated Report Generation Process

Steps to generate a specification report under the "My Specification Reports" tab have been updated to accommodate the new reports.

Under the My Specification Reports tab, select "Create New"

DTCC MUTUAL FU	ENT SERVICES und Profile Service II Security Da	tabase					Search	Q swilner.super ~
PROFILE SECURITY <	Management Company: Demo - Demo 7ao	á ·						
A M. C	Open Specification Reports:							Create New
Supplemental Data Points	Management Company o	Report Name -	Status +	Last Update By +	Template Name o	Last Update Date ~		
Intermediary Template								
Profiles	. Demo - Demo Funds	Mel Test	In Progress	mvargas.super	Additional 12b-1 Information	2022-04-19	View History Edit Delete	
Data Dictionary		Learning Test Fund	In Progress	Isullivan2.super	Additional 12b-1 Information	2022-04-13	View History Edit Delete	
? Help	· Demp - Demo Funds	Learning and Test	In Progress	Isullivan2.super	Additional Blue Sky Information	2022-04-12	View History Edit Delete	
	Archived Specification Reports: Specification Reports that have been com	pleted or deleted	Statue	Last Undato Br	Tamplato Namo	Archived -		
	management company -		Suita -			Alcinyou]	
	Demo - Demo Ponds	Report test	Completed	swilner.super	Additional Exchange Processing 2022- and Policies Information	-04-26	View History	

• Step 1 - Basic Information:

Current Functionality:

A listing of available specification reports is presented. These reports cannot be customized.

Updated Functionality:

When selecting the product specification report or specific processing report templates, a secondary drop-down list will become available to select the appropriate Intermediary template

	ement services Fund Profile Service II - Security Database	
Wutual	and Home Scivice II - Security Database	
PROFILE SECURITY <		
SPECIFICATION REPORT V		
My Specification Reports		Decision
Supplemental Data Points		Basic information
🖋 Intermediary Template		
Profiles	This tool will help you create your Specification Report. Fi	inst please give this report a name, select the management company to run it and select the template to use
Blank Templates		
Data Dictionary	Report Name:	
? Help	Test Dealer- 12b1	
	Management Company: DEMO - DEMO FUI	NDS -
	Territor	
	lemplate.	
	Fee Information	
	Additional Share Cla Information	ss Koli
	Additional 12b-1 Info	armation
	BNY SURPAS Blue S	Sky Mapping
	BNY SuRPAS Divide	end Processing
	ML Retirement Servi	ices 🗸
.		
PROFILE SECURITY		
SPECIFICATION REPORT V		O
My Specification Reports		Pasia Information
Supplemental Data Points		Basic mornauon
Intermediary Template		
Profiles	This tool will help you create your Specification Report, First, ple	ease give this report a name, select the management company to run it on, and select the template to use.
Blank Templates		
Data Dictionary	Report Name: Test Dealer, 12b1	
rnap	- 100 million (100 million)	
	Management Company: DEMO - DEMO FUNDS	-
	Template: Additional 12b-1 Information	an ~
	Profile:	-
	Note: This template uses a Sunnley	have nonceast within a non-latin these they will be Nark in your out of fla
	Test Intermediary	

• Step 2- Select Scope:

Current Functionality

The current specification reports only allow for one security issue id to be selected

Updated Functionality:

The number of entries has increased. The scope for the new reports allow up to 2,500 security issue ids to be selected. In addition, the scope can also be defined for the specific processing reports at either the Management Company, Fund Portfolio, or Share Class level to facilitate report generation as follows:

- i. Additional Blue-Sky Information Management Company
- ii. Additional Dividend Information Fund Portfolio
- iii. Additional Miscellaneous Information Only security issue id
- iv. Additional LOI Information Share Class
- v. Additional ROA Information Share Class
- vi. Additional Jumbo / Finder's Fee Pricing Information Share Class
- vii. Additional Exchange Processing and Policies Information Share Class
- viii. Additional Transaction Processing Information Share Class
- ix. Additional Share Class Roll Information Share Class
- x. Additional 12b-1 Processing Share Class
- xi. Additional Short-Term Redemption Fee Information Fund Portfolio

Once the specification report template has been selected in Step 1, the reporting scope must be identified. If the report provides information at multiple levels, the scope (Management Company, Fund Portfolio, Share Class) for these must be selected first.

