

## Meeting Minutes –I&RS Review Board

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| Category | **description** |
| Meeting Name: | DTCC I&RS Review Board |
| Facilitator | Jovani Munoz |
| Scribe | Jovani Munoz |
| Date & Time: | January 4, 2022 |
| Location: | Conference Call |

# Advisory Group Attendees

|  |  |
| --- | --- |
| **Name** | **Group** |
| Karen Mottley  Yolanda Austin | ACORD |
| Harisudhan Janakiraman  Lalitha Nagarajan  Raja Perumal Ramachandran | AIG |
| Bryan Fort  Scot Hosler | Albridge |
| Cindy Robeck  Aaron Feia  Shelley Wallace | Allianz |
| Velma Quintero  Carla Prado | Allstate |
| Monica Clancy | Ameritas |
| Jonna Sandegren  Michael Deal  Elizabeth Hopkins | Athene |
| Angie Thompson | Bank of America |
| Weusi Sharp | BNY Mellon |
| Kelly Dinville  Rajni Chanshetty  Mark Watermiller | Brighthouse |
| Kevin Lowe | Broadridge |
| Ron Gibney  Jean Randall | Cetera |
| Christine Phuong  Niloufer Rodrigues | Citizens Securities |
| Nick Remy  Cathy Weidman  Jentry Miller | Cuna Mutual |
| Jovani Munoz  Jon Volpe  Jeanann Smith  Cory Stark | DTCC |
| Bryan Holland  Saul Herrera  Suzanne Dorman | EBIX |
| Rob'n Stanley | Edward Jones |
| Daniel Surber  Richard Sutphin  Alicia Watkins  Susanne Kennedy  Sharon Pirhala  Anne Schoville | Fidelity & Guaranty |
| JoAnn Booth | Fidelity Insurance Agency |
| Steve Parcel | Fid-x |
| Jennifer Yerly  Vicki Dees | Genworth |
| Ellen Lester | Global Atlantic |
| David Desrocher | Insurance Technologies |
| Andrew McMorris  Dave Lamphere  Ana Doucet  Denise Madigosky | Ipipeline |
| Rene Fedewa | Jackson |
| Dan Falco  Tina Jorge  Scott Wagner | John Hancock |
| Dan Wilson  Andrea Trosper  Melissa Swary  Rich Short  Rachel Smith | Lincoln |
| Sarah Baraff | M Financial |
| Teresa Celsi | Mass Mutual |
| Joe Wengler | Morgan Stanley |
| Matt Bernard | Mutual of Omaha |
| Matt Myers | Nationwide |
| Matt Sullivan | New York Life |
| Nick Jellings | National Western |
| Mary Moore  Binny John | Northwestern Mutual |
| Liz Moore  Joe Procacini  Danny Smith | Pacific Life |
| Hans Schemmel | Pershing |
| Mike McCombs  Holly Gulling | Principal |
| Susan Sanders | Protective |
| Michael Syrett  Cindy Habisch | Prudential |
| Lindsey Kniebel | RBC |
| Carissa Dove | RW Baird |
| Michelle Path | Sammons Financial Group |
| Kevin Norby  Shannon Rabe  Sarah Colwell  Yusef Carrillo | Securian |
| Jeff Barnett | SE2 |
| Wendell Tobiason  Mary Heimlich | SparkIPS |
| Chani Lu | Symetra |
| Michael Sullivan | Talcott Resolution |
| Dan Reiss  Truda Wodke | Tata Consultancy Services |
| Brian Gossman  Emily Cole  Roxanne Kasal  Nancy Merryman | TransAmerica |
| Mac Etugbo | USAA |
| Able Mahaffey | Venerable Annuity |
| David Krawczyk  Janina Buldrini  Katie Byrnes-Esteves  Stacy Broders | Voya |
| Jonas Hellie  Ben Daniels  April Grover  Carolyn Palmer  Joel Jessen | Wells Fargo |
| Laura Mancini | WS Financial Group |

## Meeting Minutes

## Announcements:

Reminder: January 2022 Code List Release

* PSE – January 20
* Production – January 27

DTCC reminded the Review Board of the January 2022 Code List Release. The code list

release is scheduled for PSE on Thursday, January 20 and scheduled for production on

Thursday, January 27. DTCC will send reminders closer to implementation dates.

