

OPERATIONS Update

November 2, 2012

Third Quarter 2012 Standard File Update

This communication announces new standard files, revisions to existing files and related information. Use any of the links below to go to specific sections of the update.

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Standard file layouts can be downloaded at pershing.com/standard_files/layouts.html, a secured area of Pershing's website. The page cannot be accessed from the Pershing.com home page or other areas of the site.

NOTE: Fields marked "Not Used" in the layouts are not necessarily empty fields. **Pershing reserves the right to use these fields at any time.** Though we may not be able to provide information in advance, we will announce changes as soon as possible.

In this issue:

- New ACCT/F fields for Foreign Account Tax Compliance Act (FATCA), POTL file changes ([Page 2](#))
- Review file changes in customer test region ([Page 3](#))
- Year-end freeze on new requests for remote destinations ([Page 4](#))
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- Customer survey in development ([Page 5](#))

New Files and Recent Standard File Updates

Please see the standard file layouts via pershing.com/standard_files/layouts.html for details about the following changes. Each layout shows the date of its last update. New and impending changes are added as soon as they are known, and projected changes include effective dates.

| FORM NAME(S) | FILE NAME(S) | DESCRIPTION |
|--------------|----------------------|--|
| ISCA | Security Description | <p>The Globally Locked Reason Code in Record E, position 129, added October 5, 2012, indicates the following:</p> <ul style="list-style-type: none"> ▪ "0" = The security has been globally locked by the Depository Trust and Clearing Corporation (DTCC) ▪ "1" = The security has been globally locked by the DTCC for regulatory control reasons ▪ "N" = The security is not DTCC-eligible |

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New Files and Recent Standard File Updates (continued)

| FORM NAME(S) | FILE NAME(S) | DESCRIPTION |
|--------------|-------------------------------------|--|
| MASF | Managed Account Billing Information | The following were added on September 21, 2012: <ul style="list-style-type: none"> ▪ A new field, Aggregated Market Value, was added to Record A, position 709-726. ▪ New values were added to Record A, position 727, including “C” (credit) and “D” (debit). |
| SPAT | Security Profiles | As of September 22, 2012, a new optional Record S, Last Used Date and Time Detail, details Entitlement Management Service user information from Top Secret. All existing record types remain unchanged. |

Upcoming Standard File Enhancements

Please see the standard file layouts via pershing.com/standard_files/layouts.html for details about the following changes.

| FORM NAME(S) | FILE NAME(S) | DESCRIPTION |
|--------------|------------------------------|---|
| ACCF/T | Customer Account Information | A new field, Canadian Revenue Agency (CRA) Documentation, will be added to Record M, position 295-314. The change is anticipated for November 17, 2012. |
| | | <p>The following changes under the Financial Account Tax Compliance Act (FATCA) are expected December 10, 2012.</p> <p>New, mandatory value types will begin to populate the existing Tax ID Type fields in the following records:</p> <ul style="list-style-type: none"> ▪ Record B, position 041 ▪ Record G, position 600 ▪ Record T, position 68 <p>Furthermore, 10 new fields will be added to filler in Record B, position 260; Record G, position 529-593; Record T, position 051-052; and Record X, position 717-749. Please see the file layout for details.</p> |
| POTL | Portfolio Open Tax Lots | <p>The following new fields are anticipated November 16, 2012. See the file layout for details.</p> <p>These fields will be added to Not Used space in Record A:</p> <ul style="list-style-type: none"> ▪ Security type, modifier and calculation codes (position 106-108) ▪ Average noncovered subtotal (position 137-154) and sign (position 155) ▪ Average covered subtotal (position 156-173) and sign (position 174) ▪ CUSIP[®] Level Default Disposition Method from Disposition Method Maintenance (position 175-176) |

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Upcoming Standard File Enhancements (continued)

