

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 25	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2014 - * 12	Amendment No. (req. for Amendments *)
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Filing by National Securities Clearing Corporation
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

To Amend NSCC's Rules and Procedures in connection with the Discontinuance of the Analytic Reporting Service.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Susana Last Name * Gonzalez
 Title * Director, Senior Associate Counsel
 E-mail * sgonzalez@dtcc.com
 Telephone * (813) 470-2886 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)
 Date 11/25/2014 Managing Director
 By Nikki Poulos
 (Name *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Persona Not Validated - 1398177138289,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) The proposed rule change is being filed by National Securities Clearing Corporation (“NSCC”) to amend Rule 57 (Insurance and Retirement Processing Services) and Addendum A (Fee Structure) of NSCC’s Rules & Procedures in connection with the discontinuance of the Analytic Reporting Service. The text of the proposed rule change is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Businesses and Products Committee of the Board of Directors by unanimous written consent on November 19, 2014.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Statement of Purpose.

Background. In 2011, NSCC launched the Analytic Reporting Service (“Service”) as part of NSCC’s suite of insurance and retirement services.¹ The Service gives subscribing NSCC members access to aggregated insurance products information, including benchmarking information and league tables (such aggregated information, collectively, “Analytics Data”). The Analytics Data produced by the Service is primarily sourced from data and information transmitted to NSCC by its members in connection with NSCC’s other insurance and retirement service (“IPS Data”). In 2013, at members’ requests, NSCC enhanced the Service to among other things include, as source data for the Service, insurance transaction data processed outside of NSCC but submitted to NSCC for inclusion in the Service by its members and other third parties (“Storage Data”).²

Prior to implementation of the Service, the suite of insurance and retirement services consisted of transmission and receipt of IPS Data from one member to another, with NSCC merely serving as a conduit for such exchanges of information. With the implementation of the Service, NSCC began maintaining and storing IPS Data for purposes of creating Analytics Data.

Proposed Rule Change. Since its launch, subscribers to the Service have been few, and presently, there are only 12 members subscribing. As a result, NSCC is not recovering the costs of maintaining the Service. For this reason, NSCC proposes to amend Rule 57, Section 12 to eliminate the Service. All 12 members have been notified

¹ Securities Exchange Act Release No. 63604 (December 23, 2010), 75 FR 82115 (December 29, 2010) (SR-NSCC-2010-18).

² Securities Exchange Act Release No. 69824 (June 21, 2013), 78 FR 38743 (June 27, 2013) (SR-NSCC-2013-08).

of NSCC's intention to discontinue the Service, and though some of the members have expressed disappointment that the Service is being discontinued, none have objected. Accordingly, NSCC will discontinue the Service effective the close of business on December 31, 2014, or if Securities and Exchange Commission ("Commission") approval is later than such date, immediately upon Commission approval.

In addition, NSCC will amend Addendum A, to remove the fee structure applicable to the Service.

As noted above, prior to implementation of the Service, NSCC did not maintain or store any IPS Data; it merely transmitted such data from one member to another. In connection with elimination of the Service, NSCC proposes to amend Rule 57, Section 1, to explicitly state that NSCC will maintain and store IPS Data transmitted to it by and between its members, which IPS Data has not otherwise been rejected, withdrawn or deleted pursuant to the provisions of Rule 57.³ NSCC shall also retain the right to evaluate the usefulness of such IPS Data, including by providing such IPS Data to third parties under appropriate agreements of confidentiality and to prohibit such third parties from using such IPS Data other than for evaluation of such IPS Data's potential usefulness. Any proposed future use by NSCC of such stored and maintained IPS Data shall be subject to a proposed rule change filing with the Commission. With respect to Storage Data supplied to NSCC for inclusion in the Service, NSCC shall only retain such Storage Data in compliance with its data retention policy and shall dispose of all Storage Data in accordance with such policy. Storage Data shall not be stored or maintained for purposes of evaluation for future use by NSCC.

