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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2022 - * 008

Amendment No. (req. for Amendments *)

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 type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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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 checked="" type="checkbox"/> 19b-4(f)(4) <input checked="" 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

Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

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

Decommission the Insurance Profile Service, Adjust Fees for Insurance Information Exchange Service and Make Certain Other Corrections in the Rules

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 * [Redacted] Last Name * [Redacted]

Title * [Redacted]

E-mail * RuleFilingAdmin@dtcc.com

Telephone * [Redacted] Fax [Redacted]

Signature

Pursuant to the requirements of the Securities Exchange of 1934, National Securities Clearing Corporation has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 06/23/2022

(Title *)

By [Redacted]

[Redacted]

(Name *)

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

Date: 2022.06.23
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Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

Add Remove View

Narrative - SR-NSCC-2022-008 (IIE)

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

Exhibit 1A - SR-NSCC-2022-008 (IIE)

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 Advanced Notice by Clearing Agencies *

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 2- Notices, Written Comments, Transcripts, Other Communications

Add Remove View

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 Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

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 Sent As Paper Document

Exhibit 4 - Marked Copies

Add Remove View

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

Exhibit 5 - SR-NSCC-2022-008 (IIE)

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 of National Securities Clearing Corporation (“NSCC”) is annexed hereto as Exhibit 5 and consists of modifications to Rule 57 and Addendum A of NSCC’s Rules & Procedures (“Rules”) in order to (i) decommission the Insurance Profile service, (ii) adjust the fees for the Insurance Information Exchange service (“IIEX”) to (a) provide for fees for product data that is being moved from Insurance Profile to IIEX and (b) adjust certain fees for service providers and (iii) make certain other corrections to the Rules, as described below.¹

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Deputy General Counsel of NSCC on June 21, 2022 pursuant to delegated authority from NSCC’s Board of Directors.

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

(a) Purpose

NSCC is proposing to move the processing of certain product data that is currently being processed through Insurance Profile to IIEX and decommission Insurance Profile. Following the proposed changes, product data that is currently being processed through Insurance Profile will be processed through IIEX. The fees for the use of IIEX for processing of such product data will be moved to IIEX in Addendum A of the Rules but will remain the same as the fees currently charged for the processing of such product data through Insurance Profile.

NSCC is also proposing to remove fees for service providers using IIEX for policy data and proposing to add fees for service providers using IIEX for product data.

Finally, NSCC is proposing to correct incorrect references to “IPS” and “IPS Data” in the Rules.

The proposed changes would not have a substantial impact on I&RS Members (as defined below). I&RS Members would use IIEX rather than Insurance Profile to process product data, but the fees for processing such product data would not change. Following the proposed changes, service providers would be charged for processing product data using IIEX but would not be charged for processing policy data through IIEX.

¹ Capitalized terms used herein and not otherwise defined shall have the meaning assigned to such terms in the Rules, available at http://dtcc.com/~media/Files/Downloads/legal/rules/nscc_rules.pdf.

(i) Background

Insurance and Retirement Processing Services (“I&RS”) provides for transmission of I&RS Data,² including annuity and life insurance policy applications and premiums, licensing and appointments, fees and expenses, commission payments, reporting of client positions and valuations, asset pricing, financial activity reporting and annuity customer account transfers. Entities that use I&RS services include (i) insurance companies that are Insurance Carrier/Retirement Services Members (“Carriers”); and (ii) Carriers’ intermediaries, such as broker-dealers, banks and insurance agencies, that are Members, Mutual Fund/Insurance Services Members and Data Services Only Members that distribute participating Carriers’ insurance products (collectively, “Distributors,” and, together with “Carriers,” collectively referred to herein as “I&RS Members”). The aim of I&RS is to automate and provide seamless end-to-end communication between Carriers, Distributors and their service providers for the sale, processing and money settlement of insurance and annuity products nationwide.

I&RS Data can be categorized generally into three types of data: product data, policy data and producer data. Product data is general public data relating to products that are being issued by Carriers, such as fees and expenses for specific policies and commission schedule data³ relating to the products. Policy data is data relating to specific insurance and annuity policies that have been issued to clients based on those products, such as the names and identifying information of the parties to the contract (i.e., owner, insured, beneficiary), policy value, certain features of the policies that were issued, the names of the licensed agents that are authorized to sell such policies (i.e., the “producers”) and the type of policy (e.g., annuity, life insurance policy, etc.). Producer data is information relating to the producers that are authorized to sell the products such as which producers have been appointed to sell particular products and where the producers are licensed to sell the products.

² I&RS Data is data and information relating to I&RS Eligible Products. Section 1.(a) of Rule 57, supra note 1. An “I&RS Eligible Product” means insurance products, retirement or other benefit plans or programs that are identified by NSCC as eligible for processing through its I&RS. See Definition of I&RS Eligible Product, Rule 1 and Section 1.(d) of Rule 3, id.

³ Carriers disclose commissions that are paid to producers for sales of particular products. The commissions are disclosed in commission schedules that list the particular products and commissions that are associated with the products.

(ii) Insurance Profile/IIEX

Insurance Profile was launched in 2017 to enable annuities Distributors to access fee, expense and commission schedule data (“Fee Data”) from Carriers which is product data.⁴ The service is a data repository that allows I&RS Members to access and exchange Fee Data.

IIEX was launched in 2020 to enable I&RS Members and service providers to access and exchange I&RS Data.⁵ IIEX is also a data repository but was built on a different platform than Insurance Profile and was not limited to processing Fee Data.⁶ In addition, IIEX was built to be accessible by an Application Programming Interface (“API”) specifically for use with IIEX and is available to service providers.⁷ Although the Rules provide that IIEX is available to transmit, view and retrieve I&RS Data, currently IIEX has been used only to process I&RS Data that is policy data.

