

CONNECT™

PRODUCT RELEASE INFORMATION

2017 R2 RC4
JANUARY 30, 2018

Contents of This Release

This document details the new/additional features included in the latest enhancement release to the Connect™ middleware service, scheduled for deployment into the Production environment on September 23, 2017.

DTCC encourages clients to test these enhancements before utilizing the functionality in the Production environment.

- Enhancements to the trade processing workflow.
- Enhancements to the Settlement Instruction Pending Approval Rule workflow by adding **Reject** functionality. This functionality enables the ability to more effectively eliminate unnecessary automated cancel/corrects.
- Factor Values are now delivered to the CTM™ platform for settlement of factorable securities.
- Removal of invalid characters (such as spaces) received from the TradeSuite ID™ service from the **Interest Rate** field received before validating the field as numeric.

These updates apply to the Trade Management, Settlements Management, Pass-Through, and Confirm Management modules, where applicable.

Enhanced Settlement Instructions - Pending Approval Rule Workflow Reject Functionality

This deployment includes a workflow enhancement that adds Reject functionality to the Settlement Instruction Pending Approval Rule workflow ([Figure 1](#)).

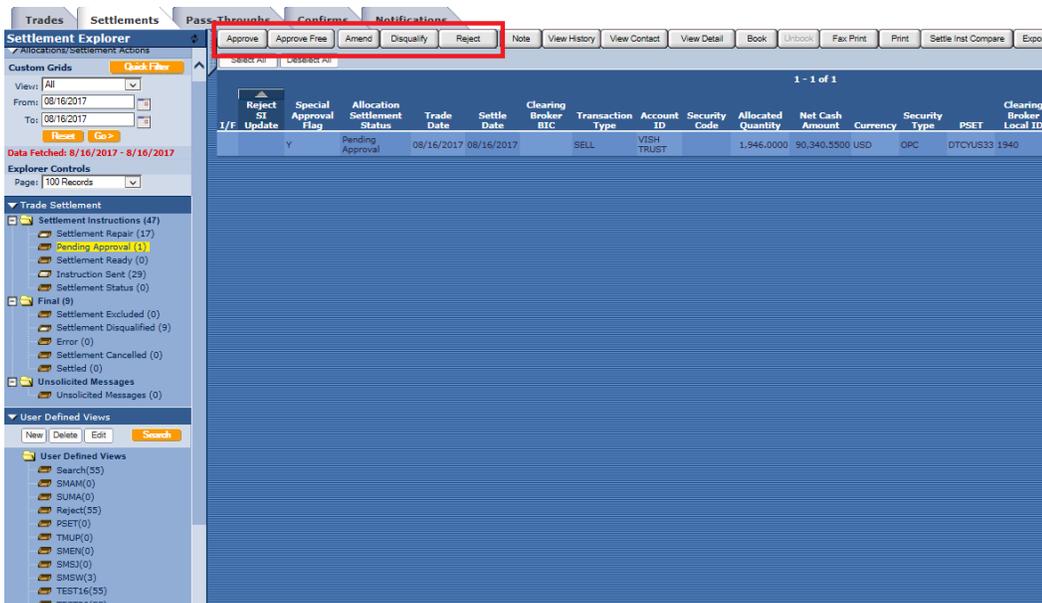


Figure 1 Available Action Buttons in the Pending Approval Mailbox

In addition to adding the **Reject** functionality, the Pending Approval mailbox now also identifies trades resulting from the Settlement Instruction Pending Approval rule.

Clients do have other rules that cause trades to display in Pending Approval, Settlement Ready, or Instruction Sent. To avoid confusion with the Settlement Instruction Pending Approval rule, the blotter view contains a new column with a **Pending Approval Flag** in the mailbox set to **Y** (Figure 2).

The Settlement Instruction Pending Approval rule functionality previously deployed for trades displayed in the Pending Approval mailbox remains unchanged.

To reiterate the functionality, by adding the Approval Rule:

- If a trade is amended or a broker confirm is received after a trade is swept (whether or not there are any differences), the trade will go into the **Pending Approval** mailbox for the user to take action.
- If the original Outbound ISF Settlement Message was delivered, and an ACK received back from BBH, with this approval rule turned on, the second occurrence will be displayed in the **Pending Approval** mailbox.

