



Compliance newsletter – June 2023

Protective is committed to making the most of every opportunity to put **more within your reach** – more tools and more resources to help you **do the right thing, serve people, build trust, and aspire for better**. Because together we are all Protectors.

Suitability

The NAIC Suitability in Annuity Transactions Model Regulation (Model Regulation) provides the framework for annuity suitability guidelines. Under this framework producers be knowledgeable about the products they offer and ultimately make recommendations that are in the best interest of the client. Protective has developed **Annuity Suitability Guidelines** and an **Annuity Suitability Producer Guide** to help ensure producers comply with applicable annuity suitability laws and regulations. Producers can access these guides from the **Annuity and Life Insurance Suitability Information** hub on [MyProtective.com](https://www.myprotective.com) under the **Doing Business with Us** tab. We encourage all producers to refer to these guides to review annuity suitability requirements, training requirements and other suitability information.

Pre-application review

Protective may undertake a pre-application review upon request by a producer. This will enable producers to inquire about the suitability of a particular product for a potential applicant prior to submitting a signed application. Pre-application review requests may be made by submitting a “Consumer Profile and Suitability Questionnaire” via email to the Annuity Suitability Review Desk at annuitysuitabilityreview@protective.com. The questionnaire does not need to be signed for a pre-application review. The Annuity Suitability Review Desk will conduct a review and provide a conditional approval, decline, or ask for more information.

The Annuity Suitability Review Desk is available to answer general questions concerning annuity suitability or the Consumer Profile and Suitability Questionnaire.

NAIC suitability in annuity transactions training requirements

The NAIC Model Regulation further mandates that producers must complete a general four-hour annuity training course. In states that have adopted the updated Model Regulation, insurance producers who had completed the 4-hour training prior to the effective date of the newly adopted Model Regulation are required to successfully complete a new 4-hour or a 1-hour supplemental training course. The course covers types of annuities, uses of annuities, taxation of annuities, appropriate sales practices, and more.

Producers should be aware of the below list of states with recent or approaching deadlines for completing required training. Applications signed after the deadline will not be accepted if the producer has not completed the appropriate training. Producers can complete this training through any approved CE provider including Quest, RegEd, and Kaplan.

Best Interest Adopted: Recent and Future Deadlines		
State	Training Start Date	Training Deadline
New Mexico	10/1/2022	4/1/2023
Wisconsin	10/1/2022	4/1/2023
Maryland	10/8/2022	4/8/2023
Colorado	11/1/2022	5/1/2023
South Carolina	11/17/2022	5/17/2023
Massachusetts	6/1/2023	6/1/2023
Minnesota	1/1/2023	7/1/2023
South Dakota	1/1/2023	7/1/2023
Hawaii	1/1/2023	7/1/2023
Alaska	11/23/2022	8/30/2023
North Carolina	1/1/2023	8/30/2023
West Virginia	6/8/2023	12/8/2023
Illinois	7/1/2023	2/1/2024
Georgia	8/1/2023	2/1/2024
Tennessee	1/1/2024	6/1/2024
Wyoming	7/5/2024	

Consumer-facing education materials

Protective publishes educational materials, such as Product Guides and Facts at a Glance, to assist producers better educate consumers before purchasing an annuity. Protective encourages you to use these materials to help inform consumers about how our products work. These marketing materials include information on available riders, endorsements, restrictions, withdrawals, annuitization, expenses, surrender charges, and other important features and risks. The **Point-of-Sale Marketing Material** section on MyProtective.com is a helpful reminder to producers that Protective has made available product specific marketing material to be used with consumers at the point of sale. Product specific marketing material, including Product Guides and Facts at a Glance, are available at finpro.protective.com.

Important information about sales material and advertising

Insurance advertising is highly regulated with guidelines that differ from state to state. All sales and marketing materials available on finpro.protective.com have been reviewed by Protective Corporate Compliance. Accordingly, any advertising or sales material **must be approved prior to use** if the Protective name or branding, or any product, sales aid, or computer systems are referenced. Remember, urging a customer to purchase or modify a policy through prospecting

letters, form letters, and internet websites is considered advertising and fall within these pre-approval guidelines.

Contact us

Our purpose is to help more people become Protectors. We stand by your side as you help your customers protect what matters most. Please contact us at 800-866-6410, option 1, for additional support. Additionally, the Annuity Suitability Review Desk may be reached at annuitysuitabilityreview@protective.com.