NSCC would like to use the IIEX platform to process the Fee Data that is currently being processed through Insurance Profile because it is inefficient to continue to have two data repositories. IIEX is a newer platform that is API-enabled. NSCC believes that consolidating the data repository services onto one platform will be more efficient because I&RS Members will only need to sign into one platform rather than two. Using IIEX alone rather than continuing to use Insurance Profile would create a better user experience, take advantage of newer and better technology, such as the API-enabled platform and updated user interfaces that enhance the user experience by, among other things, offering a single-entry point into upgraded, standardized data screens and client flexibility in determining level of authorization to access. In addition, IIEX has been designed to include an architecture modernization by developing reusable components to be used across I&RS applications. Discontinuing Insurance Profile would also eliminate unnecessary regression and other system testing that is required if Insurance Profile maintained as a separate platform.

Once the Fee Data is processed through IIEX, the Insurance Profile platform would no longer be used to process data. Therefore, NSCC is proposing to decommission Insurance Profile. NSCC would process all Fee Data on the IIEX platform beginning on June 30, 2022. NSCC would not change the fees that it is currently charging I&RS Members to access and exchange the Fee Data through Insurance Profile once such data is moved to the IIEX platform.

⁴ See Securities Exchange Act Release No. 80404 (April 7, 2017), 82 FR 17916 (April 13, 2017) (SR-NSCC-2017-003) (“Insurance Profile Filing”). See also Rule 57, Section 10, supra note 1.

⁵ See Securities Exchange Act Release No. 90092 (October 5, 2020), 85 FR 64182 (October 9, 2020) (SR-NSCC-2020-017) (“IIEX Filing”). See also Rule 57, Section 11, supra note 1.

⁶ Id.

⁷ Id.

NSCC would provide updates to I&RS Members on the timing of the proposed changes by Important Notice.

(iii) IIEX and Service Providers

IIEX was developed to allow service providers that were authorized by I&RS Members to access IIEX through APIs.⁸ Addendum A provides a fee schedule for service providers that use IIEX and Rule 57 provides that service providers that gain access to IIEX will be required to enter into an agreement which will include an agreement to pay the fees set forth in the Rules.⁹ Since the inception of IIEX, however, no service providers have agreed to sign up for IIEX and pay the fees. NSCC would like to encourage service providers to access IIEX because NSCC believes that when service providers use this IIEX, more I&RS Members would also use the service as counterparties to those service providers. Therefore, NSCC is proposing to remove the fees for service providers to use IIEX for transmitting policy data that is currently processed through IIEX.

Currently, the Fee Data that is accessible through Insurance Profile is only available to I&RS Members and not to service providers. NSCC would like to also provide service providers with access to IIEX to process this Fee Data as well. Product data is more general than policy data, which is limited to specific clients, and NSCC believes that service providers would be more likely to pay for the use of IIEX for such product data. Therefore, NSCC is proposing to require that service providers that use IIEX for product data pay the current fees for such service, including for the Fee Data that will be moved from Insurance Profile to be processed through IIEX.

(iv) IIEX Product Data

NSCC is proposing to identify the different categories for policy data and product data in the fee schedule in Addendum A of the Rules. Fees for processing the Fee Data, which is being moved from Insurance Profile to be processed through IIEX, would be placed under the product data category and fees for processing the existing policy data that is currently being processed through IIEX would be placed under the policy data category.

(v) I&RS and I&RS Data

In the IIEX Filing, NSCC also amended the Rules to change the name of I&RS from Insurance and Retirement Processing Services to Insurance & Retirement Services in order to reflect the conventional use of the name of the service.¹⁰ To reflect the name change, NSCC also changed defined terms relating to the service from “IPS” to “I&RS” and from “IPS Data” to

⁸ Id.

⁹ See Section IV.H.2.j of Addendum A of the Rules and Rule 57, Section 11, supra note 1.

¹⁰ See IIEX Filing, supra note 5.

“I&RS Data”.¹¹ Rule 58 still contains an incorrect use of the defined terms IPS and IPS Data.¹² Therefore, NSCC is proposing to correct the use of the defined terms “IPS” and “IPS Data” in Rule 58 to “I&RS” and “I&RS Data”, respectively.

(v) Proposed Rule Changes

A. Remove Insurance Profile

NSCC is proposing to remove Insurance Profile from Section 10 of Rule 57 and remove references to the fees for Insurance Profile from Section IV.H.2.i of Addendum A. NSCC would re-number Section 11 of Rule 57 and Section IV.H.2.j of Addendum A to reflect the deletion of Section 10 of Rule 57 and Section IV.H.2.i of Addendum A.

B. Adjust Fees for IIEX

NSCC is proposing to move the fees for processing Fee Data currently in Insurance Profile to IIEX in proposed Section IV.H.2.i of Addendum A. NSCC would also add different categories of data in proposed Section IV.H.2.i of Addendum A with separate fees for policy data which would include the current IIEX fees, and product data which would include the fees currently in Insurance Profile with respect to Fee Data that would be moved to IIEX. With respect to the product data, NSCC would also add service providers to the list of entities that would have access in the proposed Section IV.H.2.i of Addendum A.

To reflect that NSCC would stop charging fees for service providers to access policy data, as described above, but provide fees for service providers to access product data, NSCC would change proposed Section 10 of Rule 57 to provide that the agreements with the service providers will include an agreement to pay the fees set forth in the Rules for product data for which service providers are required to pay a fee as set forth in the Rules. NSCC would also remove the fees for policy data for service providers in new proposed Section IV.H.2.i of Addendum A.