Reminder: C2C Attachments (IPS00679 – ATT – Add New Property)

DTCC reminded the group of the carrier-to-carrier Attachments work effort from enhancement request IPS00679 – ATT – Add New Property. For this enhancement request to remain in place for a 2022 implementation, at least 3 carriers need to confirm to DTCC before end of month, they have funding and commit to implement the changes listed in this enhancement request in 2022. If there are not at least 3 carriers before end of month who reported, they are

funded and will implement these changes for 2022, the enhancement request will then be deferred to a later timeframe. DTCC has so far only heard back from one carrier but waiting to hear from others.

## Enhancements Re-Reviewed:

IPS00688 – POV – Update Edit (CUSIP\_Fund ID\_SubFund)

The 13/03 record will reflect the investment Strategy, while the 13/04 record will cover differing Rates. Specifically, for Indexed Funds a firm will have a Strategy (e.g., S&P500 Index with CAP) which may include various investment dates (Index Term), each with differing Rates, and on occasion a firm may have two like Index Terms with differing Rates. The Sub Fund on the 13/04 will differentiate the investments in this situation.

13/03 CUSIP9999FND01 . . (no subfund)

13/04 CUSIP9999FND01XXXXX

13/04 CUSIP9999FND01YYYYY

Documentation on the 13/04 record states:

**Must match cusip/fund ID on 03 record**

**03 Item# 3111, the CUSIP/Fund I.D. must match the CUSIP/Fund I.D. in the 13/03 record.**

This enhancement request is to update the edit so that it reflects this documentation. The edit should only match the first 14-characters of the 13/03 vs. 13/04.

For clarity and processing, submitter of request wants to have a Pointer which will associate the 13/04 records with a 13/03 record. This has been requested by distributors to ensure they are keeping the records in the correct sort/association order.

13/03 Record – Asset Details Pointer

13/04 Record – Asset Details Pointer

To accommodate the situation where there are multiple 04 records sent to represent a single sub-investment (e.g. Bucket or Index Term), submitter of request wants to have a Grouping Number. This field will tie the 04 records together. (xx Grouping Number)

13/03 Record – Investment

13/04 Record – sub-investment (01) – various rates

13/04 Record – sub-investment (01) – more rates

13/04 Record – sub-investment (02) – dates and values

13/04 Record – sub-investment (02) – more dates and values

As the Investment/Underlying Assets and Rates, Bands, Index information are enhanced, more Rate Types/Rates, and additional Values and Dates are being added. The 13/04 record has limited space, so multiple records will be used to communicate all the information on an investment. Submitter of request runs into differing implementations today where carriers use multiple 13/04s and the Fund Value may be repeated on each or left empty on subsequent rows. Due to this inconsistency they need to have an overt indication as to the relation between rows. Submitter of request have attempted to tie the 04 records together using the same Start/End dates but see inconsistencies here with related rows.

There are 3 parts to this enhancement request. Recommended record layout changes are as follows:

* Update POV edit - only match the first 14-characters of the 13/03 vs. 13/04 (to reflect documentation)
* Add Asset Details Pointer to 13/03 and 13/04 records
* Add Grouping Number to 13/04 record