(b) Statutory Basis. NSCC believes that the proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended ("Act"), and the rules and regulations thereunder applicable to NSCC, in particular Section 17A(b)(3)(F) of the Act,⁴ which requires that NSCC's Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions. Given the limited number of subscribers to the Service, NSCC has determined that it is not economically efficient to maintain the Service. As such, by identifying and eliminating a Service that is not economically efficient, NSCC can better apply its economic resources, which promotes the prompt and accurate clearance and settlement of securities transactions. Further, discontinuance of the Service will be implemented consistently with the safeguarding of securities and funds in NSCC's custody or control or for which NSCC is responsible because the Service is strictly an information service; accordingly,

³ NSCC notes that IPS Data that constitutes "Clearing Data" is and will be subject to the prohibitions, limitations and exceptions set forth in Rule 49 (Release of Clearing Data and Clearing Fund Data). In general, Rule 49 limits NSCC's ability to release Clearing Data relating to transactions of a particular participant. Rule 49 defines "Clearing Data" as transaction data which is received by NSCC for inclusion in the clearance and/or settlement process of NSCC, or such data, reports or summaries thereof, which may be produced as a result of processing such transaction data.

⁴ 15 U.S.C. 78q-1(b)(3)(F).

discontinuance of the Service will neither directly nor indirectly affect NSCC's safeguarding of securities or funds in its custody or control or for which it is responsible.

4. Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will have any impact, or impose any burden on competition.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments relating to the proposed rule change have not yet been solicited or received. NSCC will notify the Commission of any written comments when received by NSCC.

6. Extension of Time Period for Commission Action

NSCC does not consent to an extension of the time period specified in Section 19(b)(2) of the Act for Commission action.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Not applicable.

Exhibit 1A – Notice of Proposed Rule Change for publication in the Federal Register.

Exhibit 2 – Not applicable.

Exhibit 3 – Not applicable.

Exhibit 4 – Not applicable.

Exhibit 5 – Proposed Changes to Rule Text.

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-[_____]; File No. SR-NSCC-2014-12

[DATE]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing of Proposed Rule Change to amend NSCC's Rules and Procedures in connection with the Discontinuance of the Analytic Reporting Service

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on _____, 2014, National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Item I, II and III below, which Items have been prepared primarily by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to Rule 57 (Insurance and Retirement Processing Services) and Addendum A (Fee Structure) of NSCC's Rules & Procedures in connection with the discontinuance of the Analytic Reporting Service, as more fully described below. The text of the proposed rule change is available on NSCC's website at <http://www.dtcc.com/legal/sec-rule-filings.aspx>, at the principal office of NSCC, and at the Commission's Public Reference Room.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

In its filing with the Commission, NSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NSCC has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Statement of Purpose

Background. In 2011, NSCC launched the Analytic Reporting Service (“Service”) as part of NSCC’s suite of insurance and retirement services.³ The Service gives subscribing NSCC members access to aggregated insurance products information, including benchmarking information and league tables (such aggregated information, collectively, “Analytics Data”). The Analytics Data produced by the Service is primarily sourced from data and information transmitted to NSCC by its members in connection with NSCC’s other insurance and retirement service (“IPS Data”). In 2013, at members’ requests, NSCC enhanced the Service to among other things include, as source data for the Service, insurance transaction data processed outside of NSCC but submitted to NSCC for inclusion in the Service by its members and other third parties (“Storage Data”).⁴

Prior to implementation of the Service, the suite of insurance and retirement services consisted of transmission and receipt of IPS Data from one member to another, with NSCC merely serving as a conduit for such exchanges of information. With the implementation of

³ Securities Exchange Act Release No. 63604 (December 23, 2010), 75 FR 82115 (December 29, 2010) (SR-NSCC-2010-18).

⁴ Securities Exchange Act Release No. 69824 (June 21, 2013), 78 FR 38743(June 27, 2013) (SR-NSCC-2013-08).

the Service, NSCC began maintaining and storing IPS Data for purposes of creating Analytics Data.

Proposed Rule Change. Since its launch, subscribers to the Service have been few, and presently, there are only 12 members subscribing. As a result, NSCC is not recovering the costs of maintaining the Service. For this reason, NSCC proposes to amend Rule 57, Section 12 to eliminate the Service. All 12 members have been notified of NSCC's intention to discontinue the Service, and though some of the members have expressed disappointment that the Service is being discontinued, none have objected. Accordingly, NSCC will discontinue the Service effective the close of business on December 31, 2014, or if Commission approval is later than such date, immediately upon Commission approval.

In addition, NSCC will amend Addendum A, to remove the fee structure applicable to the Service.