C. Correct Defined Terms

NSCC is proposing to correct two references of “IPS Data” to “I&RS Data” and one reference of “IPS” to “I&RS” in Section 2.(f) of Rule 58 to reflect the correct defined terms.

(vi) Expected Member/NSCC Impact

The proposed changes would not have a substantial impact on I&RS Members. I&RS Members would use IIEX rather than Insurance Profile to process product data. IIEX would include the IIEX API which is not currently available for Insurance Profile. The fees for processing such product data would not change. Following the changes, service providers would

¹¹ Id.

¹² See Section 2.(f) of Rule 58, supra note 1.

be charged the same fees as I&RS Members for processing product data using IIEX but would not be charged for processing policy data through IIEX.

The changes to use the correct terms “I&RS” and “I&RS Data” would have no impact on the I&RS Members except to enhance clarity and transparency of the Rules.

(vii) Implementation Timeline

NSCC would implement the removal of the fees for service providers for policy data in IIEX and the corrections to the defined terms in Rule 58 upon filing of the proposed rule changes.

NSCC would implement the removal of Insurance Profile and movement of the fees from Insurance Profile to IIEX on June 30, 2022. As proposed, a legend would be added to Rule 57 and Addendum A stating there are changes that became effective upon filing with the Securities and Exchange Commission (“Commission”) but have not yet been implemented. The proposed legend also would include June 30, 2022 as the date on which such changes would be implemented and the file number of this proposal, and state that, once this proposal is implemented, the legend would automatically be removed from Rule 57 and Addendum A.

(b) Statutory Basis

NSCC believes that the proposal is consistent with the requirements of the Securities Exchange Act of 1934 (“Act”) and the rules and regulations thereunder applicable to a registered clearing agency. In particular, NSCC believes that the proposed rule changes are consistent with Sections 17A(b)(3)(F) and (D) of the Act¹³ and Rule 17Ad-22(e)(21) promulgated under the Act.¹⁴

Section 17A(b)(3)(F) of the Act,¹⁵ requires, in part, that the Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions. The proposed changes to move the Fee Data from Insurance Profile to IIEX is consistent with this provision because such changes would enhance the ability of NSCC Members to access such data by using a more effective and user-friendly platform and by having access to APIs. In addition, NSCC believes that consolidating the data repository services onto one platform will be more efficient because I&RS Members will only need to sign into one platform rather than two. Also, removing the fees for service providers to access policy data and providing access to service providers for product data is expected to incentivize the use of IIEX by service providers which would have the effect of increasing the use by I&RS Members that are counterparties to the service providers. Providing a more efficient and streamlined process with respect to accessing such Fee Data and incentivizing the use of IIEX by service providers would promote the prompt

¹³ 15 U.S.C. 78q-1(b)(3)(F) and (D).

¹⁴ 17 CFR 240.17Ad-22(e)(21).

¹⁵ 15 U.S.C. 78q-1(b)(3)(F).

and accurate clearance and settlement of securities transactions by NSCC, consistent with Section 17A(b)(3)(F) of the Act.¹⁶

Removing Insurance Profile from the Rules, adding the categories for policy data and product data and correcting the defined terms “IPS” and “IPS Data” to “I&RS” and “I&RS Data,” respectively, are also consistent with 17A(b)(3)(F) of the Act.¹⁷ Each of the proposed changes would enhance clarity and transparency for participants with respect to services offered by NSCC allowing I&RS Members to have a better understanding of the Rules relating to I&RS. Having clear and accurate Rules would help I&RS Members to better understand their rights and obligations regarding NSCC’s services. NSCC believes that when I&RS Members better understand their rights and obligations regarding NSCC’s services, they can act in accordance with the Rules. NSCC believes that better enabling I&RS Members to comply with the Rules would promote the prompt and accurate clearance and settlement of securities transactions by NSCC consistent with Section 17A(b)(3)(F) of the Act.¹⁸

Section 17A(b)(3)(D) of the Act¹⁹ requires that the Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its participants. NSCC believes that the proposed rule change to remove the fees for service providers to access policy data and to provide access to service providers to product data, and to add fees for such access, are consistent with this provision of the Act. NSCC believes the removal of fees for policy data would incentivize use of I&RS by services providers for policy data, which is not currently being utilized by service providers, and encourage use by I&RS Members. NSCC also believes that service providers are more likely access product data and to pay for such product data, which is more general than policy data and could be used by service providers across multiple I&RS Member counterparties.

NSCC believes the proposed changes to the fees are equitable because they would apply uniformly to all service providers that utilize the services and would not impact the fees being paid by I&RS Members. NSCC believes the proposed changes are reasonable because the fees that would be charged to service providers for product data would be the same fees that are being charged to I&RS Members that access such product data through I&RS, which are designed to align with the cost of delivering the feature.²⁰ NSCC believes that removing fees for access to policy data is reasonable because it would incentivize the use of I&RS by service providers for such policy data which would be beneficial to the I&RS Members that are counterparties of such service providers. Therefore, by establishing fees that align with the cost of delivery of this feature and allocating those fees equitably among the subscribing users, including service

¹⁶ Id.

¹⁷ Id.

¹⁸ Id.

¹⁹ 15 U.S.C. 78q-1(b)(3)(D).

