

# IMPORTANT NOTICE

National Securities Clearing Corporation



**A#6515**

**P&S #6085**

**DATE:** October 18, 2007

**TO:** ALL PARTICIPANTS

**ATTENTION:** MANAGING PARTNER/OFFICER,  
OPERATIONS PARTNER/OFFICER,  
DIRECTOR OF OPERATIONS,  
MANAGER CUSTOMER ACCOUNT TRANSFER DEPARTMENT,  
MANAGER MUTUAL FUNDS OPERATIONS,  
MANAGER MARGIN DEPARTMENT,  
DATA PROCESSING MANAGER,

**FROM:** Bill Kapogiannis

**SUBJECT:** ACATS Transfer Cycle Rewrite – Implementation Date

On August 15, 2007, National Securities Clearing Corporation (“NSCC”) submitted NSCC rule filing SR-NSCC-2007-13 with the U.S. Securities and Exchange Commission (“SEC”). This rule change modifies NSCC’s Rules, as necessary, to shorten the account transfer timeframe with respect to certain types of ACATS and ACATS Fund/SERV transfers.

**Members are advised that the modified ACATS system will be implemented into production on Monday, October 22, 2007.**

**REMINDER: Transactions in Process on Conversion Date**

NSCC understands that there will be transactions in the system, which contain old days in status, which will no longer be valid in the new, shortened settlement cycle. The following will be the procedures followed by NSCC for handling these transactions.

- All standard (full) transfer accounts, which have a status of Request day 1, Request day 2 or Request day 3, **on Friday, October 19** should be responded to by the delivering ACATS participant. The deliverer should either acknowledge the transfer by loading the assets or reject the transfer using the appropriate reject reason code. All accounts not responded to on conversion date **Monday, October 22** will be given a status of Request Past.
- All Partial Transfer Receiver (PTR) accounts, which have a status of Request day 1 or Request day 2, **on Friday, October 19** should be responded to by the delivering ACATS participant. The deliverer should either acknowledge the transfer by loading the assets or reject the transfer using the appropriate reject reason code. All accounts not responded to on conversion date **Monday, October 22** will be given a status of purge (510).

- All ACATS Fund/SERV Re-registrations, which are in a pending reminder status (day 1) on system conversion day **Monday, October 22** will be given a status (action type) of system purge if they are not acknowledged or rejected by the Mutual Fund Company by 11:00 am ET on **Tuesday, October 23**.
- All ACATS Fund/SERV Re-registrations, which are in a pending reminder status (day 2 or greater) will be given a status (action type) of system purge if they are not acknowledged or rejected by the Mutual Fund Company by 11:00 am ET on **Monday, October 22**.

Please refer to NSCC Important Notices A#6492 (P&S#6062) dated August 16, 2007 and A#6425 (P&S# 5995) dated March 27, 2007 for additional information with regard to these changes.

A copy of this Important Notice can be obtained from NSCC's web site <http://www.nsc.com> in the Important Notice section. This Important Notices can also be obtained from NSCC's ACATS web site <http://acats.nsc.com> in the Important Notice section. If you have any questions regarding these enhancements, please contact your DTCC Relationship Manager, or the undersigned at (212) 855-5667.

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Director  
Product Marketing and Development