As noted above, prior to implementation of the Service, NSCC did not maintain or store any IPS Data; it merely transmitted such data from one member to another. In connection with elimination of the Service, NSCC proposes to amend Rule 57, Section 1, to explicitly state that NSCC will maintain and store IPS Data transmitted to it by and between its members, which IPS Data has not otherwise been rejected, withdrawn or deleted pursuant to the provisions of Rule 57.⁵ NSCC shall also retain the right to evaluate the usefulness of such IPS Data, including by providing such IPS Data to third parties under appropriate agreements

⁵ NSCC notes that IPS Data that constitutes "Clearing Data" is and will be subject to the prohibitions, limitations and exceptions set forth in Rule 49 (Release of Clearing Data and Clearing Fund Data). In general, Rule 49 limits NSCC's ability to release Clearing Data relating to transactions of a particular participant. Rule 49 defines "Clearing Data" as transaction data which is received by NSCC for inclusion in the clearance and/or settlement process of NSCC, or such data, reports or summaries thereof, which may be produced as a result of processing such transaction data.

of confidentiality and to prohibit such third parties from using such IPS Data other than for evaluation of such IPS Data's potential usefulness. Any proposed future use by NSCC of such stored and maintained IPS Data shall be subject to a proposed rule change filing with the Commission. With respect to Storage Data supplied to NSCC for inclusion in the Service, NSCC shall only retain such Storage Data in compliance with its data retention policy and shall dispose of all Storage Data in accordance with such policy. Storage Data shall not be stored or maintained for purposes of evaluation for future use by NSCC.

2. Statutory Basis

NSCC believes that the proposed rule change is consistent with the requirements of the Act, and the rules and regulations thereunder applicable to NSCC, in particular Section 17A(b)(3)(F) of the Act,⁶ which requires that NSCC's Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions. Given the limited number of subscribers to the Service, NSCC has determined that it is not economically efficient to maintain the Service. As such, by identifying and eliminating a Service that is not economically efficient, NSCC can better apply its economic resources, which promotes the prompt and accurate clearance and settlement of securities transactions. Further, discontinuance of the Service will be implemented consistently with the safeguarding of securities and funds in NSCC's custody or control or for which NSCC is responsible because the Service is strictly an information service; accordingly, discontinuance of the Service will neither directly nor indirectly affect NSCC's safeguarding of securities or funds in its custody or control or for which it is responsible.

⁶ 15 U.S.C. 78q-1(b)(3)(F).

(B) Clearing Agency's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will have any impact, or impose any burden on competition.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments relating to the proposed rule change have not yet been solicited or received. NSCC will notify the Commission of any written comments when received by NSCC.

III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove such a proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NSCC-2014-12 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NSCC-2014-12. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of NSCC and on NSCC's website (<http://www.dtcc.com>). All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NSCC-2014-12 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Secretary

⁷ 17 CFR 200.30-3(a)(12).

Bolded, underlined text indicates added language

~~Bolded, strikethrough texts~~ indicates deleted language



**NATIONAL
SECURITIES
CLEARING
CORPORATION**

RULES & PROCEDURES

RULE 57. INSURANCE AND RETIREMENT PROCESSING SERVICES

SEC. 1. (a) The Corporation may provide a service to enable Members, Mutual Fund/Insurance Services Members, Insurance Carrier/Retirement Services Members and Data Services Only Members to transmit such data and information relating to IPS Eligible Products (the "IPS Data") and, with respect to Members, Mutual Fund/Insurance Services Members and Insurance Carrier/Retirement Services Members, to settle payments relating to insurance products between themselves. Such services shall be known as the Insurance and Retirement Processing Services ("IPS") and will be accomplished in accordance with the provisions of this Rule.¹

(b) Each Member, Mutual Fund/Insurance Services Member, Insurance Carrier/Retirement Services Member and Data Services Only Member that desires access to IPS must complete and deliver to the Corporation such agreements as the Corporation may from time to time require.

(c) IPS Data must be submitted to the Corporation in such formats and by such times as established by the Corporation from time to time, and, depending upon the type of IPS Data submitted, may require a response from the receiver of IPS Data.

(d) The Corporation will review IPS Data received from Insurance Carrier/Retirement Services Members, Mutual Fund/Insurance Services Members, Members and Data Services Only Members for such information as the Corporation determines from time to time to be necessary. If the IPS Data does not contain the information required by the Corporation, the Corporation will reject the IPS Data and will advise the appropriate Insurance Carrier/Retirement Services Member, Member, Mutual Fund/Insurance Services Member, or Data Services Only Member in such form and by such time as established by the Corporation from time to time.