²⁰ See Insurance Profile Filing, supra note 4.

providers, the proposed rule change would provide for the equitable allocation of reasonable dues, fees and other charges among its participants consistent with the requirements of Section 17A(b)(3)(D) of the Act.²¹

In addition, the proposed rule change is designed to comply with Rule 17Ad 22(e)(21) promulgated under the Act.²² Rule 17Ad-22(e)(21) under the Act requires NSCC to, inter alia, establish, implement, maintain and enforce written policies and procedures reasonably designed to be efficient and effective in meeting the requirements of its participants and the markets it serves. The proposed rule change would enhance the ability of I&RS Members to access Fee Data by removing the Insurance Profile platform and providing a more efficient and streamlined platform with access to an API specifically for IIEX. In addition, removing the fees for service providers to access policy data and providing access to service providers for product data would incentivize the use of IIEX by service providers which NSCC believes will have the effect of increasing the use by I&RS Members that are counterparties to the service providers. Therefore, by establishing a more efficient and effective process for I&RS Members and their service providers to process I&RS Data, NSCC believes that the proposed changes are consistent with the requirements of Rule 17Ad-22(e)(21), promulgated under the Act.²³

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

NSCC does not believe that the proposed rule changes would have an impact on competition. The proposed changes would merely facilitate I&RS Members access to Fee Data through the IIEX platform rather than the Insurance Profile platform. The fees for I&RS Members to access such information would not change. NSCC also does not believe that the removal of fees for service providers for policy information would burden competition because service providers are not currently using the service or paying fees. NSCC believes that removing the fees for service providers to access policy data and providing that service providers may have access to product data by paying the same fees as I&RS Members may promote competition by incentivizing service providers to use IIEX which NSCC believes would result in more I&RS Members using IIEX.

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

NSCC has not received or solicited any written comments relating to this proposal. If any written comments are received by NSCC, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does

²¹ 15 U.S.C. 78q-1(b)(3)(D).

²² 17 CFR 240.17Ad-22(e)(21).

²³ Id.

not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, available at <https://www.sec.gov/regulatory-actions/how-to-submit-comments>. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

NSCC reserves the right not to respond to any comments received.

6. Extension of Time Period for Commission Action

Not applicable.

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

(a) (a) The proposed rule change is to take effect immediately upon filing pursuant to Section 19(b)(3)(A) of the Act²⁴ and subparagraphs (f)(2)²⁵ and (f)(4)²⁶ of Rule 19b-4 under the Act.

(b) With respect to the proposed changes to change the fees for service providers and to move fees for product data from Insurance Profile to IIEX, the proposed rule change establishes or changes a due, fee, or other charge under Rule 19b-4(f)(2).²⁷ With respect to the proposed changes to remove Insurance Profile, move processing product data from Insurance Profile to IIEX and to correct defined terms, such changes constitute changes to an existing service of a registered clearing agency that (i) do not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible, and (ii) do not significantly affect the respective rights or obligations of the clearing agency or persons using the service because the proposed changes would merely result in I&RS Members accessing Fee Data from the IIEX platform rather than the Insurance Profile platform and possibly incentivizing service providers to access IIEX.²⁸

(c) Not applicable.

²⁴ 15 U.S.C 78s(b)(3)(A).

²⁵ 17 CFR 240.19b-4(f)(2).

²⁶ 17 CFR 240.19b-4(f)(4).

²⁷ 17 CFR 240.19b-4(f)(2).

²⁸ 17 CFR 240.19b-4(f)(4).

(d) Not applicable.

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

Not applicable.

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

Not applicable.

10. Advance Notice Filed Pursuant to Section 806(e) of the Payment, Clearing, and Settlement Supervision Act of 2010

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 the Rules.

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-[____]; File No. SR-NSCC-2022-008)

[DATE]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Decommission the Insurance Profile Service, Adjust Fees for Insurance Information Exchange Service and Make Certain Other Corrections in the Rules

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 June __, 2022, National Securities Clearing Corporation (“NSCC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. NSCC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and subparagraphs (f)(2)⁴ and (f)(4)⁵ of Rule 19b-4 thereunder. 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ 17 CFR 240.19b-4(f)(4).

(a) The proposed rule change of NSCC is annexed hereto as Exhibit 5 and consists of modifications to Rule 57 and Addendum A of NSCC's Rules & Procedures ("Rules") in order to (i) decommission the Insurance Profile service, (ii) adjust the fees for the Insurance Information Exchange service ("IIEX") to (a) provide for fees for product data that is being moved from Insurance Profile to IIEX and (b) adjust certain fees for service providers and (iii) make certain other corrections to the Rules, as described below.⁶

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

In its filing with the Commission, the clearing agency 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. The clearing agency 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. Purpose

NSCC is proposing to move the processing of certain product data that is currently being processed through Insurance Profile to IIEX and decommission Insurance Profile. Following the proposed changes, product data that is currently being processed

⁶ Capitalized terms used herein and not otherwise defined shall have the meaning assigned to such terms in the Rules, available at http://dtcc.com/~media/Files/Downloads/legal/rules/nscc_rules.pdf.

through Insurance Profile will be processed through IIEX. The fees for the use of IIEX for processing of such product data will be moved to IIEX in Addendum A of the Rules but will remain the same as the fees currently charged for the processing of such product data through Insurance Profile.

NSCC is also proposing to remove fees for service providers using IIEX for policy data and proposing to add fees for service providers using IIEX for product data.

Finally, NSCC is proposing to correct incorrect references to “IPS” and “IPS Data” in the Rules.

The proposed changes would not have a substantial impact on I&RS Members (as defined below). I&RS Members would use IIEX rather than Insurance Profile to process product data, but the fees for processing such product data would not change. Following the proposed changes, service providers would be charged for processing product data using IIEX but would not be charged for processing policy data through IIEX.