- The "Select All Checkbox" selects all the entries on one page. To choose the maximum number of available entries, select "Click Here"
- Once the scope has been chosen, select "Next"

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	e service II - security Database						
<u>`</u>							
	<u></u>		2	3			5
	Resic Information		Select Scope	Salact Templata Eielde	Quarridae		Paviaw Values
	Basic mormation		select scope	Select remplate Helds	Overnoes		Review values
		/					
Next, plea	ase pick the records to include in your Spe	cification Report. As you select repords at t	the higher levels, the lower levels will update to only include the child	ecords of those you selected.			
	>Previous relection						
	Select Securities (limit 2	2500)					
	Select All Checkbox All 10 records on this page are selected	d. Click here to select the maximum recon	ris starting from the first page				
			ee starting norm the mot page.			<u></u>	
	Security Issue ID ~	Share Class Name 0	Fund Portfolio Name 😄			\mathbf{X}	
	783925100	CLASS F	DEMO LARGE CAP VALUE FUND				
	783925126	CLASS F	DEMO MULTI-ASSET CAPITAL STABILITY FUND				
	783925134	CLASS F	DEMO MULTI-ASSET INFLATION MANAGED FUND				
	783925142	CLASS F	DEMO MULTI-ASSET INCOME FUND				
	783925159	CLASS F	DEMO MULTI-ASSET ACCUMULATION FUND				
	783925167	CLASS F	DEMO MULTI STRATEGY ALTERNATIVE FUND				
	783925191	CLASS F	DEMO SMALL CAP FUND				
	783925217	CLASS F	DEMO LARGE CAP FUND				
	783925233	CLASS F	DEMO REAL RETURN FUND				
	783925266	CLASS F	DEMO TAX MANAGED MANAGED VOLATILITY FD				
	« 1 2 3 4 5 6	15 »					
							A 4
							Cancel Back
							Califor Back

• Step 3 - Select Template Fields Current Functionality:

Additional data points cannot be added to a template during the report generation process.

Updated Functionality:

A new step has been added allowing additional data point attributes to be populated in a specific report without impacting the Specification Report Template. Only new fields can be added; data points that were part of the original template cannot be removed. NOTE: This step is only visible when producing a product specification report and/or specific processing reports.

		▼	
Basic Information	Select Scope	Select Template Fields Overrides	Review V
elect Template Fields			
w is a list of all of the template fields which could	be contained within this specification report. All F	Required Fields are automatically included in the report. Please select any optional data points that you would like to include in the report	
late: The Intermedian/Template Profile used with this	report pro-coloris come of the following data points	These data points may not be decalacted without first changing the Intermediany Tomatata Brafile	
tote. The intermediary remplate Profile used with the	report pre-selects some of the following data points	s. Indee data points may not be deserviced windout inst changing the intermediary templiate Profile.	
■ Field Name	Classification -	Information Provided	
Share Class	Required		
Participant Number	Required		
12b-1 Reason Codes Eligibility	Optional Group	Provides all eligible and ineligible 12b-1 Reason Codes	
12b-1 Schedule Information	Optional Group	Provides all 12b-1 Schedule information contained on the 12b-1 Schedules Tab	
12b-1 - Account Types Ineligible for 12b	-1 Optional	Indicates if there are account types which are ineligible for 12b-1 payments	
Payments Apply		Indicates if any funde (fund chara classes and nurchases for any period of time before these nurchases become eligible for 12b-1	
Payments Apply 2b-1 Share Aging Rules Apply	Optional	payments	
Payments Apply 12b-1 Share Aging Rules Apply 12b-1 Payments on Full Liquidations	Optional	Indicates in a maximum a time bases aga parameters in any period or time bases where parameters because equations and the shares were algeble If a full lipidation occurs in the middle of a 12b-1 period, is a 12b-1 payment made for the terms in the period that the shares were algeble for 12b-1 payments, or, are the takes not eligible for 12b-1 payments at all bacause there was a full lipidation?	e
Payments Apply 2 12b-1 Share Aging Rules Apply 2 12b-1 Payments on Full Liquidations 2 12b-1 Redemption Hierarchy	Optional Optional Optional	Indicates in it includes the set assesses as any period of mile device these polarises become signed to L2P* payments? If a full liquidation occurs in the middle of 12b-1 period, is a 12b-1 payment made for the time in the period that the shares were eligible for 12b-1 payments, or, are the takes not eligible for 12b-1 payments at all because there was a full liquidation? Indicates how 12b-1 shares redeemed	9
Payments Apply 12b-1 Share Aging Rules Apply 12b-1 Share Aging Rules Apply 12b-1 Payments on Full Liquidations 12b-1 Redemption Hierarchy 12b-1 Calculation Method Code	Optional Optional Optional Optional	Indicates in it includes that a time classes generalizes on in period or line device these polarities decome signed to L2CF payments. If a full lipidation occurs in the middle of a 12b-1 period, is a 12b-1 payment made for the time in the period that the shares were eligible for 12b-1 payments, or, are the takes not eligible for 12b-1 payments at all because there was a full lipidation? Indicates how 12b-1 shares redeemed Indicates how 12b-1 trail payments are calculated for the period	9

