

MEMO# 20883

February 20, 2007

NSCC Important Notice on Mutual Fund Profile Service Database Conversion - Second Quarter 2007

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TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 8-07
BROKER/DEALER ADVISORY COMMITTEE No. 12-07
OPERATIONS COMMITTEE No. 2-07
PENSION OPERATIONS ADVISORY COMMITTEE No. 7-07
SMALL FUNDS COMMITTEE No. 5-07
TRANSFER AGENT ADVISORY COMMITTEE No. 11-07 RE: NSCC IMPORTANT NOTICE ON
MUTUAL FUND PROFILE SERVICE DATABASE CONVERSION - SECOND QUARTER 2007

The Depository Trust & Clearing Corporation (DTCC) recently announced their plans to launch the new National Securities Clearing Corporation (NSCC) Mutual Fund Profile Service (MFPS) database in July of 2007. The redesigned database will provide the industry with an updated, automated, centralized repository for a broad range of fund information to be used as a primary resource for rules-based, operational processing.

The NSCC is reengineering the Security Issue (Profile) database component of MFPS to streamline input and retrieval of information as well as refine the data elements contained therein. The database includes information about fund investment objectives, minimum and maximum investment requirements, fee schedules, breakpoint schedules and linkage rules, and other fund rules.

The Institute continues to urge fund members to comply with the recommendations of the

Joint NASD/Industry Task Force on Breakpoints, which includes populating the MFPS database with fund breakpoint schedules and linkage rules in order to provide mutual fund intermediaries with a centralized electronic source of information about breakpoint opportunities for clients. Data from MFPS is also used by the NASD to populate their Web based Mutual Fund Breakpoint Search Tool, which provides a single source of breakpoint information to the public and to registered representatives that are not associated with a firm that is an NSCC participant. [\[1\]](#)

The NSCC recently distributed the attached Important Notices informing all participants of the MFPS redesign. [\[2\]](#) Notice A# 6405, P&S #5975, dated February 16, 2007 provides detailed information regarding the key phases and timeline for converting the existing Profile database to the new redesigned database. The conversion process will take place from March 2, 2007 to July 16, 2007, and as outlined in the Notice fund participants must take several required action steps during this period. Data populated in the existing database will not be transferred to the new Profile database for Funds that fail to participate in the conversion process. Data populated in the old Profile database that is not converted will no longer be made available as output to firms or to the NASD for its Breakpoint Search Tool, on or after the July 16, 2007 targeted launch date of the new Profile database.

As part of the redesign, DTCC is also creating new Web screens that will allow users to query and retrieve the information. New record layouts are available for fund companies and intermediaries so they can begin reprogramming systems to be compatible with the new files.

The ICI and DTCC will be hosting an industry call for fund participants on Wednesday, February 28th from 2:00 to 3:30 pm ET to discuss the Profile conversion process. The dial in number for the call is 1-888-704-0559 and the pass code is 17325. For security reasons, the pass code and the leader's name (Kathy Joaquin) will be required to join the call.

Questions regarding this initiative may be directed to Barbara Simon (212-855-5658 or bsimon@dtcc.com) or Rita Gribben (212-855-5677 or rgribben@dtcc.com) at the NSCC or the undersigned (202-326-5930 or kjoaquin@ici.org).

Kathleen C. Joaquin
Director - Operations & Distribution

[Attachment](#)

endnotes

[\[1\]](#) The NASD Web based Breakpoint Search Tool may be accessed at:
<http://www.nasd.com/fundsearch>.

[2] Important Notices for Mutual Fund Services are available on the DTCC website at:
<http://funds.dtcc.com/media/impntc/index8891.html>

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