

May 11, 2022

The Honorable Doug Ommen, Chairman
NAIC Annuity Suitability Working Group
1100 Walnut Street, Suite 1500
Kansas City, MO 64106

Submitted via email to Jolie Matthews: jmatthews@naic.org

RE: Suitability in Annuity Transactions Model Regulation (#275) -
Frequently Asked Questions (FAQs)

Dear Commissioner Ommen:

Thank you for the opportunity to comment on next steps relative to the published FAQs and proposed FAQs for Training & Safe Harbor. FACC actively supported the Working Group's efforts to develop the existing FAQs and is grateful for the opportunity to have worked with other trade groups and regulators last year in completing the July 19, 2021 approved FAQs.

As you are aware, to date twenty-three states have adopted the Model and a number of other states are in the process of adoption. Significantly, the steady and uniform passage of the 2020 NAIC Model #275 by these states demonstrates the FAQs successfully met the Working Group's charge to "assist in the uniform implementation and enforcement of its provisions across all NAIC member jurisdictions." The NAIC is to be commended for this progress in getting the Model adopted uniformly to date.

Based on this success, FACC believes the Working Group should continue the work begun last year on clarifying certain issues pertaining to training requirements and the safe harbor but refrain from opening up any completed FAQs or adding new questions at this time. We would be concerned such efforts would only impede progress towards uniform adoption nationwide of the Model regulation. FACC believes many insurers and agents are well along in establishing programs to comply with the NAIC Model – together with the FAQs – and it is paramount there be stability and continuity to complete efforts towards nationwide standards and procedures for best interest compliance.

FACC stands ready to participate in further deliberations of the Working Group relative to training and safe harbor FAQs and urges the Working Group to adopt such FAQs expeditiously as possible to encourage remaining states to act to adopt the Model.

As always, thank you for the opportunity to comment.

Sincerely,



Kim O'Brien, CEO

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