

Positions and Values File Suggested Usage

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This documented was created by the IPS Advisory Group and suggests how to make use of the 3 types (PVF, PFF, PNF) of Positions and Values events.

	<u>Suggested Standard</u>	<u>Additional Documentation</u>
Definition of POV Usage	<p>POV is defined as a "snapshot" of both new and existing annuity and life contracts. There are three varieties of Positions files based on content and selection criteria:</p> <p>PVF – Includes all profile information for a broker/dealer’s entire book of business.</p> <p>PFF – All contracts in a broker’s book of business, but only contract value information is provided.</p> <p>PNF – Full profile information for all contracts that are new to a broker/dealer as a result of new business or a broker/dealer change.</p>	<p>The expectation is that carriers and broker/dealers use all three Positions file types in conjunction with one another. More information on how this ideally is done is listed in “Scheduling” below.</p> <p>The only difference between the PVF and PNF is selection criteria. The file layout and content would be exactly the same.</p> <p>The difference between the PFF and the PVF/PNF is the content of the file. PFF will only provide value information</p>
Scheduling	<p>Scheduling varies by Positions file type.</p> <p>PVF – The PVF should be sent no more than weekly or monthly</p> <p>PFF – The PFF is a daily file that would provide value updates for all policies daily</p> <p>PNF – The PNF is a daily file that would communicate any contracts new to the broker/dealer from the</p>	<p>PVF – On days the PVF is sent, the PNF and PFF would not be sent. The PFF and PNF would only represent redundant information in these cases. It is suggested that the PVF would not be used more frequently than weekly or monthly. It is also suggested that the PVF would be created on weekends (after close of business Friday). This scheduling would help alleviate volumes issue that many carriers are currently facing.</p> <p>PFF – The PFF and the PNF would be sent daily. The PFF may list value information for those contracts that were also sent on PNF. PFF and PVF would not be sent on the same day.</p> <p>PNF – There would not be a need to send the PNF on days when the PVF is sent to the broker/dealer, as the content would be identical.</p>

	previous business day.	
Service Feature Frequency	<p>The 13-11 loop is only available on the PVF and PNF.</p> <p>PVF – Service Features on the PVF would be sent no more that weekly for firms receiving PVF more than weekly. If weekly, it should be sent on the weekend. If monthly, it should be sent whenever the scheduled monthly file is received.</p> <p>PNF – Service Feature information would be listed for all new contracts on a daily basis.</p>	<p>13-11 record will be removed from the PFF as part of the September 2004 Enhancement Release.</p> <p>This record will only be sent for active Service Features on a contract.</p> <p>PVF – Creation of the Service Feature records will be time consuming and possibly a volume issue for carriers. Service Feature information should not change frequently, so there should not be a need to update it frequently.</p>
Transaction Based Reporting	<p>PVF/PNF are not intended to be a transaction based reporting tool. PVF/PNF will provide contract value and profile information.</p> <p>The FAR should be used for financial transaction information including such things as payment details for new business transactions.</p> <p>The IFT (Inforce Transaction) will be used to report on non-financial transaction changes such as service feature changes, owner changes, address changes, etc.</p>	<p>Note: IFT starting in 4th Quarter 2004 will support ACATS, Broker of Record Changes, and Brokerage ID Number (BIN) Changes. Other non-financial transactions will be part of a future IPS initiative.</p>

<p>Including/Excluding Life policies</p>	<p>Carriers may be including both annuity and life products within POV files; BDs will be expected to ignore life policies if not applicable to their business on based on CUSIP. Carriers should not be expected to limit their files for certain trading partners</p>	
<p>Policy Status</p>	<p>1) Carriers will be expected to provide active and inactive statuses on POV files. Pending statuses may be sent, but are not required of carriers. 2) Carriers will be expected to send a contract/policy with inactive status one time and then drop from future files; BDs must maintain their files accordingly 3) If carriers choose to send pending statuses of PB - LOA Sent and PD - Pended, these would be sent each time along with active policies. 4). Active policies are defined as: VA - Active DA - Deferred Death (pending/deferred claim), FL - Free Look (active and in the free look period) 5). Inactive policies are defined as: SU - Surrendered (once active, now cashed out) MA - Matured (reached end of accumulation) DE - Deceased (Claim paid out - zero balance) AN - Annuitized (in payout mode) CC - Cancelled (never active, withdrawn or declined) NT - Not Taken (Free look option exercised)</p>	
<p>Policies with Dist. Acct. #s only</p>	<p>Carriers should include all policies, with or without Distributor Account Numbers. BDs should ignore policies without if</p>	

	their business dictates.	
Positional Coding	Carriers will not be expected to code specific Contract Values nor Contract Dates to be placed in a fixed position within a record. BD's will be expected to evaluate the qualifying code to determine the type of value/date being provided.	
Including 1303 (underlying assets) record	Carriers will provide Underlying Assets data only when applicable to the product being reported on; BDs should not expect Underlying Assets data on products without underlying assets.	
Sending based on Qualified status	Carriers will send all policies regardless of Qualified status; BDs should ignore policies with qualified status not applicable to their business	
Standard Agent ID	Carriers should provide the Tax Identification number of the agent entity as a standard identifier. Carriers will not be expected to provide different types of ID's based on Trading Partner expectations.	
Original Contract Number	Carriers should utilize this field (item #3021) to provide previous contract numbers on internal conversions, 1035's, renewals, and other change processes which result in a new contract number being assigned within the same carrier organization. This will aid Distributors in linking reinvested monies. This field is not intended to provide other carrier's contract numbers.	

Policy Numbers	Carrier should provide policy/contract number as stored on their system less hyphens and other dividers (alpha/numeric), and no padding of zeros or truncating of the number.	If proprietary link exists, trading partners should evaluate policy number format. If it differs from NSCC standard, carrier should provide BD with a cross-reference file with old contract number and new contract number for clean up prior to testing. BD should look at all processes involving policy number for this clean up (commissions, positions, pricing, and other BD processes).
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