

MEMO# 21722

October 3, 2007

Industry Completes DTCC Mutual Fund Profile Database Conversion

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TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 37-07
BROKER/DEALER ADVISORY COMMITTEE No. 61-07
CHIEF COMPLIANCE OFFICER COMMITTEE No. 21-07
COMPLIANCE ADVISORY COMMITTEE No. 20-07
OPERATIONS COMMITTEE No. 25-07
PENSION OPERATIONS ADVISORY COMMITTEE No. 31-07
SMALL FUNDS COMMITTEE No. 37-07
TRANSFER AGENT ADVISORY COMMITTEE No. 67-07 RE: INDUSTRY COMPLETES DTCC
MUTUAL FUND PROFILE DATABASE CONVERSION

The Depository Trust & Clearing Corporation (DTCC) launched the new National Securities Clearing Corporation (NSCC) Mutual Fund Profile Service (MFPS) database on September 17, 2007. The NSCC reengineered the Security Issue (Profile) database component of MFPS in order to provide the industry with an updated, automated, centralized repository of a broad range of fund information to be used as a primary resource for rules-based operational processing. [\[1\]](#) More than 100 fund complexes with over 15,000 securities converted to the new service, representing 86 percent of the total securities in the old system. Mutual fund companies whose data have converted to the new database as of October 1, 2007 are listed in the attached Status Report.

An Institute working group of funds, intermediaries, service providers and the DTCC collaborated over the last two years to provide the industry with a modernized and more robust database of fund processing rules for intermediaries. Funds have worked diligently over the last six months to populate the redesigned database with their investment objectives, minimum and maximum investment requirements, fee schedules, breakpoint schedules, linkage rules, and other prospectus policies to help insure that investors receive best pricing and accurate and timely processing of their purchases, redemptions and exchanges. Data from MFPS are also used by FINRA to populate its Web based Mutual Fund Breakpoint Search Tool, which provides detailed mutual fund sales charge and pricing

information to the public and to registered representatives that are not associated with a firm that is an NSCC participant. [2]

The Institute is currently working with DTCC, FINRA and members on outstanding post-conversion issues and is committed to assisting the industry in enhancing and expanding Profile's capabilities in the future. Fund groups participating in Profile should ensure that data converted to the new database are accurate and establish ongoing procedures to periodically review such data for accuracy. These procedures should include updating Profile on a timely basis as fund policies and operations processing rules are updated or changed.

The ICI continues to urge fund members not participating in Profile to comply with the recommendations of the Joint NASD/Industry Task Force on Breakpoints, which includes populating the MFPS II Profile database with fund breakpoint schedules and linkage rules. Questions regarding the Profile database initiative may be directed to Rita Gribben (212-855-5677 or rgribben@dtcc.com) or Barbara Simon (212-855-5658 or bsimon@dtcc.com) at the NSCC or the undersigned (202-326-5930 or kjoaquin@ici.org).

Kathleen C. Joaquin
Director – Operations & Distribution

[Attachment](#)

endnotes

[1] Information on the NSCC Profile Security Issue Database, including Important Notices to participants is available on the DTCC website at: <http://funds.dtcc.com>.

[2] To access the FINRA Mutual Fund Breakpoint Search tool, visit <http://www.finra.org/fundsearch>.