



IPS Asset Pricing – Establishing Trading Relationships

Executive Summary:

Asset Pricing (AAP) enables insurance carriers to transmit the unit values for underlying funds within variable annuity and life insurance products to distributors daily. It provides fund-level pricing information, similar to the net asset value for mutual funds, that may be applicable to multiple insurance products within a carrier's product line.

AAP sent to DTCC from the insurance carrier, for all unit values for underlying funds, includes a 19-digit fund identifier to allow for matching of the fund prices with the fund identifier transmitted on the other files (e.g. POV, FAR, etc.) The unique 19-digit fund identifier (9+5+5) allows the carrier to drive pricing and is defined based on the following criteria:

CUSIP Number (9-byte alpha/numeric product identifier)

Fund ID (5-byte fund identifier)

Sub Fund ID (carrier fund identifier to drive unit value price)

Establishing Trading Relationships:

Allows an authorized IPS participant (carrier or distributor) to establish eligibility for Asset Pricing transmissions. The Carrier will send a single asset pricing file for all the underlying funds based on the 19-digit fund identifier. Based on the established trading relationships, DTCC will send a copy of the AAP file to the end receiving distributor.

Instructions to establish AAP trading relationships require sending an email to your I&RS relationship manager or to insurancerm@dtcc.com with the following information:

1. **Contact Name/Phone/Email Address** of the individual who is requesting the action.
2. Include the action needed taken (**Add** or **Delete**)
3. The **effective date** (month, day, year and must be a valid business date) for the Asset Pricing Trading Relationship update to become effective.
4. Enter all **Carrier Member ID # and Carrier Name(s)**, related with the Asset Pricing Trading Relationship update.
5. Include the **Distributor Member ID # and Distributor Name(s)** who will be receiving a copy of the daily AAP file.

A confirmation will be sent back from the I&RS Activation Team when the request is completed.