

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS
AUTOMATED VALUATION SERVICE (AVS) LOOK-UP
LICENSE AGREEMENT

THIS AGREEMENT IS MADE THIS ___ day of _____, 20__ (“Effective Date”) by and between the National Association of Insurance Commissioners, a Delaware nonprofit corporation with its principal place of business located in Kansas City, Missouri (“Licensor”) and sometimes referred to as the “NAIC” or “SVO”, and the “Licensee”, hereafter defined as _____, located at _____.

RECITALS

The NAIC maintains a database of reported investments of insurers with Association Values. The Licensee has represented to the NAIC that it wishes information from the AVS Database and that its needs are consistent with Association Purposes (hereafter defined). Licensor is willing to grant such information on the terms and conditions set forth in this Agreement.

TERMS

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

- 1) **Definitions.** The parties agree that the following words shall have the following meanings when used in this Agreement.
 - a) **Agreement** shall mean this License Agreement together with Exhibits A.
 - b) **Association Purposes** shall mean the entry of Association Values, as referenced in clause 1, on Annual Statements as a means to determine eligibility for certain accounting treatment in the manner contemplated by applicable state insurance law, rules, regulations, procedures and policy, including but not limited to the instructions in the Purposes and Procedures Manual, the *Accounting Practices & Procedures Manual*, and Annual Statements, and shall include activity reasonably related thereto.
 - c) **Association Value** shall mean, collectively, an NAIC Designation from the VOS Database or FE Datafile for a security.
 - d) **AVS Database** shall mean Automated Valuation Service, a proprietary database of reported insurer investments and the Association Values assigned to such investments by the NAIC, published five times per year in the VOS CD-ROM (hereafter defined).
 - e) **Bill-To Contact** shall mean the person responsible for prompt payment of all AVS Look-up Invoices and to whom all invoices shall be addressed as described in Exhibit B.
 - f) **CUSIP** shall mean a securities identification system owned by the American Bankers Association and maintained by Standard and Poor’s CUSIP Bureau.
 - g) **Exhibit A** shall mean the Exhibit attached to this License Agreement and so designated.
 - h) **Licensee List of CUSIPs** shall mean the list of CUSIPs provided by the Licensee for look-up in Exhibit A.
 - i) **Person** shall mean a natural person, state, municipality or other political subdivision, corporation, partnership, unincorporated association or other business or legal entity, whether related to Licensee or not.
 - j) **Purposes and Procedures Manual** shall mean the most recent version of the Purposes and Procedures of the Securities Valuation Office of the NAIC.
 - k) **Rating Agencies** shall mean those organizations which analyze the default probability of securities and express credit opinions via a proprietary alphanumeric system to allow investors to compare default probability between one or more securities in public and private transactions. As used herein the term Rating Agencies includes Credit Rating Providers, as defined and listed in the Purposes and Procedures Manual and excludes the SVO.
 - l) The phrases **Annual Statements, Association Values, NAIC, NAIC Designations, SVO and Task Force** shall have the meaning used in the Purposes and Procedures Manual.
 - m) **Ship-To/Sold-To Contact** shall mean the person responsible for account actions, activity, and usage; and to whom any mailed correspondence will be mailed or shipped as described in Exhibit B.

