Insurance Services e-news

NOVEMBER 2007

HAPPY 10TH ANNIVERSARY INSURANCE SERVICES

On November 11th Insurance Services at DTCC turns ten years old. For the last decade, Insurance Services has been providing customers with streamlined, end-to-end communication for the sale, processing and money settlement of annuities and life insurance products and, more recently retirement income programs. Reaching this 10-year milestone means more than looking back at our successes in bringing operational efficiencies and cost-reduction to the insurance sector; it also means that we face new service opportunities and challenges for a market that is changing in response to the huge numbers of baby boomers moving from the asset-accumulation stage to the payout stage.

The industry and DTCC have accomplished a great deal in the first ten years of our collaboration and we look forward to what lies ahead.

What does it mean to be a pilot firm?

Within e-news you will notice that many of our products under development are either in a pilot or pre-pilot phase. We solicit firms to volunteer for pilot testing because we depend on you, our customer, to define and ensure the products we offer meet industry needs. We want you to have an active voice when the time comes for finalizing technological structure and operational usage procedures related to the products. Other advantages of being part of a pilot include a startup pricing benefit and additional development support. We encourage you to reach out to the contacts specified for each development effort to receive more information on becoming a pilot participant.

Upcoming Holiday Processing Reminders

Veterans Day: Monday November 12th is a Bank Holiday. DTCC will be OPEN for business. All IPS edits will be accepted and processed. Output will be produced for all non-money settlement jobs (ACATS/IPS, AAP, FAR, POV). Output for settlement jobs (APP, COM, L&A, SUB) will be produced on Tuesday, November 13th.
Thanksgiving Day: Thursday November 22nd is an NYSE holiday; DTCC will be CLOSED for business. All edits will be accepted and processed. No output will be produced.

Upcoming Events

November 04-07: CSC Fall Client Conference
December 04-06: NAVA STP meeting

Retirement Income

The retirement income working group has completed their initial objectives. The group has recommended the addition of several fields and codes to the Position and Valuations layout so that carriers can improve the reporting of payout information. These changes will be included in the next enhancement release in March 2008.

In addition, the working group has documented a number of standard usage examples, which will be made available early in November. Phase II will begin shortly.

Fund Transfers

Fund Transfers, which enables the automated processing of a fund reallocation within a variable insurance product, began pilot testing on October 8th. DTCC is planning to launch this service in late November. If you are interested in learning more, please contact your relationship manager or Craig Gurien at cgurien@dtcc.com or 212.855.5649.

Replacements

We are currently finalizing pilot participation for Replacements. This product will provide a centralized system for the automation and standardization of 1035 Exchange and Qualified Transfer processing of life and annuity contracts between insurance carriers. We are still accepting carrier and distributor participants who are interested in volunteering for the pilot working group. Please contact Cory Stark at cstark@dtcc.com or 212.855.1683.

Attachments

Defined as a critical-path component of the NAVA STP initiative, this new service will provide a stand-alone process for participating members to electronically communicate ACORD XML messages containing imaged documentation, electronic signatures or electronic forms that can be linked to new business applications as well as other insurance transactions. While progress continues in the working group, we have begun to solicit participation for this pilot group. Please contact Randi Gordon at rbgordon@dtcc.com or 212.855.5654 for more information.

P.I.E.R. Reporting

Coming in 2008, Insurance Services will launch a reporting tool that 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 will be able to retrieve their reports from our DTCC WebDirect platform. Please contact your relationship manager for more information.

L&A Access℠

This product is scheduled for pilot testing during the 1st quarter of 2008. The service will provide an online entry tool designed to allow distributors to enter predefined required data for L&A transactions including appointments, terminations, address changes, and license updates. Participating distributors will also have access to a downloadable L&A confirmation report. For more information please contact Cory Stark at cstark@dtcc.com or 212.855.1683.

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