



RULES & PROCEDURES

TEXT OF PROPOSED RULE CHANGE

Bold and underlined text indicates proposed added language.

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

RULE 57. INSURANCE & RETIREMENT SERVICES

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INSUREXPRESS

~~SEC. 10. The Corporation may provide a service to enable Insurance Carrier/Retirement Services Members, Members, Mutual Fund/Insurance Services Members and Data Services Only Members to transmit I&RS Data relating to the initiation, processing and completion of applications for life insurance contracts and other insurance products among themselves.~~

REPLACEMENTS

~~SEC 11. (a) The Corporation may provide a service to enable Members, Insurance Carrier/Retirement Service Members, Mutual Fund/Insurance Services Members and Data Services Only Members to transmit I&RS Data regarding the transfer, exchange or replacement of an existing insurance contract (“Replacement”) to Members, Insurance Carrier/Retirement Service Members, Mutual Fund/Insurance Services Members and Data Services Only Members and to settle payments in respect thereof.~~

~~(b) A Member, Insurance Carrier/Retirement Service Member, Mutual Fund/Insurance Services Member or Data Services Only Member may initiate a Replacement by submitting to the Corporation instructions to process a Replacement, in such form and by such time as established by the Corporation from time to time (referred to as a “Request for Replacement”). Within the time frame established by the Corporation, the Corporation may transmit, to a Member, Insurance Carrier/Retirement Service Member, Mutual Fund/Insurance Services Member or Data Services Only Member a Request for Replacement in such form and by such time as established by the Corporation from time to time. The Member, Insurance Carrier/Retirement Service Member, Mutual Fund/Insurance Services Member or Data Services Only Member must confirm, reject, or request modification with respect to the Request for Replacement in such format and by such time as established by the Corporation. Transfers that are not confirmed or rejected within such time frame and in such manner as established from time to time by the Corporation will be deleted from the I&RS system by the Corporation.~~

~~(c) Unless specifically required by state laws, the Member, Insurance Carrier/Retirement Service Member, Mutual Fund/Insurance Services Member or Data Services Only Member receiving a Request for Replacement Processing (“Delivering Carrier”) waives the obligation that a Transfer of Assets, 1035 Exchange Form, or other similar paperwork (collectively referred to as “TOA”) be signed by an Officer of the carrier submitting the Request for Replacement Processing (“Receiving Carrier”) and physically transmitted to the Delivering~~

~~**Carrier. By accepting the Request for Replacement Processing, the Delivering Carrier also agrees to accept the transfer proceeds; consents to the terms and conditions, if any, stated in the TOA attached to the Request for Replacement Processing; and is bound by the TOA with the same force and effect as if it were accompanied by a physical signature.**~~

INSURANCE PROFILE

SEC 102. (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 113. 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.

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ADDENDUM A

NATIONAL SECURITIES CLEARING CORPORATION

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IV. OTHER SERVICE FEES

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K. Insurance & Retirement Services

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3. Other Service Fees

TIER	FEE	PRODUCT/SERVICE
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TIER 4	\$0.65	Customer Account Transfer Output (per transaction, charged to Insurance Carrier/Retirement Services Member only)
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~~Request for Replacement Status (a/k/a Pending Case Status) – Receiving Carrier (per Request for Replacement Status)~~

~~Request for Replacement Status (a/k/a Pending Case Status) – Deliverer (per Request for Replacement Status)~~

Time Expired Transaction (per transaction, per side)

~~Request for Replacement – Delivering Carrier (per request)~~

~~Request for Replacement – Receiving Carrier (per request)~~

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