

Insurance Services e-news

JANUARY 2008

HAPPY NEW YEAR FROM THE INSURANCE SERVICES TEAM AT DTCC



Welcome to 2008. We are excited about what lies ahead. In the coming year, we are prepared to strengthen our role as the industry utility with all of the processing and storage capabilities that have transformed other major financial sectors. As a collaborator, catalyst and leader, DTCC is committed first and foremost to serving the business goals of our customers, helping to grow your business, reduce risk and lower costs.

Insurance Services Organizational Announcement

At the end of a record year for our business, we are pleased to share with you the news of two important organizational changes in our Insurance Services team at DTCC. On December 17th, Lenny Schmitt, former Executive Director of Morgan Stanley's Insurance Operations, joined us as the new head of Relationship Management. In addition, Lana Macumber, a key part of our management lineup since joining us in 2003, will be assuming the role of Director, Strategy and Business Development, an important new initiative as we embark on our second decade of working with the industry to automate insurance processing.

Lenny's record of success with Morgan Stanley and his distinguished reputation in the industry adds another dimension to the service capabilities of our staff already known for its professional expertise and experience. Lana's achievements are familiar to many of you during this critical period of growth for Insurance Services as she has played an important role in building our user community and developing new products. Lana and Lenny both represent our commitment at DTCC to attracting and retaining the best talent from throughout the industry. Lenny can be reached directly at 212.855.2636 or via e-mail at lschmitt@dtcc.com.

File Fee Elimination

Insurance Services at DTCC is starting its second decade of operation with a bang, eliminating as of January 2, 2008, all file fees associated with insurance products. These fees had been linked to all of the older core products including Insurance Services' largest-

volume service, Positions and Valuations (POV). With the end of file fees, customers will pay only per transaction costs for the services. The change is projected to deliver to customers approximately \$6 million in total annual savings. The latest action marks Insurance Services' second fee revision in six months. On July 1, a reduction for POV generated nearly \$3 million in savings. The modifications demonstrate DTCC's at-cost business model in action. This model incorporates continual reassessment and "right-sizing" of fees, first to ensure full cost recovery then to return excess revenues to customers.

Customer Satisfaction Survey

The 2008 Customer Satisfaction Survey will be sent out shortly. We strongly urge those of you who receive the survey to complete it, as this is an important mechanism for DTCC to measure our success and/or uncover areas for improvement in customer service. The survey will consist of two waves sent via the web; one will be distributed in late January and the other in early June. Each wave will use the same questionnaire. The January wave will be sent to half of the sample population and the remaining half will receive the survey in early June. In addition to the web survey, a small number of DTCC senior customer contacts will be surveyed via the telephone during the second wave and will be asked a combination of tactical and strategic questions. We would like to thank you in advance for participating and helping us provide better service to our customers.

Now Available: P.I.E.R. Reporting

Insurance Services launches a new FREE service.

The Participant Information and Efficiency Report, also known as P.I.E.R., will allow participants to retrieve predefined reports illustrating monthly statistics for their own IPS product usage as well as comparisons to other DTCC participants utilizing the various IPS services. Members can retrieve these reports from our DTCC WebDirect platform. Please contact your relationship manager for more information. Shortly we will also have a new section on our website, with more information about P.I.E.R.

L&A AccessSM (Update)

We are excited about the development of L&A AccessSM – our new stand-alone tool that will enhance the Licensing & Appointments (LNA) service by allowing distributors easy, web-based access to submit requests and receive confirmations regarding their producers. The new capability is part of our on-going effort to support distributors who may have difficulty securing financing or resources to engage a third-party solution provider. For more information please click [here](#) or contact Cory Stark at 212.855.1683 or cstark@dtcc.com.

Note: If your firm is interested in being a pilot volunteer on the carrier or distributor side please contact your RM or Cory for details.

Upcoming Events We Are Attending

Jan 28-30: FSI Broker Dealer Conference (Orlando, FL)

John Ziambras will address the LIMRA BD Committee on the industry's STP efforts on Jan 30th at 4:00pm.



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