(e) If the IPS Data appears to contain the information required by the Corporation, subject to any rights the Corporation may have as provided in the Rules generally, the Corporation will transmit the IPS Data to the appropriate Insurance Carrier/Retirement Services Member, Member, Mutual Fund/Insurance Services Member, or Data Services Only Member in such form and by such time as established by the Corporation from time to time.

(f) Pursuant to the policies established by the Corporation from time to time, the Corporation will notify, in such form and at such times as established by the Corporation from time to time, an Insurance Carrier/Retirement Services Member, Member, Mutual Fund/Insurance Services Member, or Data Services Only Member, in respect of certain IPS Data which requires a response, if no such response has been received by the Corporation.

¹ The Insurance and Retirement Processing Services were formerly known as the "Insurance Processing Service".

(g) Pursuant to the policies established by the Corporation from time to time, a submitter of IPS Data can withdraw certain IPS Data submitted by submitting an instruction to the Corporation in such form and by such time as established by the Corporation from time to time. Upon receipt of a withdrawal instruction, the Corporation will (i) delete from IPS the IPS Data withdrawn and (ii) notify the appropriate party of the withdrawn IPS Data in such form and by such time as established by the Corporation from time to time. **Unless IPS Data is rejected, withdrawn or deleted from IPS as provided herein, the Corporation will store and maintain all IPS Data submitted to it for transmission between and among Members, Mutual Fund/Insurance Services Members, Insurance Carrier/Retirement Services Members and Data Services Only Members and be permitted to evaluate the usefulness of such IPS Data, including by providing such IPS Data to third parties under appropriate agreements of confidentiality and to prohibit such third parties from using such IPS Data other than for evaluation purposes.**

(h) Notwithstanding the foregoing, nothing prohibits an Insurance Carrier/Retirement Services Member, Mutual Fund/Insurance Services Member, Member or Data Services Only Member from requiring data or information in addition to any IPS Data that has been transmitted through the Corporation.

(i) Submission of IPS Data to, or alteration or withdrawal of IPS Data from, the Corporation shall not relinquish, extinguish or affect any legal or regulatory right or obligation of the Member, Mutual Fund/Insurance Services Member, Insurance Carrier/Retirement Services Member or Data Services Only Member.

(j) The Corporation will not be responsible for the completeness or accuracy of the IPS Data received from or transmitted to an Insurance Carrier/Retirement Services Member, Member, Mutual Fund/Insurance Services Member, or Data Service Only Member transmitted through IPS nor for any errors, omissions or delays which may occur in the absence of gross negligence on the Corporation's part, in the transmission of such IPS Data to or from an Insurance Carrier/Retirement Services Member, Member, Mutual Fund/Insurance Services Member, or Data Services Only Member.

(k) Settlement of money payments in respect of IPS transactions shall be made in accordance with Rule 12 and other provisions of these Rules. At any time, the Corporation may prohibit any payment from settling through IPS if the Corporation, in its discretion, determines that such action is necessary for the protection of the Corporation, Members, Mutual Fund/Insurance Services Members, Insurance Carrier/Retirement Services Members, creditors or investors.

(l) If at any time the Corporation fails to receive payment from a Member, Mutual Fund/Insurance Services Member or Insurance Carrier/Retirement Services Member which payment was to be used to make payment to the contra side of the IPS transaction, the Corporation, in its discretion, may reverse in whole or in part any credit previously given to the Member, Mutual Fund/Insurance Services Member, or Insurance Carrier/Retirement Services Member who is the contra side to the IPS transaction, within such time frame as determined by the Corporation from time to time.

ANALYTIC REPORTING SERVICE

~~SEC. 12. (a) The Corporation may provide a service (the “Analytic Reporting Service”) to enable NSCC Members or Limited Members to access aggregated information from all participating sources related to the insurance products market, including benchmarking information and league tables (such aggregated information referred to as “Analytics Data”). The Analytic Reporting Service may provide a mechanism for comparing and benchmarking the particular NSCC Member’s or Limited Member’s data to the Analytics Data. The Corporation may make Analytics Data available to parties that are not existing NSCC Members or Limited Members.~~

~~(b) The Analytics Data produced by the Corporation shall be sourced from the IPS Data processed through the Corporation, as well as from other data and information related to the insurance products market that is otherwise supplied to the Corporation by Members, Limited Members or other parties that are not NSCC Members or Limited Members for purposes of creating Analytics Data (such other data referred to as “Storage Data”). IPS Data and Storage Data are collectively referred to as “Source Data” with respect to Analytics Data.~~