- n) **SVO** means the Securities Valuation Office of the NAIC.
- 2) **Grant of License.** The Licensor hereby grants to the Licensee a non-exclusive, nontransferable License for the Valuation Report in accordance with the limitations in Sections 5 and 6.
- 3) **Term.** The term of the Agreement shall commence on the Effective Date and shall expire on December 31st of this year.
- 4) **Fees.** Current fees are available in the fee schedule ("Fee Schedule") located at: https://www.naic.org/prod_serv_avs.htm
- 5) **Limitations on Use.**
 - a) **Association Purposes Only.** The Licensee represents and warrants that it will use the Valuation Report only for Association Purposes.
 - b) **No Distribution.** The Licensee agrees that the Valuation Report shall be solely for its own internal use. Licensee shall not distribute information obtained from the Valuation Report to any Person. Licensee shall not create any list or compilation from the Valuation Report and shall not publish or disseminate Association Values in any manner except in connection with Association Purposes, or to NAIC members or the personnel of state insurance departments other than contract employees or other outside contractors employed by insurance departments.
 - c) Licensee agrees and acknowledges that the CUSIP Database and the information contained therein is and shall remain valuable intellectual property owned by, or licensed to, CUSIP Global Services ("CGS") and the American Bankers Association ("ABA"), and that no proprietary rights are being transferred to Licensee in such materials or in any of the information contained therein. Any use by Licensee outside of the clearing and settlement of transactions requires a license from CGS, along with an associated fee based on usage. Licensee agrees that misappropriation or misuse of such materials will cause serious damage to CGS and ABA, and that in such event money damages may not constitute sufficient compensation to CGS and ABA; consequently, Licensee agrees that in the event of any misappropriation or misuse, CGS and ABA shall have the right to obtain injunctive relief in addition to any other legal or financial remedies to which CGS and ABA may be entitled.
 - d) Licensee agrees that Licensee shall not publish or distribute in any medium the CUSIP Database, or any information contained therein, or summaries or subsets thereof to any person or entity except in connection with the normal clearing and settlement of security transactions. Licensee further agrees that the use of CUSIP numbers and descriptions is not intended to create or maintain, and does not serve the purpose of the creation or maintenance of, a master file or database of CUSIP descriptions or numbers for itself or any third party recipient of such service and is not intended to create and does not serve in any way as a substitute for the CUSIP MASTER TAPE, PRINT, DB, INTERNET, ELECTRONIC, CD-ROM Services and/or any other future services developed by the CGS.

6) **Representations.**

The NAIC encourages the Licensee to become familiar with the most recent version of the Purposes and Procedures Manual, which can be purchased separately. Licensee understands and acknowledges that:

- a) The legal appropriateness of investments, limitations or restrictions on investments of a particular type, or the final accounting treatment actually accorded to insurer investment are state functions legally entrusted to insurance officials in context of applicable law and practice. The NAIC has no regulatory authority;
- b) NAIC Designations are not market substitutes for or functional equivalents of the credit ratings of Rating Agencies and are not produced to permit investors to compare the likelihood of default or of full and timely payment between one or more securities; and
- c) NAIC Designations or prices are not intended to be and should not be used as the basis upon which to buy or sell any security.

7) Warranties and Indemnification.

Licensee agrees that the following terms and conditions shall survive any termination of its right of access to the materials identified above.

