



**NATIONAL  
SECURITIES  
CLEARING  
CORPORATION**

**RULES & PROCEDURES**

TEXT OF PROPOSED RULE CHANGE

**Underlined and boldface** text indicates new text

**~~Strikethrough and boldface~~** indicates deleted text

RULE 57. INSURANCE AND RETIREMENT PROCESSING SERVICES

\*\*\*\*\*

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”). ~~as evidenced by the IPS Data processed through the Corporation and to~~ **The Analytic Reporting Service may** provide a mechanism for comparing and benchmarking the particular NSCC Member’s or Limited Member’s ~~IPS Data data~~ to the Analytics Data. The Corporation may ~~also~~ make ~~such information~~ **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)** ~~(b)~~ The Analytics-Reporting Service will ~~also~~ permit an NSCC Member, ~~Mutual Fund/Insurance Services Member~~ or ~~Insurance Carrier/Retirement Services Limited~~ Member to preclude the disclosure or attribution of its ~~transactions~~ **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, ~~Mutual Fund/Insurance Services Member~~, or ~~Insurance Carrier/Retirement Services Limited~~ Member to determine whether the Analytics-Reporting Service process for avoiding disclosure meets its legal requirements and to determine whether disclosure is permissible.

~~(e)-(c)~~ “Opting-Out”. For purposes of this rule, the term “Opting-Out” shall mean that an NSCC Member, ~~Insurance Carrier/Retirement Service Member,~~ or ~~Mutual Fund/Insurance Services Limited~~ Member elects to prevent the attribution of **IPS 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, ~~Insurance Carrier/Retirement Service Member,~~ or ~~Mutual Fund/Insurance Services Limited~~ Member must provide NSCC with written notice of its election within the initial ninety (90) day election period. A new NSCC Member, ~~Insurance Carrier/Retirement Service Member,~~ or ~~Mutual Fund/Insurance Services Limited~~ Member may notify NSCC of its election to “Opt-Out” at any time prior to account activation. Once an NSCC Member’s, ~~Insurance Carrier/Retirement Service Member’s,~~ or ~~Mutual Fund/Insurance Services Limited~~ Member’s **IPS Source** Data is included in the Analytics Reporting Service in a readily discernible or individualized manner, the NSCC Member, ~~Insurance Carrier/Retirement Service Member,~~ or ~~Mutual Fund/Insurance Services Limited~~ Member may elect at any time to discontinue having NSCC attribute its **IPS Source** Data in the Analytics 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, ~~Insurance Carrier/Retirement Service Member,~~ or ~~Mutual Fund/Insurance Services 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 **IPS 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.

\*\*\*\*\*