

Draft: 9/29/17

Adopted by the Executive (EX) Committee and Plenary, ??

Adopted by the Life Insurance and Annuities (A) Committee, Oct. 13, 2017

2018 Proposed Charges

LIFE INSURANCE AND ANNUITIES (A) COMMITTEE

The mission of the Life Insurance and Annuities (A) Committee is to consider issues relating to life insurance and annuities and review new life insurance products.

Ongoing Support of NAIC Programs, Products or Services

1. The **Life Insurance and Annuities (A) Committee** will:
 - A. Monitor the activities of the Life Actuarial (A) Task Force.
 - B. Oversee development of the principle-based reserving (PBR) system.
 - C. Oversee outstanding issues related to contingent deferred annuities (CDAs), including considering the development of a CDA buyer's guide.
 - D. Explore ways to promote retirement security consistent with the NAIC's continuing "Retirement Security Initiative."
2. The **Annuity Disclosure (A) Working Group** will:
 - A. Review and revise, as necessary, Section 6—Standards for Annuity Illustrations in the *Annuity Disclosure Model Regulation* (#245) to take into account the disclosures necessary to inform consumers in light of the product innovations currently in the marketplace.
3. The **Life Insurance Buyer's Guide (A) Working Group** will:
 - A. Review and revise, as necessary, the *Life Insurance Buyer's Guide* in conjunction with Appendix A of the *Life Insurance Disclosure Model Regulation* (#580).
4. The **Life Insurance Illustration Issues (A) Working Group** will:
 - A. Explore how the narrative summary required by Section 7B of the *Life Insurance Illustrations Model Regulation* (#582) and the policy summary required by Section 5A(2) of Model #580 can be enhanced to promote consumer readability and understandability of these life insurance policy summaries, including how they are designed, formatted and accessed by consumers.
5. The **Model Law Review (A) Subgroup** will:
 - A. Work with the Life Actuarial (A) Task Force to review issues identified during the Subgroup's completion of the Model Law Review Initiative, specifically:
 1. With respect to the *Modified Guaranteed Annuity Model Regulation* (#255):
 - a. Research whether the requirements of Model #255 are contained elsewhere in state law or rules.
 - b. Consider whether there is a need for the development of a similar law for modified guaranteed annuities offered through general accounts products.
 2. With respect to the *Annuity Nonforfeiture Model Regulation* (#806):
 - a. Research whether the requirements of Model #806 are contained elsewhere in state law or rules.
 - b. Consider whether Model #806 may be more appropriate as an actuarial guideline.
6. The **Promoting Appropriate Sales Practices in Life Insurance and Annuities (A) Working Group** will:
 - A. Review and revise, as necessary, the *Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities* (#278), as well as the producer and insurer bulletin and the NAIC Consumer Alert, "Preventing Abusive Practices: The Misuse of Senior Designations and 'Free Lunch' Seminars."
7. The **Suitability (A) Working Group** will:
 - A. Review and revise, as necessary, the *Suitability in Annuity Transactions Model Regulation* (#275).
 - B. Consider how to promote greater uniformity across NAIC-member jurisdictions.
- ~~8. The **Unclaimed Life Insurance Benefits (A) Working Group** will:
 - A. Develop a new NAIC model law to address the issue of unclaimed death benefits.~~

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