



November 2024

To: Lafayette Life Producers

Annual NAIC Florida Churning Notice

Under Florida regulations, an announcement must be sent to all Florida resident and non-resident agents annually regarding churning. The announcement must define churning, include information on Lafayette Life's written procedures and explain the consequences of not following the company's procedures.

- **Churning:** Churning is a misdemeanor of the first degree under Florida law, and occurs when the account value of an existing life insurance policy or annuity contract is used to purchase a new life insurance policy or annuity contract from the same company.
- **Procedures:** Form [D14-1180](#) must be completed in triplicate at the time of sale. A copy of the form shall be provided to the customer, one copy shall be returned to Lafayette Life Insurance Company and one copy shall be retained by the agent. The new contract will not be issued until the required form is received, and a copy of the completed form shall be retained in the customer's file at the home office.
- **Consequences:** The consequences of non-compliance with these churning procedures may be imposition of an administrative fine by the Florida Department of Insurance and would be grounds for termination of an agent's contract. Lafayette Life Insurance Company does not condone or endorse churning. Please be aware of the above information regarding Florida requirements.

The best way to ensure you have the most up-to-date forms is to download them from the Forms by State section of the Lafayette Life Producer Website. You may also contact our Sales Desk at 866.937.5542 or e-mail us at LLICSalesdevelopment@llic.com with any questions about forms or requests for hard copies.