(a) Background

Insurance and Retirement Processing Services (“I&RS”) provides for transmission of I&RS Data,⁷ including annuity and life insurance policy applications and premiums, licensing and appointments, fees and expenses, commission payments, reporting of client positions and valuations, asset pricing, financial activity reporting and annuity customer account transfers. Entities that use I&RS services include (i) insurance companies that are Insurance Carrier/Retirement Services Members (“Carriers”); and (ii)

⁷ I&RS Data is data and information relating to I&RS Eligible Products. Section 1.(a) of Rule 57, supra note 6. An “I&RS Eligible Product” means insurance products, retirement or other benefit plans or programs that are identified by NSCC as eligible for processing through its I&RS. See Definition of I&RS Eligible Product, Rule 1 and Section 1.(d) of Rule 3, id.

Carriers' intermediaries, such as broker-dealers, banks and insurance agencies, that are Members, Mutual Fund/Insurance Services Members and Data Services Only Members that distribute participating Carriers' insurance products (collectively, "Distributors," and, together with "Carriers," collectively referred to herein as "I&RS Members"). The aim of I&RS is to automate and provide seamless end-to-end communication between Carriers, Distributors and their service providers for the sale, processing and money settlement of insurance and annuity products nationwide.

I&RS Data can be categorized generally into three types of data: product data, policy data and producer data. Product data is general public data relating to products that are being issued by Carriers, such as fees and expenses for specific policies and commission schedule data⁸ relating to the products. Policy data is data relating to specific insurance and annuity policies that have been issued to clients based on those products, such as the names and identifying information of the parties to the contract (i.e., owner, insured, beneficiary), policy value, certain features of the policies that were issued, the names of the licensed agents that are authorized to sell such policies (i.e., the "producers") and the type of policy (e.g., annuity, life insurance policy, etc.). Producer data is information relating to the producers that are authorized to sell the products such as which producers have been appointed to sell particular products and where the producers are licensed to sell the products.

(b) Insurance Profile/IIEX

⁸ Carriers disclose commissions that are paid to producers for sales of particular products. The commissions are disclosed in commission schedules that list the particular products and commissions that are associated with the products.

Insurance Profile was launched in 2017 to enable annuities Distributors to access fee, expense and commission schedule data (“Fee Data”) from Carriers which is product data.⁹ The service is a data repository that allows I&RS Members to access and exchange Fee Data.

IIEX was launched in 2020 to enable I&RS Members and service providers to access and exchange I&RS Data.¹⁰ IIEX is also a data repository but was built on a different platform than Insurance Profile and was not limited to processing Fee Data.¹¹ In addition, IIEX was built to be accessible by an Application Programming Interface (“API”) specifically for use with IIEX and is available to service providers.¹² Although the Rules provide that IIEX is available to transmit, view and retrieve I&RS Data, currently IIEX has been used only to process I&RS Data that is policy data.

NSCC would like to use the IIEX platform to process the Fee Data that is currently being processed through Insurance Profile because it is inefficient to continue to have two data repositories. IIEX is a newer platform that is API-enabled. NSCC believes that consolidating the data repository services onto one platform will be more efficient because I&RS Members will only need to sign into one platform rather than two. Using IIEX alone rather than continuing to use Insurance Profile would create a

⁹ See Securities Exchange Act Release No. 80404 (April 7, 2017), 82 FR 17916 (April 13, 2017) (SR-NSCC-2017-003) (“Insurance Profile Filing”). See also Rule 57, Section 10, supra note 6.

¹⁰ See Securities Exchange Act Release No. 90092 (October 5, 2020), 85 FR 64182 (October 9, 2020) (SR-NSCC-2020-017) (“IIEX Filing”). See also Rule 57, Section 11, supra note 6.

¹¹ Id.

¹² Id.

better user experience, take advantage of newer and better technology, such as the API-enabled platform and updated user interfaces that enhance the user experience by, among other things, offering a single-entry point into upgraded, standardized data screens and client flexibility in determining level of authorization to access. In addition, IIEX has been designed to include an architecture modernization by developing reusable components to be used across I&RS applications. Discontinuing Insurance Profile would also eliminate unnecessary regression and other system testing that is required if Insurance Profile maintained as a separate platform.

Once the Fee Data is processed through IIEX, the Insurance Profile platform would no longer be used to process data. Therefore, NSCC is proposing to decommission Insurance Profile. NSCC would process all Fee Data on the IIEX platform beginning on June 30, 2022. NSCC would not change the fees that it is currently charging I&RS Members to access and exchange the Fee Data through Insurance Profile once such data is moved to the IIEX platform. NSCC would provide updates to I&RS Members on the timing of the proposed changes by Important Notice.

(c) IIEX and Service Providers

IIEX was developed to allow service providers that were authorized by I&RS Members to access IIEX through APIs.¹³ Addendum A provides a fee schedule for service providers that use IIEX and Rule 57 provides that service providers that gain access to IIEX will be required to enter into an agreement which will include an

¹³ Id.

agreement to pay the fees set forth in the Rules.¹⁴ Since the inception of IIEX, however, no services providers have agreed to sign up for IIEX and pay the fees. NSCC would like to encourage service providers to access IIEX because NSCC believes that when service providers use this IIEX, more I&RS Members would also use the service as counterparties to those service providers. Therefore, NSCC is proposing to remove the fees for service providers to use IIEX for transmitting policy data that is currently processed through IIEX.

Currently, the Fee Data that is accessible through Insurance Profile is only available to I&RS Members and not to service providers. NSCC would like to also provide service providers with access to IIEX to process this Fee Data as well. Product data is more general than policy data, which is limited to specific clients, and NSCC believes that service providers would be more likely to pay for the use of IIEX for such product data. Therefore, NSCC is proposing to require that service providers that use IIEX for product data pay the current fees for such service, including for the Fee Data that will be moved from Insurance Profile to be processed through IIEX.