By adding the new Approval Rule workflow for those impacted trades, clients can avoid automated cancel / corrects for trades already swept for settlement.

Example:

In the Connect service, a client sweeps an Unmatched trade. A broker confirm later matches the trade with slight differences in Interest Rate and Maturity Date. The new Approval Rule allows the end user to decide whether to send out a cancel/correct and updated SWIFT instructions by Accepting the broker values. The end user could also take no action, Disqualify or now Reject the broker values, thereby preventing the automated cancel/correct.

Actions Available for the Specific Settlement Instruction Pending Approval Rule

The following enhanced actions can now be taken on trades going to the Pending Approval mailbox for the specific Settlement Instruction Pending Approval rule:

1. The user can “Approve” the changes by taking the amended values or broker’s trade values (Figure 2).

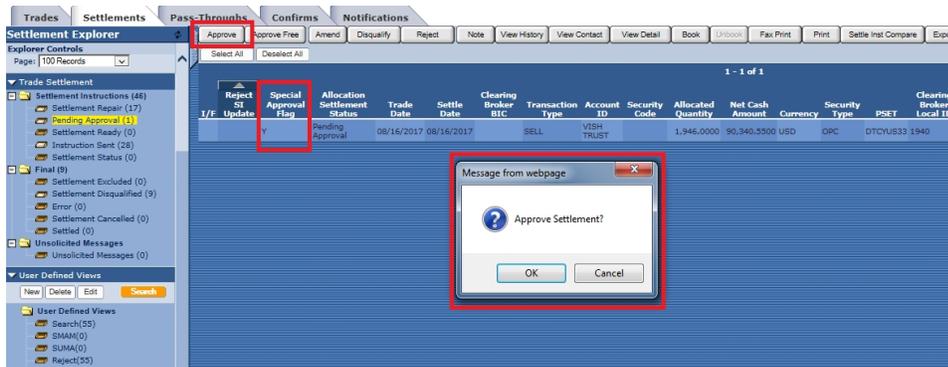


Figure 2 Pending Approval Mailbox "Approve" Functionality

- a. Cancel / Correct occurs with the original Outbound ISF Settlement instruction.
 - b. New Outbound ISF Settlement instruction is sent out.
 - c. New Settlement Instruction Notification is created (if the client subscribes).
2. The user can “Disqualify” the changes (Figure 3).

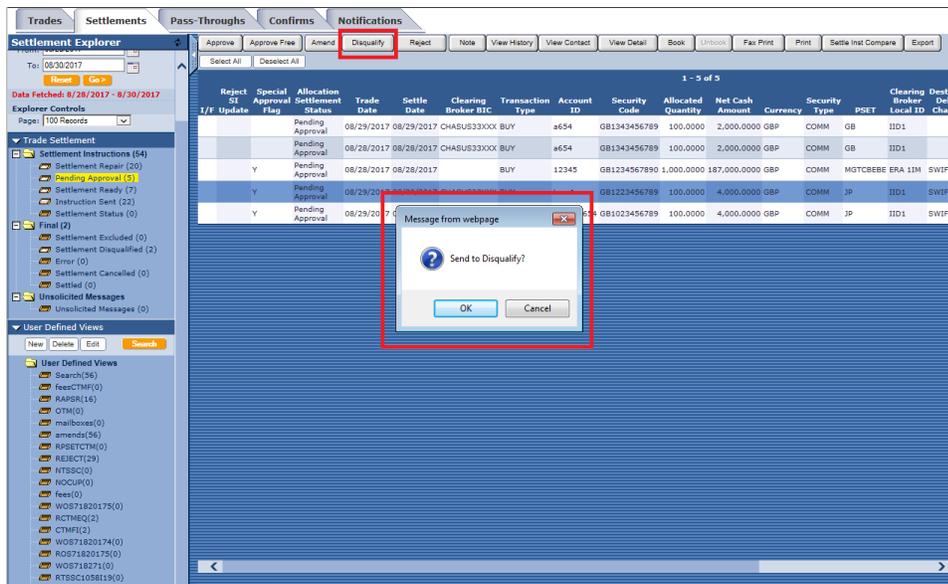


Figure 3 Pending Approval Mailbox "Disqualify" Functionality

- a. For NEW trades that did not have the Outbound ISF Settlement instruction already sent, the trades will go to the **Disqualify** mailbox.
- b. If the original Outbound ISF Settlement instruction was delivered, “Disqualify” cancels the original instruction.
- c. The Trade gets moved into the **Disqualify** mailbox.
- d. No Settlement Instruction Notification is sent out. A Disqualified Notification is created and sent (if the client subscribes).
- e. This is the final state of the trade.