- a) NO WARRANTIES; LIMITATION OF LIABILITY. Association Values are produced solely to assist NAIC members in determining appropriate accounting treatment for the investments of insurers. Many NAIC Designations are derived from the rating of Rating Agencies or NRSROs and security prices on AVS+ are often derived from professional pricing services. All Association Values are based on information provided by or on behalf of insurers or obtained by SVO analysts from publicly available information. All such information is believed to be accurate and reliable; however, the truth, accuracy, and completeness thereof is necessarily dependent upon the source of the information. Also, there is the possibility of human or mechanical error in the production or transmission of information as well as the possibility of incomplete or untimely disclosure by insurers or other third-party providers of information. LICENSOR EXPRESSLY DISCLAIMS THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE AND NO EXPRESS OR IMPLIED WARRANTY IS MADE RESPECTING THE TRUTH, ACCURACY, TIMELINESS, OR COMPLETENESS OF ASSOCIATION VALUES BY THE LICENSOR TO THE LICENSEE OR ANY OTHER PERSON OR ENTITY.
- b) NEITHER CGS, ABA, NOR ANY OF THEIR AFFILIATES MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO THE ACCURACY, ADEQUACY, OR COMPLETENESS OF ANY OF THE INFORMATION CONTAINED IN THE CUSIP DATABASE. ALL SUCH MATERIALS ARE PROVIDED TO LICENSEE ON AN "AS IS" BASIS, WITHOUT ANY WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE NOR WITH RESPECT TO THE RESULTS WHICH MAY BE OBTAINED FROM THE USE OF SUCH MATERIALS. NEITHER CGS, ABA NOR THEIR AFFILIATES SHALL HAVE ANY RESPONSIBILITY OR LIABILITY FOR ANY ERRORS OR OMISSIONS NOR SHALL THEY BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT OR INDIRECT, SPECIAL OR CONSEQUENTIAL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL THE LIABILITY OF CGS, ABA OR ANY OF THEIR AFFILIATES PURSUANT TO ANY CAUSE OF ACTION, WHETHER IN CONTRACT, TORT, OR OTHERWISE, EXCEED THE FEE PAID BY LICENSEE FOR ACCESS TO SUCH MATERIALS IN THE MONTH IN WHICH SUCH CAUSE OF ACTION IS ALLEGED TO HAVE ARISEN. FURTHERMORE, CGS AND ABA SHALL HAVE NO RESPONSIBILITY OR LIABILITY FOR DELAYS OR FAILURES DUE TO CIRCUMSTANCES BEYOND THEIR CONTROL.
- c) LICENSEE ASSUMES SOLE RESPONSIBILITY FOR ITS USE OF THE VALUATION REPORT AND INDEMNIFIES AND HOLDS LICENSOR HARMLESS AGAINST ANY LIABILITY OR CLAIM OF ANY PERSON THAT IS ATTRIBUTABLE TO IMPROPER USE BY LICENSEE OF THE AVS DATABASE OR INFORMATION CONTAINED THEREIN.
- d) Licensor shall not be liable for and LICENSEE EXPRESSLY WAIVES ANY CLAIM FOR ANY LOSS, COST OR INJURY, DIRECT OR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO, LOST SALES, LOST PROFIT, BUSINESS INTERRUPTION, OR THIRD PARTY CLAIMS) SUFFERED BY LICENSEE AS A RESULT OF RELIANCE ON OR USE OF ASSOCIATION VALUES. In the event of any dispute between the Licensee and the Licensor, the parties agree that the Licensee's sole remedy and Licensor's sole liability shall in no event exceed the actual License fee paid by the Licensee, whether such claim is based on tort, contract or other legal or equitable theory.

8) Violation, Termination and Administrative Procedure.

- a) Violation. Licensee agrees that the violation of any term of this Agreement shall constitute a violation of the License.
- b) Termination. Upon Licensee's violation of Section 5 of this License, the NAIC may, in its sole discretion, immediately terminate the License. The Licensee understands and agrees that it shall have no right of action for such termination.
- c) Notices. Any and all notices which may be served with respect to this Agreement shall be made in writing and delivered to the NAIC via email at avsis@naic.org, or via standard mail at ATTN: AVS Administration, NAIC, 1100 Walnut, Suite 1500, Kansas City, MO 64106.

9) Miscellaneous Provisions.

- a) Law Governing Agreement; Arbitration. This Agreement shall be construed in accordance with the laws of the State of New York. Any controversy or claim arising out of or relating to this Agreement or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and the judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- b) Entire Agreement. This Agreement sets forth the entire agreement and understanding between the parties respecting the subject matter of this Agreement and merges all prior discussions between the parties. Neither of the parties shall be bound by any conditions, definitions, Warranties, understandings or representations with respect to the subject matter of this Agreement other than as expressly provided herein.
- c) Survivability. The provisions of Section 5, 6 and 7 of this Agreement shall survive the expiration or termination of this agreement.

In Witness Whereof, the parties have hereunto set their hands, intending to be bound.

NAIC

Company

By

By

Printed Name

Printed Name

Title

Title

Date

Date

Exhibit A
Licensee List of CUSIPs

The Valuation Report is limited to 50 CUSIPs, which are identified below by the Licensee.

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Exhibit B

CONTACT INFORMATION

The following information is required for the purposes of invoicing and sending the Valuation Report. Completed agreements should be sent to securitiessupport@naic.org for processing.

- 1) Bill-To Contact as defined in Section 1(e)

Company Name: _____

Address: _____

City, State, Zip Code: _____

Company Phone Number: _____

Contact Name: _____

Contact Phone Number: _____

Contact E-Mail Address: _____

- 2) Ship-To/Sold-To Contact as defined in Section 1(m)

Company Name: _____

Address: _____

City, State, Zip Code: _____

Company Phone Number: _____

Contact Name: _____

Contact Phone Number: _____

Contact E-Mail Address: _____