(d) IIEX Product Data

NSCC is proposing to identify the different categories for policy data and product data in the fee schedule in Addendum A of the Rules. Fees for processing the Fee Data, which is being moved from Insurance Profile to be processed through IIEX, would be placed under the product data category and fees for processing the existing policy data

¹⁴ See Section IV.H.2.j of Addendum A of the Rules and Rule 57, Section 11, supra note 6.

that is currently being processed through IIEX would be placed under the policy data category.

(e) **I&RS and I&RS Data**

In the IIEX Filing, NSCC also amended the Rules to change the name of I&RS from Insurance and Retirement Processing Services to Insurance & Retirement Services in order to reflect the conventional use of the name of the service.¹⁵ To reflect the name change, NSCC also changed defined terms relating to the service from “IPS” to “I&RS” and from “IPS Data” to “I&RS Data”.¹⁶ Rule 58 still contains an incorrect use of the defined terms IPS and IPS Data.¹⁷ Therefore, NSCC is proposing to correct the use of the defined terms “IPS” and “IPS Data” in Rule 58 to “I&RS” and “I&RS Data”, respectively.

(f) **Proposed Rule Changes**

(1) **Remove Insurance Profile**

NSCC is proposing to remove Insurance Profile from Section 10 of Rule 57 and remove references to the fees for Insurance Profile from Section IV.H.2.i of Addendum A. NSCC would renumber Section 11 of Rule 57 and Section IV.H.2.j of Addendum A to reflect the deletion of Section 10 of Rule 57 and Section IV.H.2.i of Addendum A.

(2) **Adjust Fees for IIEX.**

NSCC is proposing to move the fees for processing Fee Data currently in Insurance Profile to IIEX in proposed Section IV.H.2.i of Addendum A. NSCC would

¹⁵ See IIEX Filing, supra note 10.

¹⁶ Id.

¹⁷ See Section 2.(f) of Rule 58, supra note 6.

also add different categories of data in proposed Section IV.H.2.i of Addendum A with separate fees for policy data which would include the current IIEX fees, and product data which would include the fees currently in Insurance Profile with respect to Fee Data that would be moved to IIEX. With respect to the product data, NSCC would also add service providers to the list of entities that would have access in the proposed Section IV.H.2.i of Addendum A.

To reflect that NSCC would stop charging fees for service providers to access policy data, as described above, but provide fees for service providers to access product data, NSCC would change proposed Section 10 of Rule 57 to provide that the agreements with the service providers will include an agreement to pay the fees set forth in the Rules for product data for which service providers are required to pay a fee as set forth in the Rules. NSCC would also remove the fees for policy data for service providers in new proposed Section IV.H.2.i of Addendum A.

(3) Correct Defined Terms

NSCC is proposing to correct two references of “IPS Data” to “I&RS Data” and one reference of “IPS” to “I&RS” in Section 2.(f) of Rule 58 to reflect the correct defined terms.

(g) Expected Member/NSCC Impact

The proposed changes would not have a substantial impact on I&RS Members. I&RS Members would use IIEX rather than Insurance Profile to process product data. IIEX would include the IIEX API which is not currently available for Insurance Profile. The fees for processing such product data would not change. Following the changes, service providers would be charged the same fees as I&RS Members for processing

product data using IIEX but would not be charged for processing policy data through IIEX.

The changes to use the correct terms “I&RS” and “I&RS Data” would have no impact on the I&RS Members except to enhance clarity and transparency of the Rules.

(h) Implementation timeline

NSCC would implement the removal of the fees for service providers for policy data in IIEX and the corrections to the defined terms in Rule 58 upon filing of the proposed rule changes.

NSCC would implement the removal of Insurance Profile and movement of the fees from Insurance Profile to IIEX on June 30, 2022. As proposed, a legend would be added to Rule 57 and Addendum A stating there are changes that became effective upon filing with the Commission but have not yet been implemented. The proposed legend also would include June 30, 2022, as the date on which such changes would be implemented and the file number of this proposal, and state that, once this proposal is implemented, the legend would automatically be removed from Rule 57 and Addendum A.

2. Statutory Basis

NSCC believes that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, NSCC believes that the proposed rule changes are consistent with Sections 17A(b)(3)(F) and (D) of the Act¹⁸ and Rule 17Ad-22(e)(21) promulgated under the Act.¹⁹

¹⁸ 15 U.S.C. 78q-1(b)(3)(F) and (D).

¹⁹ 17 CFR 240.17Ad-22(e)(21).

Section 17A(b)(3)(F) of the Act,²⁰ requires, in part, that the Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions. The proposed changes to move the Fee Data from Insurance Profile to IIEX is consistent with this provision because such changes would enhance the ability of NSCC Members to access such data by using a more effective and user-friendly platform and by having access to APIs. In addition, NSCC believes that consolidating the data repository services onto one platform will be more efficient because I&RS Members will only need to sign into one platform rather than two. Also, removing the fees for service providers to access policy data and providing access to service providers for product data is expected to incentivize the use of IIEX by service providers which would have the effect of increasing the use by I&RS Members that are counterparties to the service providers. Providing a more efficient and streamlined process with respect to accessing such Fee Data and incentivizing the use of IIEX by service providers would promote the prompt and accurate clearance and settlement of securities transactions by NSCC, consistent with Section 17A(b)(3)(F) of the Act.²¹

Removing Insurance Profile from the Rules, adding the categories for policy data and product data and correcting the defined terms “IPS” and “IPS Data” to “I&RS” and “I&RS Data”, respectively, are also consistent with 17A(b)(3)(F) of the Act.²² Each of the proposed changes would enhance clarity and transparency for participants with respect to services offered by NSCC allowing I&RS Members to have a better

²⁰ 15 U.S.C. 78q-1(b)(3)(F).