| FORM NAME(S) | FILE NAME(S) | DESCRIPTION | | | | | | | | |
|----------------------------------|--------------------------------------|---|---------------------------|-----------------------|------------------------------|--------------------------------------|----------------------------------|----------------------------------|---------------------|------------------------|
| POTL | Portfolio Open Tax Lots | <p>The following will be added to Record B:</p> <ul style="list-style-type: none"> ▪ Original Quantity (position 335-352) and sign (position 353) ▪ Expanded Average Unit Cost (position 354-371) <p>NOTE: When the fields are added, the Not Used space format will change to numeric if it is currently alphanumeric or alphanumeric if it is currently in a numeric format.</p> | | | | | | | | |
| | | <p>The following field names will be changed to more accurately describe each field's data.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Current Field Name</u></th> <th style="text-align: left;"><u>New Field Name</u></th> </tr> </thead> <tbody> <tr> <td>Cost Basis of Total Position</td> <td>Current Total Cost on Position Level</td> </tr> <tr> <td>Cost Basis of Individual Tax Lot</td> <td>Current Total Cost on Lot Level*</td> </tr> <tr> <td>Amortization Amount</td> <td>Original Adjusted Cost</td> </tr> </tbody> </table> <p>* The Current Total Cost on Lot Level field will display the current lot average cost, rather than the original cost for average cost positions. The original cost is found in the Original Cost field in Record B, position 311.</p> <p>Please review these changes in our test region to confirm whether you will continue with your current processing. See the Testing File Changes section below for information.</p> | <u>Current Field Name</u> | <u>New Field Name</u> | Cost Basis of Total Position | Current Total Cost on Position Level | Cost Basis of Individual Tax Lot | Current Total Cost on Lot Level* | Amortization Amount | Original Adjusted Cost |
| <u>Current Field Name</u> | <u>New Field Name</u> | | | | | | | | | |
| Cost Basis of Total Position | Current Total Cost on Position Level | | | | | | | | | |
| Cost Basis of Individual Tax Lot | Current Total Cost on Lot Level* | | | | | | | | | |
| Amortization Amount | Original Adjusted Cost | | | | | | | | | |

IMPORTANT: The Pershing Account Closed Tax Lots (PACT) and Pershing Portfolio Evaluation System (PPES) standard files have been considered retired since the release of the POTL and Portfolio Tax Lot Disposition (PTLD) standard files in March 2011. (See [Retiring Standard Files](#) below.) With the above enhancements, Pershing is planning to turn off the PACT and PPES files any time after **November 30, 2012**. If you have not yet migrated to the new files, please migrate immediately. Contact [Data Delivery](#) for migration documents.

Testing File Changes

Standard files are continually updated to satisfy system enhancements and new regulations. You can review changes to our standard files before they are put into production by performing transactions and receiving files from our customer testing (XAT) region. For more information and to participate, send an e-mail to datadelivery@pershing.com. Please share this information with your service providers.

Compressed Standard Files Change

On October 12, 2012, Pershing removed the extraneous characters that appear after the letter "Z," the end-of-file indicator in all compressed standard files sent via FTP transmission. Please refer only to this character for file end processing. The position of the indicator is outlined in each standard file layout (pershing.com/standard_files/layouts.html).

Please notify others in your organization who receive standard files via FTP and third-party service providers that process standard files on your firm's behalf. If you have questions, call Pershing's [Technology Help Desk](#) at the number below.

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InfoDirect Security Enhancements

Pershing has implemented additional security measures to better protect your client's confidential information via the InfoDirect FTP website. Effective immediately, your user ID will be locked after three unsuccessful attempts to log on the system. To unlock your user ID, please call Pershing's [Technology Help Desk](#) at the number below. If you do not know your InfoDirect password, request a new one from your home office.

The InfoDirect home page will no longer retain your user ID and password from one session to the next. You must enter the information to log on each time.

Pershing's Year-End Freeze

New requests for Network Data Mover (NDM) and standard file remote sites may not be created from December 21, 2012, (11:59 p.m. [ET]/4:59 p.m. [GMT]) through January 4, 2013 (6 p.m. [ET]/11 p.m. [GMT]). Requests for new InfoDirect sites will continue to be executed. New files may not be added to your NDM destinations during this period, although existing files may be deleted. We will continue to honor requests to both add and delete files from your existing FTP and InfoDirect FTP destinations. You may also continue to update extract criteria on all of your existing destinations.

Quarterly Update Conference Call

Pershing hosted a conference call in July 2012 for service providers that aggregate data on behalf of Pershing's broker-dealer customers. File delivery and subject matter experts discussed enhancements and other standard file-related information in the second quarter update. Invitations for the third quarter 2012 call will be sent to all eligible providers shortly.

