



Federal Reserve Banks

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October 1, 2009
Clearing Memo # 259

TO: All Fedwire® Securities Service Participants

SUBJECT: Fedwire Securities Principal and Interest (P&I) Application Change – Request for Customers to Test and Notice of Delayed Delivery of the P&I Payments Notifications

As part of the effort to modernize the Fedwire Securities Service technology platform, the Principal and Interest application is targeted to migrate from the Federal Reserve Banks' legacy mainframe environment to the distributed computing platform at the end of first quarter 2010.

How will this affect Fedwire Securities Service Participants?

P&I Payments and Maturity Messages:

There will be no impact on the P&I Payments messages (i.e., Type Code '8906' messages) or the Maturity messages (i.e., Type Code '8900' messages).

P&I Immediate & Non-Immediate Payments Notifications¹:

The format of the P&I Payments Notifications will be consistent with current specifications, however, the notifications will be generated and formatted by the new application. We encourage customers to conduct testing in the Depository Institution Testing environment (DIT) to ensure your backend continues processing the P&I Payments Notifications without any issues. The DIT will be available in the first quarter of 2010 for customers to validate the format of the P&I Payments Notifications; parallel testing will not be supported.

To sign up for testing, please complete the Fedwire Application Test Request Form. The Form is located on FRBservices.org at: <http://www.frbservices.org/app/capture/survey.do?id=124>

Delayed Delivery of the P&I Immediate & Non-Immediate Payments Notifications:

Changes in the P&I application will result in the need for additional time to generate and distribute the P&I Payments Notifications. It is anticipated that both the Immediate and Non-Immediate Notifications will be delivered later than today with the potential for significant delays in the Non-Immediate Notifications when there are a large number of mortgage-backed

¹ The P&I Immediate Payments Notification is also known as the MSG-ID BA2040 file, and the Non-Immediate Payments Notification is also known as the MSG-ID BA2041 file.

securities CUSIPs. Customers dependent on the existing schedule should be prepared to adjust their current processing timetables when the application change is implemented.

If you have questions regarding this announcement, please contact the appropriate Wholesale Operations Site listed below for your district.

Federal Reserve Bank of Boston	Federal Reserve Bank of Kansas City
Districts: <i>Boston, New York, Philadelphia, Cleveland, St. Louis and Dallas</i> Telephone: (800) 327-0147	Districts: <i>Richmond, Atlanta, Chicago, Minneapolis, Kansas City and San Francisco</i> Telephone: (800) 333-2448