²¹ Id.

²² Id.

understanding of the Rules relating to I&RS. Having clear and accurate Rules would help I&RS Members to better understand their rights and obligations regarding NSCC's services. NSCC believes that when I&RS Members better understand their rights and obligations regarding NSCC's services, they can act in accordance with the Rules. NSCC believes that better enabling I&RS Members to comply with the Rules would promote the prompt and accurate clearance and settlement of securities transactions by NSCC consistent with Section 17A(b)(3)(F) of the Act.²³

Section 17A(b)(3)(D) of the Act²⁴ requires that the Rules provide for the equitable allocation of reasonable dues, fees, and other charges among its participants. NSCC believes that the proposed rule change to remove the fees for service providers to access policy data and to provide access to service providers to product data, and to add fees for such access, are consistent with this provision of the Act. NSCC believes the removal of fees for policy data would incentivize use of I&RS by services providers for policy data, which is not currently being utilized by service providers, and encourage use by I&RS Members. NSCC also believes that service providers are more likely access product data and to pay for such product data, which is more general than policy data and could be used by service providers across multiple I&RS Member counterparties.

NSCC believes the proposed changes to the fees are equitable because they would apply uniformly to all service providers that utilize the services and would not impact the fees being paid by I&RS Members. NSCC believes the proposed changes are reasonable because the fees that would be charged to service providers for product data would be the

²³ Id.

²⁴ 15 U.S.C. 78q-1(b)(3)(D).

same fees that are being charged to I&RS Members that access such product data through I&RS, which are designed to align with the cost of delivering the feature.²⁵ NSCC believes that removing fees for access to policy data is reasonable because it would incentivize the use of I&RS by service providers for such policy data which would be beneficial to the I&RS Members that are counterparties of such service providers. Therefore, by establishing fees that align with the cost of delivery of this feature and allocating those fees equitably among the subscribing users, including service providers, the proposed rule change would provide for the equitable allocation of reasonable dues, fees and other charges among its participants consistent with the requirements of Section 17A(b)(3)(D) of the Act.²⁶

In addition, the proposed rule change is designed to comply with Rule 17Ad-22(e)(21) promulgated under the Act.²⁷ Rule 17Ad-22(e)(21) under the Act requires NSCC to, inter alia, establish, implement, maintain and enforce written policies and procedures reasonably designed to be efficient and effective in meeting the requirements of its participants and the markets it serves. The proposed rule change would enhance the ability of I&RS Members to access Fee Data by removing the Insurance Profile platform and providing a more efficient and streamlined platform with access to an API specifically for IIEX. In addition, removing the fees for service providers to access policy data and providing access to service providers for product data would incentivize the use of IIEX by service providers which NSCC believes will have the effect of

²⁵ See Insurance Profile Filing, supra note 9.

²⁶ 15 U.S.C. 78q-1(b)(3)(D).

²⁷ 17 CFR 240.17Ad-22(e)(21).

increasing the use by I&RS Members that are counterparties to the service providers. Therefore, by establishing a more efficient and effective process for I&RS Members and their service providers to process I&RS Data, NSCC believes that the proposed changes are consistent with the requirements of Rule 17Ad-22(e)(21), promulgated under the Act.²⁸

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

NSCC does not believe that the proposed rule changes would have an impact on competition. The proposed changes would merely facilitate I&RS Members access to Fee Data through the IIEX platform rather than the Insurance Profile platform. The fees for I&RS Members to access such information would not change. NSCC also does not believe that the removal of fees for service providers for policy information would burden competition because service providers are not currently using the service or paying fees. NSCC believes that removing the fees for service providers to access policy data and providing that service providers may have access to product data by paying the same fees as I&RS Members may promote competition by incentivizing service providers to use IIEX which NSCC believes would result in more I&RS Members using IIEX.

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

NSCC has not received or solicited any written comments relating to this proposal. If any written comments are received by NSCC, they will be publicly filed as

²⁸ Id.

an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, available at <https://www.sec.gov/regulatory-actions/how-to-submit-comments>. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

NSCC reserves the right not to respond to any comments received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)²⁹ of the Act and paragraph (f)³⁰ of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or

²⁹ 15 U.S.C 78s(b)(3)(A).

³⁰ 17 CFR 240.19b-4(f).

appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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-2022-008 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-NSCC-2022-008. 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 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of NSCC and on DTCC's website (<https://dtcc.com/legal/sec-rule-filings.aspx>). 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-2022-008 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.³¹

Secretary

³¹ 17 CFR 200.30-3(a)(12).



RULES & PROCEDURES

TEXT OF PROPOSED RULE CHANGE

Bold and underlined text indicates proposed added language.

~~Bold and strikethrough text~~ indicates proposed deleted language.

Bold, underlined and highlighted text indicates proposed added language to be implemented on June 30, 2022.

~~Bold and strikethrough and highlighted text~~ indicates proposed deleted language to be implemented on June 30, 2022.

RULE 57. INSURANCE & RETIREMENT SERVICES

[Changes to this Rule 57 as amended by File No. SR-NSCC-2022-008, are available at dtcc.com/~media/Files/Downloads/legal/rule-filings/2021/NSCC/SR-NSCC-2022-008.pdf. These changes became effective upon filing with the Securities and Exchange Commission but have not yet been implemented. On June 30, 2022, these changes will be implemented and this legend will automatically be removed from this Rule 57.]