3. (Newly added) User can “Reject” the changes (Figure 4).

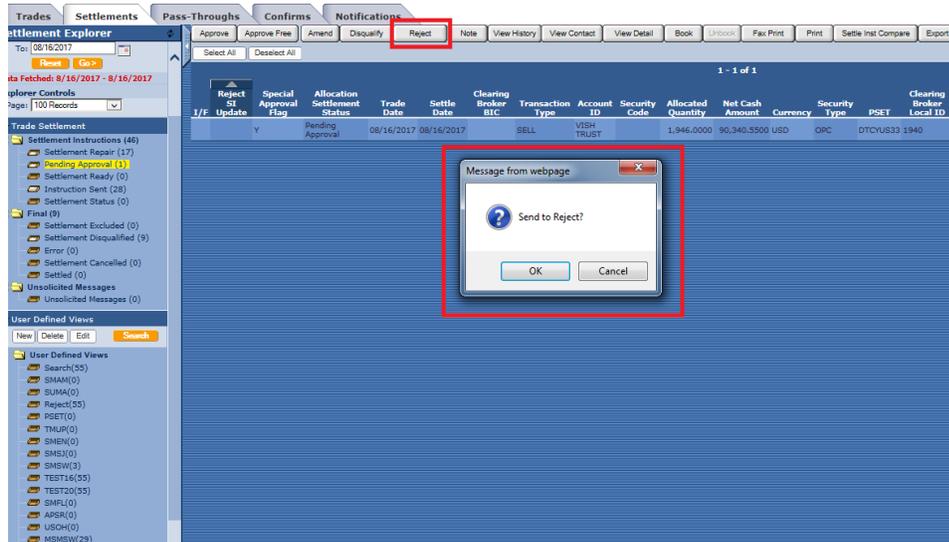


Figure 4 Pending Approval Mailbox "Reject" Functionality

- Trades that had the original Outbound ISF Settlement instruction already sent will have the “Reject” button enabled. If the original instruction has not been sent, the action button is not available.
- “Reject” does not Cancel the original trade instruction.
- “Reject” would take no action on the original Settlement Instruction.
- No new Outbound ISF Settlement instruction is sent out.
- No new Settlement Instruction Notification is sent out.
- The original Settlement Trade gets moved out of the **Pending Approval** mailbox and into the **Settlement Ready** mailbox. The trade will not be sent because the original instruction was already delivered.

- g. When the trade is moved back to “Settlement Ready”, the trade will retain the *Reject SI Update* of **Y** (Figure 5).

The screenshot shows the Settlement Explorer interface. On the left, there is a navigation pane with categories like 'Trade Settlement', 'Final', and 'User Defined Views'. The 'Settlement Ready (1)' item is highlighted. The main table displays trade details. A red box highlights the 'Reject SI Update' column, which contains the value 'Y'. Other columns include 'Special Approval Flag', 'Allocation Settlement Status', 'Trade Date', 'Settle Date', 'Clearing Broker BIC', 'Transaction Type', 'Account ID', 'Security Code', 'Allocated Quantity', and 'Net Cash Amount'.

Reject SI Update	Special Approval Flag	Allocation Settlement Status	Trade Date	Settle Date	Clearing Broker BIC	Transaction Type	Account ID	Security Code	Allocated Quantity	Net Cash Amount	Currency
Y		Settlement Ready	08/16/2017	08/16/2017	SELL	VISH TRUST			1,946,0000	90,340,5500	USD

Figure 5 Reject Flag

Note

A User can still act on the trade from the **Settlement Ready** mailbox if needed.

Contact the DTCC Client Center to set up the new Settlement Instruction Pending Approval rule. We strongly suggest that you test this rule to ensure it functions as expected within your current workflow.

Deliver Factor Value to CTM for Eligible Factorable Security Type Trades for Settlements

The Connect service now delivers factor values to CTM for eligible securities, such as GNMMAs, FNMMAs, CMOs, and so on. This workflow was already accurately working for eligible securities with the OASYS service in previous releases. As part of this enhancement, factors will also be accurately reflected on the Outbound ISF Settlement Messages.

