

FINANCIAL ACTIVITY REPORTING

[WHAT IS FINANCIAL ACTIVITY REPORTING?]

Financial Activity Reporting (FAR) enables insurance carriers to provide their distributors with the annuity and life insurance financial transaction information they need to help comply with the anti-money laundering provisions of the USA PATRIOT Act and general suitability regulations.

[BENEFITS]

FAR helps broker/dealers maintain a comprehensive and accurate picture of client accounts. With FAR, you can:

- **Improve compliance oversight.** FAR enables compliance officers to have a new level of control with the ability to monitor investment activity related to annuity and life insurance contracts.
- **Access pertinent information.** FAR provides a comprehensive and accurate picture of an individual's account. Capturing all activity data, including transactions handled directly with the carrier, makes it easier to meet the stringent requirements of the USA PATRIOT Act.
- **Reduce common audit problems.** Distributors will reduce the number of internal and external audit problems, especially if used with DTCC's Insurance Services Positions & Valuations service.
- **Create a clean audit trail.** All information comes in a standardized, automated format that provides a clean audit trail to help meet compliance requirements.
- **Provide complete client account statements.** Information from FAR can be incorporated into complete client account statements, showing all financial activity.

[FEATURES]

Using a mainframe or Internet connection, FAR transmits pertinent financial transaction information about an annuity or life insurance contract from insurance carriers to distributors. With FAR, distributors have the ability to:

- Monitor and track annuity and life insurance free-looks, canceled contracts, large investments followed by immediate withdrawals and loans on existing contracts.
- Review financial transaction detail for asset allocation changes, disbursements, partial withdrawals and rebalances utilizing a standard format.
- Obtain confirmations for initial applications and subsequent premiums and provide all other policy information, including fees and confirmations.

[CONTACT US]

For more information, please contact Insurance Services at (212) 855-4477. E-mail us at ips@dtcc.com or visit our Web site at <http://insurance.dtcc.com>.

Insurance Services is a service offering of National Securities Clearing Corporation, a subsidiary of The Depository Trust & Clearing Corporation.