

National Association of Insurance Commissioners  
Life Insurance and Annuities Illustrations (A) Working Group  
Attn: Jennifer Cook, Senior Counsel  
1101 K Street, N.W., Suite 650  
Washington, DC 20005

Via email to: [jcook@naic.org](mailto:jcook@naic.org)

***Re: Exposure Question on Illustrations***

Dear Working Group Members:

The Federation of Americans for Consumer Choice (FACC) welcomes efforts of the NAIC Working Group to ensure illustrations are being utilized in a manner that is responsible and beneficial to consumers in the sale of fixed indexed products and all other financial products.

FACC represents Independent Marketing Organizations and insurance agencies who work directly with producers selling fixed indexed annuities as well as other forms of fixed annuities and life insurance. FACC works to promote a level playing field for independent insurance professionals by advocating for regulations and legislation that foster consumer choice while at the same time promoting consumer awareness in the financial services marketplace.

Because of the relatively short turnaround for responding to the NAIC's question, FACC at this time is not in a position to offer substantive comments nor offer any specific short or long term approaches to the matter of illustration integrity. However, FACC is keenly interested in these issues, and wishes to participate in the working group's deliberations as an interested party. As ideas and proposals begin to develop, FACC believes it can contribute to the dialogue in evaluating industry practices and possibly updating model regulations.

At this point, FACC believes it is critically important for the Working Group to review the existing NAIC Model Regulation #245 to determine its effectiveness in addressing emerging concerns. In that review, it is important the Working Group determine if the model regulation achieves the right balance so insurers and producers have the flexibility to represent the full features of their products in different scenarios while at the same time ensuring those representations are reasonable relative to product

*The Federation of Americans for Consumer Choice, Inc. (FACC) is a 501(c)6 non-profit organization incorporated in the state of Texas whose members are independent marketing organizations, agencies, and agents engaged in the distribution of fixed insurance and annuity products. FACC promotes public policy recognizing the value of guaranteed insurance solutions and preserving freedom of choice for consumers who seek products and services from independent agents representing multiple carriers and product options.*



configuration and marketplace conditions. Given the model regulation provisions relating to illustrations are now over ten years old, the timing for this effort seems appropriate and FACC is hopeful it can serve as a resource in these ongoing matters.

FACC looks forward to your next meeting at the end of the month and will look forward to offering more comments as these efforts proceed.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim O'Brien", located below the word "Sincerely".

Kim O'Brien, CEO