• Step 4 – Override

Current Functionality:

Data point values can be overridden at both the security issue id and intermediary levels

Updated Functionality:

Overrides can also be created at the fund portfolio or share class level, in addition to the security issue id or intermediary level. The report level will indicate the level of the data point override value

			\mathbf{X}		
	extr services and Profile Service II - Security Datab	ase			Search Q
PROFILE SECURITY <					
SPECIFICATION REPORT					5
Mv Specification Reports					
Supplemental Data Points	Basic Information	Select Scope	Select Template Fields	Overrides	Review Values
Intermediary Template Profiles					
🗁 Blank Templates	Some fields are able to be overridden. Intermed	diary Overrides are independent of report and records, thus can be	e carried over if you create another report under the same Managen	nent Company and template. Report Overrides are specific to	o this report, and take precedent over any
Data Dictionary			$\langle \rangle$		
? Help	Add New Override		$\langle \rangle$		
	 Report Override 	Field: 12b-1 Ending Accrual Month +	Override Value:	Expected Value: Acceptabl	e Values: Months
	Intermediary Override	Mapping: 12b-1 First Payment Period End Month	Record level: Share Class		Create
	Select Records: 0				
	Share Class Name		Value 🙆		
	Class A		1		
	Class C		1		
	Class I				
	Class R6				
	Class S				
	Class SC				
	Class Y				
	Class Z				
	Institutional Class				

C. Improved Report Information

- To streamline reporting of information, security issue ids having the same values are grouped together into a common family and assigned a unique Family number. Family numbers only pertain to the reports that provide:
 - Blue-Sky Eligibility All security issue ids that have the same eligibility status for all 50 states plus District of Columbia, Puerto Rico, Guam, and US Virgin Islands will be grouped into a family
 - CDSC Schedule Families Security issue ids that have the same CDSC Schedules and Advanced Commission Rate will be grouped into a family
 - Breakpoint's schedules for security issue ids where load type is Front-end load and the Finder's fee / Jumbo blending applies will be grouped into a family
- If a data point was not selected as part of the Product Specification report or a specific processing report, it will be shaded gray on the report. This indicates that a value is not missing but rather was not selected to be part of the specification report. The following message has been added to the reports: "NOTE: If column is shaded GRAY, then data point was not selected for this report"

GENERAL SECURITY ISSUE ID INFORMATION							
NUTE: If COLUMN IS SNAAEA GMAY, then aata point was not select	Fund ID	Share Class	Security Issue ID	Ticker Symbol	ROA / LOI Aggregation Allowed	Load Type	Breakpoint Schedule Family
Demo International Growth Fund	6803	Class R6	123456789	AVCDD		No Load	
Demo International Growth Fund	6804	Institutional Class	234567890	DCBFS		No Load	
Demo Strategic Income Opportunities Fund	6510	Class A	345678912	FREWT		Front-End Load	Family_5849
Touchstone Strategic Income Opportunities Fund	6511	Class C	987654321	FDGBH		Level Load	
Demo Strategic Income Opportunities Fund	6512	Class Y	345675432	FGMHD		No Load	
Demo Strategic Income Opportunities Fund	6513	Institutional Class	395967329	FQDLG		Front-End Load	Family_5849
Demo Sands Capital Emerging Markets Growth Fund	525	Class R6	3459T9078	TSRMX		No Load	
Demo Balanced Fund	6204	Class R6	567432190	TBARX		No Load	

• If the data point does not contain a value, it will be left blank

• The specific processing reports that provides information at either the share class or fund portfolio levels, in addition to the security issue id level, will identify the level at which the information is being provided and whether the values differ at the security issue ID level

	Share Class Level /	Fund Name	Fund ID	Share Class	Security Issue ID	Ticker Symbol	12b-1 Eligible	Are there Pending	Is Security Issue ID
	Security Issue ID Level							Changes; if so,	Different than
								please provide	Share Class
10		*	~		~	¥	Ŧ		Ψ
	Share Class Level			Institutional Class			No		
19									
	Security Issue ID Level	Demo Strategic Income Opportunities Fund	6510	Institutional Class	89154M306	TQPAX	Yes		Yes
21									