~~(c) The Analytic Reporting Service is a service offered by the Corporation to NSCC Members and Limited Members on such Member’s or Limited Member’s behalf. The Corporation will not use or disclose the Storage Data received by the Corporation other than for purposes of providing Analytics Data and other purposes permitted under applicable law.~~

~~(d) The Analytic Reporting Service will permit an NSCC Member or Limited Member to preclude the disclosure or attribution of its Source Data, in order to permit compliance with the laws and regulations governing disclosure of such information prior to earnings reporting. It is ultimately the responsibility of the NSCC Member or Limited Member to determine whether the Analytic Reporting Service process for avoiding disclosure meets its legal requirements and to determine whether disclosure is permissible.~~

~~(e) “Opting-Out”. For purposes of this rule, the term “Opting-Out” shall mean that an NSCC Member or Limited Member elects to prevent the attribution of Source Data to it either individually or in a readily discernible individualized manner as part of the Analytic Reporting Service. To “Opt-Out”, an existing NSCC Member or Limited Member must provide NSCC with written notice of its election within the initial ninety (90) day election period. A new NSCC Member or Limited Member may notify NSCC of its election to “Opt-Out” at any time prior to account activation. Once an NSCC Member’s or Limited Member’s Source Data is included in the Analytic Reporting Service in a readily discernible or individualized manner, the NSCC Member or Limited Member may elect at any time to discontinue having NSCC attribute its Source Data in the Analytic Reporting~~

~~Service by providing NSCC with thirty (30) days written notice of its “Opt-Out” election. For purposes of the Analytic Reporting Service, an NSCC Member or Limited Member that does not elect to “Opt-Out” as provided in this section, shall be deemed to have consented to the release of its Source Data as part of the Analytics Data for the purposes of Rule 49.~~

~~(f) — Each NSCC Member and Limited Member that elects to submit any Storage Data represents to the Corporation:~~

~~(i) — that it has the right to submit such Storage Data to the Corporation;~~

~~(ii) — that either:~~

~~A. no third party consents are required in connection with submission to the Corporation of any Storage Data, or~~

~~B. if any third party consents are required in connection with submission to the Corporation of any Storage Data, it has obtained all such third party consents;~~

~~(iii) — that it has the right to allow the Corporation to use such Storage Data in the creation of the Analytics Data that shall be reported to third parties; and~~

~~(iv) — that either:~~

~~A. it has made the notices, and offered the rights, to individuals with regard to its submission of such Storage Data to the Corporation for use in preparing Analytics Data that is reported to third parties, as required by applicable privacy regulations under the Gramm-Leach-Bliley Act; or~~

~~B. if it is not the appropriate party, it has ensured that the appropriate party has made the notices, and offered the rights, to individuals with regard to such NSCC Member or Limited Member’s submission of such Storage Data to the Corporation for use in preparing Analytics Data that is reported to third parties, as required by applicable privacy regulations under Gramm-Leach-Bliley Act.~~

~~Each NSCC Member and Limited Member that elects to submit any Storage Data agrees that it shall indemnify the Corporation, and any of its employees, officers, directors, shareholders, agents, and participants who may sustain any loss, liability or expense as a result of the Corporation’s reliance upon such Member’s or Limited Member’s representations set forth in this Section.~~

~~(g) Because Analytics Data is based solely upon Source Data provided to the Corporation, the Corporation makes no representation or warranty that any Analytics Data accurately reflects past, present or future market performance, nor does the Corporation guarantee the adequacy, accuracy, timeliness or~~

~~completeness of any Analytics Data or its fitness for any purpose. The Corporation shall not be subject to any damages or liabilities whatsoever with respect to any errors, omissions or delays in any Analytics Data nor for any party's use of or reliance upon any Analytics Data.~~

~~*****~~

ADDENDUM A

NATIONAL SECURITIES CLEARING CORPORATION

FEE STRUCTURE

IV. OTHER SERVICE FEES

K. Insurance and Retirement Processing Services^{6, 7}

1. Transaction Fees

⁶ Unless otherwise noted, all Insurance and Retirement Processing Services transaction fees are per side, and both sides are charged for each item. Volume is calculated on an aggregate basis among qualified carrier members or qualified distributor members, as applicable.