The Connect service now passes the *FactorTypeValue* to CTM for eligible trades through Settlement Management and onto the Outbound ISF file that generates SWIFT messages. For eligible trades:

- If *FactorType* is **CURR** on the Inbound XML message to the Connect service, the *FactorValue* provided will be delivered to CTM and populated on the Outbound ISF Settlement Message.
- If *FactorValue* is not populated, the value on the Outbound ISF Settlement Message will be null.

Removal of Invalid Characters from the TradeSuite ID Feed

This release removes some invalid characters from the feed from TradeSuite ID for the **Interest Rate** field prior to validating the field as numeric.

TradeSuite ID does not currently validate the data in the **Interest Rate** field that it receives on the broker confirm. The Connect service performs validation on this field, which previously resulted in an error when the **Interest Rate** field contained invalid characters (such as spaces). As a result, the Outbound ISF Settlement Message was not delivered. The Connect service now removes any invalid characters from the **Interest Rate** field in the feed that it receives from TradeSuite ID. If the feed contains an invalid character in the **Interest Rate** field, the Connect service removes that character before validating the field. If the trade passes validation after removal of an invalid character, the Connect service passes those values on the Outbound ISF Settlement message. The rest of the workflow remains unchanged. This enhancement eliminates this specific error, resulting in the sending of Outbound ISF Settlement Message.

Improved User Defined View (UDV) Query Results

We have addressed inconsistencies between searching for trades in the standard user interface mailboxes versus using the User Defined Views (UDV). Previously, some UDV queries were not accurately displaying some specific trades, and some UDV queries were not picking up these trades. The fix is for specific scenarios and does not impact every UDV query.

Enhancements to Eligible When-Issued Securities Trades with OASYS

The Connect workflow includes enhancements to “When Issued” securities that are eligible for the OASYS platform. Previously, Connect did not pass the “When Issue Indicator” for those trades eligible for OASYS. The “When Issue Indicator” will be passed for the When-Issue security type for trades that are eligible for OASYS and it will be displayed on the OASYS workstation. The “When Issue Indicator” field will be populated with a “√” (check mark) on the OASYS platform workstation.

System Infrastructure and Performance Improvements

This release includes many non-client facing and non-functional enhancements to the Connect service. To remain compliant with various internal audit requirements and compliance guidelines, DTCC made improvements and upgrades to its infrastructure, overall efficiency, and supportability.

Changes in This Version of the Document

This version of the document contains only DTCC branding updates to conform with current guidelines.

Related Documents and Training

For related documents and training in the DTCC Learning Center, go to [Institutional Trade Processing → Connect](#).

Questions?

The DTCC Client Center provides general assistance and technical help. Visit www.dtcc.com/client-center to:

- Enter a service request or check the status of an existing service request
- Search the knowledge base
- Obtain contact information

Copyright © 2018 DTCC. All rights reserved.

This work (including, without limitation, all text, images, logos, compilation and design) is proprietary and protected by copyright, and is for the exclusive use of users authorized by DTCC. If this work is received from DTCC in any electronic medium, authorized users of this work are granted a limited, non-exclusive, non-transferable, non-sublicensable and freely revocable license to make reproductions and transmissions necessary for downloading and storage of this work on the users' computers and to print one or more paper copies from the electronic version for their own use. Other than to this limited extent, no part of this work (including any paper copies thereof or print versions thereof) may be printed, copied, altered, modified, posted, reproduced, displayed, published, sold, licensed, used or distributed (including by transmission) in any form or by any means, or stored in any information storage and retrieval system, without DTCC's prior written permission.

All product or service names are the property of their respective owners.

"DTCC" is the brand name under which certain affiliates of The Depository Trust & Clearing Corporation provide services in particular geographic areas. The Depository Trust & Clearing Corporation does not provide services to clients. Each of The Depository Trust & Clearing Corporation's affiliates is a legally separate and independent entity, and each is subject to the laws and regulations of the particular country in which it operates. Please see www.dtcc.com for more information on the legal structure of The Depository Trust & Clearing Corporation and its related entities.

Publication Date: January 30, 2018 (Original publication date: September 15, 2017)

Publication Code: CON096

Service: Connect

Title: Product Release Information - 2017_R2_RC4