

Protective Life Compliance Newsletter

DATE: June 11, 2019

Annuity Suitability Program Enhancements

Protective Life is dedicated to providing quality service, building trust and simplifying everything for you and our mutual customers. As part of that effort, we want to ensure that you stay informed about important changes that impact the processing of your business. Please review the following information regarding enhancements to Protective Life's Annuity Suitability Program.

[Annuity Suitability Information Added to Product Training](#)

Protective Life has updated its Fixed Indexed Annuity (FIA) product training courses to help producers understand their suitability obligations when selling a fixed indexed annuity. New material has been added to the existing product training courses, which will provide more information on identifying the right customer, features of an annuity, alternatives to annuities, annuity suitability obligations, overview of annuity-related regulations, required suitability information for annuity sales, and considerations for making a suitable recommendation. We have provided this information to help you understand your obligations as a producer and to promote appropriate sales and replacements of our FIA annuity products. The newly enhanced FIA courses will be available June 15, 2019, and will be required on a going forward basis for any producer who has not previously completed the product-specific training.

[New Annuity Suitability Webpage on \[www.myprotective.com\]\(http://www.myprotective.com\)](#)

Protective Life has created a new Annuity Suitability Information webpage on www.myprotective.com. This webpage is designed to be a central point of reference for Protective Life's Annuity Suitability Program. The webpage currently has information regarding Protective Life's Annuity Suitability Guidelines (the Guidelines), Point of Sale Marketing Materials, and National Association of Insurance Commissioners' (NAIC's) training requirements. Additional information related to the Annuity Suitability Program will be added to this webpage in the near future.

The Guidelines provide important information about the NAIC's Suitability in Annuity Transactions Model Regulation (the Model Regulation), as well as annuity suitability regulations in states that have adopted the Model Regulation. Producers should refer to the Guidelines in order to understand more about Protective Life's Annuity Suitability Program.



The Point of Sale Marketing Material section is a helpful reminder to producers that Protective Life has made available product specific marketing material to be used with consumers at the point of sale. Protective Life encourages you to use these materials to help educate consumers about how our products work, and includes information on available riders, endorsements, restrictions, withdrawals, annuitization, expenses, surrender charges, and other important features. The marketing materials can be found under the Products and Solutions tab on www.myprotective.com.

Product training is available for all of Protective Life's annuity products. Some states require producers to complete a training course before selling or soliciting clients for annuity products. Protective Life provides online training courses that will allow producers to complete all product specific training requirements. Training modules for all fixed, variable and immediate annuity products have been made available utilizing the online training tools with Quest CE or RegEd. Producers can complete state specific training requirements through the vendor of their choice. Certificates of completion are required to validate that training requirements have been met.

[New Annuity Suitability Questionnaire for Fixed Annuities coming June 17, 2019](#)

Protective Life has enhanced its Annuity Suitability Questionnaire for Fixed Annuities to improve the ability of customers and producers to assess whether the purchase, exchange, or replacement of a traditional fixed or fixed indexed annuity is suitable. The enhancements include free-form fields rather than ranges for questions related to dollar amounts, as well as the ability to list a specific number of years related to the customer's experience with certain financial products. New questions have also been added to better understand how and when the customer may take distributions from the annuity. Additionally, a replacement/comparison chart is now included so that features, both favorable and unfavorable, of a proposed replacement transaction can be listed.

The enhanced Annuity Suitability Questionnaire for Fixed Annuities is required for fixed or fixed indexed annuity sales (which includes new purchases, exchanges and replacements) if a producer's firm does not perform their own suitability review, and as a result the review must be performed in-house at Protective. The new Questionnaire (Form # LAD-1243-R) is for use in all states except Florida (DFS-81-1980) and New York (LAD-1243-R-NY) and will replace the existing form (Form # LAD-1243) effective **June 17, 2019**. For fixed or fixed indexed annuity business submitted after June 17, 2019, Protective Life will accept the prior version of the form for 30 days to accommodate any business that producers may have pending or in process. Any fixed or fixed indexed annuity applications received on or after July 17, 2019 must also include the new Annuity Suitability Questionnaire. Otherwise, the business will be considered not in good order and will be returned to the submitting producer.



New Annuity Suitability Review Desk

Protective Life has formed a new Annuity Suitability Review Desk to augment reviews of annuity sales and replacements. The Annuity Suitability Review Desk is available to answer general questions concerning annuity suitability or the Annuity Suitability Questionnaire, and can be reached at AnnuitySuitabilityReview@Protective.com.

We look forward to helping you meet the protection needs of our mutual customers – **Today, Tomorrow, Together.™**

Please contact us at 800.421.5614 for additional support.

Insurance and annuity products offered through Protective Life Insurance Company (PLICO), Birmingham, AL.