BIN and REP Incentive Discount: Effective October 1, 2009, Participants that submit BIN or REP transactions (i.e., In Force Transactions-Registered Representative Change Requests or Confirms (2.f. and 2.g. of this Section T., also referred to as "REP" transactions) and -Brokerage Identification Number Change Requests or Confirms (2.h. and 2.i. of this Section T., also referred to as "BIN" changes) will receive the first \$350 in such transactions, each month, at no cost.

In addition, effective October 1, 2009, Participants that submit BIN or REP transactions will receive a credit of 30% of the BIN and REP transaction costs (net of the monthly \$350 discount) to be applied to fees charged (but not to exceed the amount charged) in respect of Insurance and Retirement Services "Core Products". Core Products are the following: Positions, Commissions, Financial Activity Reporting, Applications/Subsequent Premiums, and Asset Pricing.

⁷ Extraordinary Event Pricing: if arranged in advance with NSCC, a Participant may qualify for a credit on transaction fees incurred due to extraordinary events such as mergers or mass reconciliations that generate unusually high transaction volume for a limited duration. With respect to transaction types for which the participant has no history of prior usage, the credit is in the amount of 85% of the transaction fees chargeable in respect of the transaction type, with an additional credit in the amount of 5% if the participant continues use of the transaction type after the event. With respect to transaction types for which the participant has a history of prior usage, the credit is in an amount sufficient to produce an aggregate fee for the transaction type that is no more than 120% of the average amount charged to the participant in respect of such transactions in the prior three months.

g. Analytic Reporting Service

Version⁹	Monthly Fee			Opt-Out Members
	Tier 1¹⁰	Tier 2¹¹	Tier 3¹²	
Release 1.0	\$1,000	\$750	\$500	\$1,667
Release 2.0	\$3,000	\$2,250	\$1,500	\$5,000
Release 3.0	\$8,000	\$6,000	\$4,000	\$13,333
Release 4.0	\$10,500	\$7,875	\$5,250	\$17,500
Release 5.0	\$12,000	\$9,000	\$6,000	\$20,000

⁹ ~~Roll out of each subsequent Release Version will be based on client feedback and the timing of functionality enhancements. Roll out of each subsequent Release Version supersedes and replaces the immediately preceding Release Version.~~

¹⁰ ~~Tier 1 = Carriers with \$25 billion or more in assets; Dealers with 10,000 or more financial advisors.~~

¹¹ ~~Tier 2 = Carriers with \$4 billion or more, but less than \$25 billion, in assets; Dealers with 3,000 or more, but less than 10,000, financial advisors.~~

¹² ~~Tier 3 = Carriers with less than \$4 billion in assets; Dealers with less than 3,000 financial advisors.~~

O. Alternative Investment Products

1. Higher Volume¹³⁹ Eligible AIP Product Fees

i. Records

- | | | |
|----|--|-------------------|
| A. | The first 2,999,999 records per calendar year | \$0.10 per record |
| B. | The next 1,000,000 records per calendar year ¹⁴¹⁰ | \$0.09 per record |
| C. | The next 1,000,000 records per calendar year ¹⁵¹¹ | \$0.08 per record |
| D. | All additional records ¹⁶¹² | \$0.07 per record |

ii. Trades

- | | | |
|----|--|------------------|
| A. | The first 10,000 trades per calendar year | \$5.00 per trade |
| B. | The next 10,000 trades per calendar year ¹⁷¹³ | \$4.75 per trade |
| C. | The next 10,000 trades per calendar year ¹⁸¹⁴ | \$4.50 per trade |
| D. | All additional trades ¹⁹¹⁵ | \$4.00 per trade |

2. Lower Volume²⁰¹⁶ Eligible AIP Product Fees

- | | | |
|----|---------|-------------------|
| i. | Records | \$1.00 per record |
|----|---------|-------------------|

¹³⁹ Higher volume Eligible AIP Products are identified in subsection 3.

¹⁴¹⁰ i.e., the 3,000,000th to 3,999,999th records submitted in a calendar year.

¹⁵¹¹ i.e., the 4,000,000th to 4,999,999th records submitted in a calendar year.

¹⁶¹² i.e., the 5,000,000th and higher records submitted in a calendar year.

¹⁷¹³ i.e., the 10,001st to 20,000th trades submitted in a calendar year.

¹⁸¹⁴ i.e., the 20,001st to 30,000th trades submitted in a calendar year.