Sterling FTP Disaster Recovery Region

Pershing's Sterling FTP environment uses a disaster recovery region to ensure that your FTP transmissions are not interrupted if the normal production transmission environment fails or experiences an outage. If your firm uses the Sterling FTP, please ensure that your network can access the disaster recovery region in an emergency. You may need to make the following network and/or firewall changes, depending on the types of file transfer you conduct. If you have any questions, please contact Brian Flaherty at (973) 360-2816.

| FTP TYPE | DESCRIPTION | WEBSITE | PRODUCTION ADDRESS | DISASTER RECOVERY |
|---------------------------|--|--------------------|--------------------|-------------------|
| FTP via Internet | Pretty Good Privacy (PGP) encrypted data sent via FTP over port 21; or secure FTP (SFTP; FTP via SSH over port 22) | FTP5.pershing.com | 170.61.20.129 | 170.61.18.129 |
| | FTP Secure or FTPS (FTP via SSL over port 21) | FTPs5.pershing.com | 170.61.20.131 | 170.61.18.131 |
| FTP via Frame/VPN Network | Dedicated connection | FTP1.pershing.com | 170.61.20.134 | 170.61.18.134 |

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Customer Survey

Pershing is developing a survey to gather information about the ways our customers use the data we provide, adopt changes we implement and share enhancements they may want to see in the future. We have begun to incorporate many of the suggestions we have received and are creating a formal process by which to capture, evaluate and prioritize customer feedback.

Retiring Standard Files

To comply with stricter regulations surrounding data privacy, we are aggressively terminating retired files that contain personal data. Retiring files will not be subject to remediation or updates and will not be added to any new destinations. We recommend that you migrate to the replacement file within one year of a retired file's announced retirement date. **Retired files can STOP transmitting ANY time after the termination date.**

| RETIRING FORM NAME | RETIRING FILE NAME | RETIREMENT ANNOUNCED | TERMINATION DATE (anytime after) | REPLACEMENT FORM NAME | REPLACEMENT FILE NAME |
|--------------------|---------------------------------|----------------------|----------------------------------|-----------------------|---|
| DESC | Security Description – Domestic | December 2008 | January 31, 2012 | ISCA | Security Description – International and Domestic |
| IADF | IBD Available Download | October 6, 2011 | To be determined | MASF | Account Billing |
| MAFB | Managed Account Fee Billing | October 6, 2011 | To be determined | MASF | Account Billing |
| PPES | Portfolio Activity | June 24, 2011 | November 30, 2012 | POTL | Portfolio Open Tax Lots |
| PACT | Portfolio Holdings | June 24, 2011 | November 30, 2012 | PTLD | Portfolio Tax Lots Disposition |
| TRDE | Trade File | 2007 | To be determined | GTDE | Global Trade |

Standard File Holiday Processing

Pershing follows the New York Stock Exchange[®] (NYSE[®]) holiday schedule. With some exceptions, Pershing will not run batch processing on these evenings or the following mornings:

- Thursday, November 22: Thanksgiving Day
- Tuesday, December 25: Christmas Day

2012 Bank Holidays

Although the NYSE will be open on Veterans Day, observed Monday, November 12, 2012, banks will be closed.

ACAM Fund Activity (ACTV) and Projection of Systematic Withdrawal (PSWF), two of our banking-related files, will contain only headers and trailers on this night. Please expect these file(s) to be empty and process them accordingly. In addition, the ACAM Fund Balances (FUND) file will be sent on November 12 with the same data from its previous batch run.

Trades do not settle on bank holidays, which can affect the size or content of the daily Commission and Payout System (CAPS) file, the Trades (TRDS) file and other files that include settlement date trade information.

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Standard File Holiday Processing (continued)

Because there is no sweep, check deposit or disbursement or federal fund wire processing on bank holidays, the Check and Federal Fund Detail (CKFF) file and other standard files that detail such activity will be smaller.

Exception Notes

It is especially important to note the run date in file headers, as the date of the data does not change on holidays.

- The Audit Trail Report (NSAT) runs 365 days per year.
- The Household Group (HHLI) runs Monday–Friday, regardless of holidays.
- The Mutual Fund Prospectus (MFPF) and the NetExchange User Report (MTEN) files will run on NYSE holidays.

Additional Information

Contact your home office or Pershing Account Manager to add or remove any individual from the distribution of future standard file updates. Consider replacing your individual e-mail address with a group e-mail address in your firm's distribution list at Pershing to ensure that these updates will not be missed by key members of your department.

Please share the above information with the service providers that process standard files on your behalf. Service providers should contact Pershing's Data Delivery Group at datadelivery@pershing.com to request changes to their distribution lists. If you have questions, please contact Pershing's Technology Help Desk at (888) 878-3142, option 4, or (732) 622-2150 from outside the United States.

Copies of this update and recent updates are posted on the [standard file layouts website](#) and can also be accessed below.

- [Second Quarter 2012 Update](#)
- [First Quarter 2012 Update](#)
- [Fourth Quarter 2011 Update](#)