Meeting Minutes –I&RS Review Board

CATEGORY	DESCRIPTION
Meeting Name:	DTCC I&RS Review Board
Facilitator	Jeanann Smith, Cory Stark
Scribe	Jeanann Smith
Date & Time:	November 5th, 2019 2pm – 3:30pm
Location:	Conference Call

Advisory Group Attendees

NAME	GROUP
Karen Mottley	ACORD
Adam Neumann Dan Surber Harisudhan Janakiraman	AIG
Weusi Sharp	Albridge
Carol Albright	Allstate
Travis Misslin	Ameriprise
Patrick Ketchoyian	Annexus
Susanne Kennedy Makayla Briggs	Athene
Dawn Maffiolini Danny Avalos	Delaware life
Jon Volpe Jeanann Smith Jovani Munoz Cory Stark	DTCC
Bryan Holland Saul Herrera	EBIX
Ryan Brown Stephanie Reinagel Krysti Spohn	Edward Jones
JoAnn Booth	Fidelity
Jennifer Yerly	Genworth
Ellen Lester Stephen Kilbon	Global Atlantic
David Desrocher	Insurance Technologies
Andrew McMorris Jay Rottenberk Ana Doucet Dave Lamphere	iPipeline
Sarah Mudge Jacob Wootten Chris Muffett	Jackson National
Dan Falco	John Hancock

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Dan Wilson Todd France Rachel Smith	Lincoln
Carol Steele Angela Thompson	Merrill Lynch
Mark Watermiller	MetLife / Brighthouse
Sarah Baraff	M Financial
Joe Wengler	Morgan Stanley
Matthew Sullivan	New York Life
Sarah Seifert	Ohio National
Joe Procacini	Pacific Life
Mike Mccombs	Principal
Steven Vanzant	Protective
April Ramos Michael Syrett Thomas Tofil Nancy Pica	Prudential
Stephen Terry	Raymond James
Michelle Path	Sammons Financial
Beverly Erieau	Securian
Kathi Carter Shelley Wallace Ryan Hoffman	Stifel
Chani Lu Allie Floro Wendell Tobiason Brent Wirth	Symetra
Martha Iacobucci	The Hartford
Truda Wodke Emily Cole Brian Gossman Fran Forslund Nancy Merryman	TransAmerica
Jonas Hellie Emily Pletsch Colleen Murphy Carolyn Palmer Gregory Searle Ben Daniels April Grover	Wells Fargo
Laura Mancini	Western & Southern

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Enhancements Re-Reviewed:

No enhancements were re-reviewed.

New Enhancements Reviewed:

IPS00638 – APP – Add New Contract Entity Role

The request to identify not only the original decedent, but the secondary decedent as well to track the money movement was brought up to the Review Board. The suggestion to add a new code to identify the secondary decedent was discussed and approved by the Review Board. The new code will be added to the Contract Entity Role code list (item# 4081) on the Contract Entity ID Record (33/17) as follows:

- **D2 – Secondary Decedent**

This is approved for the January 2020 Code List Release

As part of the March 2020 Release the Review Board was reminded of the modifying of the current edit for the Contract Entity Tax Status Field (item# 4102) on the Entity Relationship Record (33/18). The new edit is the following in bold:

- When Natural/Non-Natural Entity Name Indicator = N ***and Contract Entity Role is not equal to DE or D2, item # 4093, 4098, and 4102 are required.***

IPS00639 – POV – Add New Contract Valuation Codes

AIG requested adding two new Contract Value Qualifiers in POV. One qualifier will communicate daily changes to GMWB income base values that are used to calculate potential rider income for policyholders. The second qualifier will represent the value of an optional death benefit which is linked to the income rider and offers a death benefit payout option that is higher than the standard death benefit on the contract. These values would be added to the 1302 record (#3102) as follows:

- DI - “Daily Income Base Tracking”
- IR - “Income Rider Death Benefit”

This is approved for the January 2020 Code List Release

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IPS00640 – APP/SUB, POV, FAR – Modify Product Type Edit

DTCC suggested making the Product Type code a mandatory field for APP/SUB, POV, and FAR which is currently an optional field. Having these fields as mandatory will be a crucial data point in the Insurance Information Exchange (IIEX) data marketplace. These changes would occur on the following records:

- # 3025 on 13/01 Contract Record on POV
- # 5139 on 43/01 Contract Record on FAR
- # 4442 on 33/35 – 01 Application Record on APP/SUB

The Review Board discussed these changes and agreed to have POV and FAR Product Type as mandatory fields. Some do not use Product Type in APP/SUB therefore, the suggestion to remove it from making this change was brought up. The Review Board will circle back once getting more internal confirmation.

This is approved for the March 2020 Release

Discussion Items

- **Important notice**

In addition, DTCC will be having an internal IT Freeze. Please be aware that no enhancements to PSE or Production can occur during that time. The dates of this freeze are the following:

December 9th, 2019 through January 6th, 2020.

- **Reminder: Production processing change due to Reg SCI weekend testing**
    - October 26, 2019
        - 18 firms sent in 37 files after 'system' close for testing and needed to be re-sent with Monday's date
- **MyDTCC – DTCC's New Personalized Client Website**
    - Launched October 21st

The Review Board were informed of DTCC's new "MyDTCC" which was previously named Portal. MyDTCC has new functionalities that are available to use. The link to MyDTCC is the following:

https://portal.dtcc.com/

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- **Discuss standard usage**
    - Settlement - Custodially Owned Death Benefit Payouts – Current Edit
        - STL Item # 2014 – Relation Role Code
            - Item #2014, Data is optional when Transaction Type – DB or DR. Required for all other valid transaction types.
            - Item #2020 (first name) and 2021 (last name), required if the transaction type (2003) is DR; otherwise optional.

    - Positions & Valuations
        - Death Benefit Details & Definitions
        - Contract Date Qualifier (603) Definition
            - For fixed annuities with an interest rate duration, renewal data is the data the interest rate duration (e.g. 1 year, 2 year, 6 year, 10 year) expires and a new interest rate duration is elected, contract internally/externally exchanged or surrendered. Generally, if a new rate duration is not elected, contract will renew into existing duration of the next closest duration.

The Review Board went over the Death Benefit Details file. There were several uncertainties and the Review Board agreed to take a deeper look into this and discuss on the next call.

DTCC informed the Review Board that the renewal date from the 1306 record will be removed from the code list. It was pointed out that there are multiple rates in different records (i.e. 03 and 04) which can be misleading and the suggestion to remove some of those rates was brought up. ***As a takeaway, the Review Board needs to look into this and be prepared to discuss on the next meeting.***

        - Product Share Class Definitions
        - Fee Based vs Commission Based Indicator at Contract Level

Discussion on the Product Share Class Definitions brought up uncertainties. The Review Board agreed to go over these definitions and discuss on the next meeting.

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The Review Board confirmed that Fee Based and Commission Based are two different products and have two different cusips.

- Usage of Valuation Date (0005) on Submitting Participant
- Cost Basis POV Data Points
  - Pre-TEFRA
  - Post-TEFRA
  - Cost Basis

These points were not covered during this meeting due to time constraints. The Review Board will discuss these points on the next meeting.

Next Call:

Tuesday, December 3rd, 2019 at 2:00 – 3:30pm ET

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