¹⁹¹⁵ i.e., the 30,001st and higher trades submitted in a calendar year.

²⁰¹⁶ Lower volume Eligible AIP Products are identified in subsection 3.

ii. Trades \$30.00 per trade

3. ELIGIBLE AIP PRODUCT	HIGHER VOLUME	LOWER VOLUME	FEE ²⁴¹⁷ CAP
Hedge Fund		√	
Fund of Funds		√	
Private Equity Fund		√	
Managed Debt Fund		√	
Private Debt Fund		√	
Managed Currency Fund		√	
Commodity Pool Fund		√	
REIT	√		√
Managed Future Fund	√		√
Business Development Corporation (BDC)	√		√
Registered Hedge Fund ²²¹⁸	√		
Oil & Gas Public	√		√
Oil & Gas Private	√		√
Equipment Leasing Public	√		√
Equipment Leasing Private	√		√
Futures Public	√		√
Futures Private	√		√

²⁴¹⁷ If column is checked, the applicable fees apply to all entities processing such products through AIP; however, the maximum charge for AIP Distributors in this regard is a cumulative maximum (for submission of records and trades) of \$50,000 per calendar year.

²²¹⁸ For purposes of the Alternative Investment Products fee structure, "Registered Hedge Fund" shall mean hedge funds that are registered under the Investment Company Act of 1940, as amended.

3. ELIGIBLE AIP PRODUCT	HIGHER VOLUME	LOWER VOLUME	FEE ²⁴¹⁷ CAP
Notes Public	√		√
Notes Private	√		√
Real Estate Public	√		√
Real Estate Private	√		√
Closed End Management Investment Company	√		√
All Other		√	

V. PASS-THROUGH AND OTHER FEES

A. Participant Fees - represents the monthly fee for each number assigned to a Member or Municipal Comparison Only Member for participation by each Member or Municipal Comparison Only Member under such number in one or more of the specified services provided by the Corporation. The services and their related base fees are:

1. Trade Processing System

For Members	\$300.00 per month, per account
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2. Trade input, either (a) as a Service Bureau or (b) by an affiliated Service Bureau

	\$250.00 per month
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3. Global Clearance Network Service

	\$100.00 per month
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4. International Link Service

	Per Agreement with Link Service Participant
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B. Special Service Fees:

1. Commission Billing:

a. Debit	\$.50 per item
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	b. Credit	\$.50 per item
2.	DTC Sponsored Accounts – available to each CNS participant who is not also a participant of DTC:	Cost
3.	Output Fees	
	a. Machine Readable Output	\$10.00 per tape
	b. Service Bureau Tapes	\$2.50 per tape
	c. Magnetic Tape not returned	\$20.00 per tape
	d. Printed Output Reports:	
	For Members with less than 20,000 lines per month	No charge
	For Members with 20,000 or more lines per month	\$4.00 per each 1000 lines
4.	Microfiche Reports	\$3.00 per fiche
5.	Special Research	\$25.00 per hour
6.	Domestic Portfolio Composition File	\$125.00 per month per file
7.	Foreign Portfolio Composition File	\$125.00 per month per file
8.	Subscription-based Portfolio Composition File Reporting	\$3.00 per unit per month for the first zero to 200 average daily units ²³¹⁹
		\$2.00 per unit per month for the next 300 average daily units (201st to 500th units)
		\$1.00 per unit per month for all average daily units above 500 (501 st and above)
		\$600 minimum; ²⁴²⁰ \$1,550 maximum per month

²³¹⁹ “Units” refers to the number of portfolio subscriptions for each billing month.

Unit charges are calculated by applying the tiered fee structure to the average daily number of units subscribed for by the Member in the billing month.

C. Pass-Through Expenses:

1. Communications
 - a. Communications Access Cost
 - b. Telephone toll calls Cost
 - c. Failure to migrate from legacy networks to SMART and/or SFTI Cost²⁵²¹
2. Forms Cost
3. Miscellaneous Expenses: Cost
Any other expense not specified above, whether one-time or recurring, which the Corporation may incur on behalf of a Member at a Member's request

²⁴²⁰ From June 2, 2014 until December 31, 2015, the minimum will be \$300 per month and, thereafter the minimum will increase to \$600 per month and this footnote will be deleted.

²⁵²¹ The entire cost of supporting the legacy network connections will be allocated among the remaining users pro rata.