As a follow up on last month’s Review Board call, submitter of request put together and walked through each use case on how these recommendations can be reported. The following is a combination of the use cases:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | CUSIP+Fund+Sub |  | Pointer | Grouping | Value | Start | End | Rate 1 |  | Rate 2 |  | Rate 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 13/03 |  | CUSIP9999+FIX | Fixed Account | 1 |  | $15,000 |  |  |  |  |  |  |  |  |
|  | 13/04 | CUSIP9999+FIX |  | 1 | 1 | $5,000 | 1/1/2021 | 1/1/2022 | CR | 2% |  |  |  |  |
|  | 13/04 | CUSIP9999+FIX |  | 1 | 2 | $10,000 | 3/1/2021 | 3/1/2022 | CR | 2.50% |  |  |  |  |
| 13/03 |  | CUSIP9999+BONDF | Bond Fund | 2 |  | $35,000 |  |  |  |  |  |  |  |  |
| 13/03 |  | CUSIP1234+BUFST+JAN | Defined Outcome with Buffer and Cap January iteration | 3 |  | $5,000 |  |  |  |  |  |  |  |  |
|  | 13/04 | CUSIP1234+BUFST+JAN |  | 3 | 1 | $5,000 | 1/1/2021 | 1/1/2022 |  |  |  |  |  |  |
| 13/03 |  | CUSIP1234+BUFST+FEB | Defined Outcome with Buffer and Cap March iteration | 4 |  | $10,000 |  |  |  |  |  |  |  |  |
|  | 13/04 | CUSIP1234+BUFST+FEB |  | 4 | 1 | $10,000 | 3/1/2021 | 3/1/2022 |  |  |  |  |  |  |
| 13/03 |  | CUSIP5555+SPIDX | S&P Index with Floor and Cap | 5 |  | $15,000 |  |  |  |  |  |  |  |  |
|  | 13/04 | CUSIP5555+SPIDX+21001 |  | 5 | 1 | $5,000 | 1/14/2021 | 1/14/2022 | CA | 5% |  |  |  |  |
|  | 13/04 | CUSIP5555+SPIDX+21061 |  | 5 | 2 | $10,000 | 1/14/2021 | 1/14/2022 | CA | 3.00% |  |  |  |  |
| 13/03 |  | CUSIP7777+INDEX | Index Account | 6 |  | $15,000 |  |  |  |  |  |  |  |  |
|  | 13/04 | CUSIP7777+INDEX |  | 6 | 1 | $5,000 | 1/1/2021 | 1/1/2022 | FL | 10% | T1 | 0% | T2 | 10% |
|  | 13/04 | CUSIP7777+INDEX |  | 6 | 1 |  |  |  | T3 | 15% | P1 | 90% | P2 | 100% |
|  | 13/04 | CUSIP7777+INDEX |  | 6 | 1 |  |  |  | P3 | 120% |  |  |  |  |
|  | 13/04 | CUSIP7777+INDEX |  | 6 | 2 | $10,000 | 3/1/2021 | 3/1/2022 | FL | 10% | T1 | 0% | T2 | 10% |
|  | 13/04 | CUSIP7777+INDEX |  | 6 | 2 |  |  |  | T3 | 15% | P1 | 90% | P2 | 100% |
|  | 13/04 | CUSIP7777+INDEX |  | 6 | 2 |  |  |  | P3 | 120% |  |  |  |  |

The group reviewed the recommended changes. Members on the call were comfortable with the addition of a grouping number to tie the related 04 records together to represent a single sub-investment (e.g., Bucket or Index Term), however some members did not feel that a Pointer should be added; association of 04 records with respective 03 record is accounted for today based on current reporting process, and if Pointer is added, it will be redundant. There was push back on the call regarding implementing a Pointer and the potential impact it may have if implemented. After further discussion, it was determined to put this enhancement request on hold to allow time for the group to review the use cases and their reporting process more closely, to get a better sense from their end on how adding a Pointer will impact them.

**Enhancement request on hold**

## New Enhancements to Review:

No new enhancements reviewed.

## Discussion Items:

Discuss 2022’s Enhancement Releases

DTCC informed the group of their approach to practice more of an Agile role in the releases. DTCC is considering implementing more frequent releases during the year and come off the usual 2 enhancement releases done per year (one in the Spring and the other in the Fall). DTCC wanted to get feedback/hear thoughts from the Review Board regarding this approach. Members on the call mentioned that depending on the change (i.e., if change is optional as opposed to mandatory, small change as opposed to big change) then they would be ok with this approach. Members questioned if there will be some sort of cadence to the releases; DTCC suggested implementing 3 or 4 releases which may potentially fall on Spring/Summer/Fall or potentially every quarter. The number of releases can be adjusted each year. Overall, group were ok in moving forward with the approach.

FAR Task Force Changes

DTCC presented and walked through the document that summarizes the work efforts completed by the 2021 FAR task force. The document will be sent out to the group for in depth review of recommended modifications.

ACORD Work Group – POV Changes

DTCC presented and walked through the document recapping the Index Annuities – POV and FAR suggested modifications identified by the industry work group. Document will be sent out to the group for in depth review of suggested modifications.

**Next Call:**

Tuesday, February 1st at 2:00 – 3:30pm ET