* * *

INSURANCE PROFILE

~~SEC 10. (a) The Corporation may provide a service (“Insurance Profile”) to enable Insurance Carrier/Retirement Services Members to transmit I&RS Data to Members, Mutual Fund/Insurance Service Members and Data Service Only Members regarding fees, expenses and Commissions (“Fee Data”) or to otherwise supply and provide access to Fee Data directly to or from the Corporation, as applicable.~~

~~(b) Insurance Carrier/Retirement Services Members, Members, Mutual Fund/Insurance Service Members and Data Service Only Members may not use, distribute, transmit or otherwise make available Fee Data retrieved from Insurance Profile as the basis for or as a part of a data product or service offered for commercial gain to any other person without the prior written consent of the Corporation. This restriction includes, but is not limited to, service providers and other third parties, whether or not affiliated with an Insurance Carrier/Retirement Services Member, Member, Mutual Fund/Insurance Service Member or Data Service Only Member, regardless of whether such person has previously itself received and/or used any such Fee Data in the past. The Corporation shall have the right, but not the obligation, to audit the use and distribution of Fee Data retrieved from Insurance Profile.~~

INSURANCE INFORMATION EXCHANGE (“IIEX”)

SEC **104**. The Corporation may provide a service to enable Members, Insurance Carrier/Retirement Services Members, Mutual Fund/Insurance Service Members and Data Service Only Members (collectively, “I&RS Members”), and their respective service providers, to transmit, view and retrieve I&RS Data using a centralized data repository. Service providers will gain access to IIEX only by authorization from I&RS Members and will be required to enter into such agreements as determined by the Corporation, which agreements will include an agreement to pay the fees set forth in the Rules for product data for which service providers are required to pay a fee as set forth in the Rules.

* * *

RULE 58. LIMITATIONS ON LIABILITY

* * *

SEC. 2. NOTWITHSTANDING ANY OTHER PROVISION IN THE RULES:

* * *

(f) The Corporation will not be responsible for the completeness or accuracy of any **IPSI&RS** Data received from or transmitted to a participant through **IPSI&RS** nor for any errors, omissions or delays which may occur in the transmission of such **IPSI&RS** Data to or from a participant.

* * *

ADDENDUM A

[Changes to this Addendum A as amended by File No. SR-NSCC-2022-008, are available at dtcc.com/~media/Files/Downloads/legal/rule-filings/2021/NSCC/SR-NSCC-2022-008.pdf. These changes became effective upon filing with the Securities and Exchange Commission but have not yet been implemented. On June 30, 2022, these changes will be implemented and this legend will automatically be removed from this Addendum A.]

NATIONAL SECURITIES CLEARING CORPORATION

FEE STRUCTURE

* * *

IV. OTHER SERVICE FEES

* * *

H. Insurance & Retirement Services^{1, 2}

1. Membership Fee	\$250.00 per month (will be waived if aggregate Transaction and Other Service Fees in such month equal or exceed \$250.00)
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¹ Unless otherwise noted, all Insurance & Retirement 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.

Multiple destination fees apply. Participants directing NSCC to deliver Insurance & Retirement Service files to more than two (2) destinations will be charged an additional monthly fee, per product, as follows: (i) Participants directing NSCC to deliver Insurance & Retirement Service files to three (3), four (4) or five (5) destinations will be charged an additional \$50 per month, per product; and (ii) Participants directing NSCC to deliver Insurance & Retirement Service files to more than five (5) destinations will be charged an additional \$100 per month, per product.

² 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.

2. Transaction Fees

* * *

i. Insurance Profile

(1) Insurance Carrier/Retirement Services Members

Subscription	Monthly Fee
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Full Data Subscription	\$3,000
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Limited Data Subscription	\$1,500
---------------------------	---------

(2) Members, Mutual Fund/Insurance Services Members and Data Services Only Members

Subscription	Monthly Fee
--------------	-------------

Full Data Subscription	\$3,000
------------------------	---------

Limited Data Subscription	\$1,500
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Full Data Subscription (User Web Interface Only)	\$500, plus \$1.25 per CUSIP download transaction charge
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Limited Data Subscription (User Web Interface Only)	\$250, plus \$1.25 per CUSIP download transaction charge
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ii. Insurance Information Exchange (IIX)

Policy Data

IIX Fees for Members and Limited Members

Monthly subscription fee based on the number of policies that the Member, Mutual Fund/Insurance Services Member, Insurance Carrier/Retirement Services Member or Data Services Only Member, as applicable, would be entitled to access from the IIX data repository as follows:

Number of Policies	Monthly Fee
0 – 50,000	\$1,500
50,001 – 200,000	\$2,000
200,001 – 400,000	\$3,000
Greater than 400,000	\$5,000

~~IIX Fees for Service Providers (APIs only)~~

~~Monthly subscription fee based on the number of policies that the service provider would be entitled to access from the IIX data repository as follows:~~

Number of Policies	Monthly Fee
0 – 50,000	\$750
50,001 – 200,000	\$1,000
200,001 – 400,000	\$1,500
Greater than 400,000	\$2,500

Product Data

(1) Insurance Carrier/Retirement Services Members

Subscription	Monthly Fee
Full Data Subscription	\$3,000
Limited Data Subscription	\$1,500

**(2) Members, Mutual Fund/Insurance Services Members,
Data Services Only Members and Service Providers**

Subscription	Monthly Fee
Full Data Subscription	\$3,000
Limited Data Subscription	\$1,500
Full Data Subscription (User Web Interface Only)	\$500, plus \$1.25 per CUSIP download transaction charge
Limited Data Subscription (User Web Interface Only)	\$250, plus \$1.25 per CUSIP download transaction charge

* * *