

# The Depository Trust Company

# **IMPORTANT**

**B#:** 3231

**DATE:** August 04, 2004

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** Product Management

**ATTENTION:** Dividend Managers

**SUBJECT:** PTS Function SDAR And CCF File CSHSET Enhancement

Effective August 5, DTC is enhancing dividend information that is provided through PTS and the CSHSET machine-readable file. The enhancement will inform customers as to whether or not particular CUSIPS have been funded by the Paying Agent.

## **Background**

As part of DTCC's ongoing efforts to improve customer satisfaction, inquiries received by the Customer Service and Garden City Cash Processing Departments are analyzed by both type and volume, with a goal of increasing customer self-service. This analysis reveals that although DTCC funds 99.5 % of all issues on payable date, certain participants will not fund beneficial owners until funding has been confirmed, fearing an agent claw back or default. Approximately 4000 CUSIP level inquiries are received each year pertaining to agent funding.

## **PTS**

The screens associated with the PTS function "SDAR" will be modified so that, if an agent has funded DTC, an asterisk will appear to the left of the CUSIP on the "ALLOCATED DIVIDENDS" section of the screen. This indicates that the paying agent has funded DTC for this CUSIP. It applies ONLY to Dividend payments.

## **CCF**

For machine-readable output, DTC has also added a new indicator to the CSHSET file in position 438 to indicate whether or not the paying agent has funded a CUSIP. Position 438 will default to spaces for any Dividend items where DTC is unable to determine if the CUSIP was funded or if it is a non-dividend (Reorganization or Redemption) payment. As this file is delivered in intraday slices, the indicator will only be added to the last (end of day) file.

Should you have any questions, please call the Customer Help Center @ 1 (888) 360-3822 and enter option #2 for Principle and Income.