



Electronically Submitted to jcook@naic.org

April 30, 2026

TO: The NAIC Life Insurance and Annuities (A) Committee

Re: Exposure Question on Market Data and Scanning

On behalf of our members, the Insured Retirement Institute (IRI)¹ appreciates the opportunity to comment on the exposure question regarding whether technology can be used to improve market regulation related to advertising, marketing, and sales. IRI supports thoughtful, coordinated efforts to enhance consumer protection and regulatory effectiveness, including the appropriate use of technology. As such, we would like to offer the following high-level comments to help ensure that any potential next steps are targeted, workable, and consistent with existing regulatory frameworks.

To start, we would like to emphasize the importance of continued alignment across NAIC committees and working groups addressing annuity-related issues, including illustrations, market conduct, and sales practices. As the NAIC considers this exposure question, clarity around how it fits within and complements ongoing efforts, particularly those already underway at the A Committee, the D Committee and their underlying working groups, would be helpful to avoid unintended overlap or inconsistent approaches. Ensuring that related initiatives are clearly scoped and coordinated will promote regulatory efficiency and provide greater certainty to regulators and industry.

Various aspects of the exposure questions raise concerns as to how this effort is intended to align with existing regulatory frameworks and ongoing NAIC work. For example, there is a question about using technology tools to compare annuity illustrations at time of sale with subsequent annuity performance. Illustrations are intended to educate consumers about how a product works, including how index performance impacts crediting, not to project or guarantee future performance. Suggestions that illustrated values be compared with subsequent actual outcomes risk treating non-guaranteed elements presented in annuity illustrations as guarantees and are

¹ The Insured Retirement Institute (IRI) is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, and distributors such as broker-dealers, banks and marketing organizations. IRI members account for more than 95 percent of annuity assets in the U.S., include the top 10 distributors of annuities ranked by assets under management, and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community.

inconsistent with the long-standing framework reflected in the NAIC Annuity Disclosure Model Regulation (Model #245). Insurers cannot control future index performance, and current illustration requirements already prescribe standardized methodologies designed to promote transparency and consistency. Any regulatory focus in this area should remain centered on a review of the sufficiency of and compliance with existing standards, rather than retrospective performance outcomes.

Members also raised concerns regarding potential monitoring of IMO compensation incentives. Regulators already have an established framework to address producer conduct, conflicts of interest, and compensation through existing best interest standards. It is unclear what regulatory or consumer protection gaps such tools would be seeking to address.

Overall, any efforts to employ technology to improve market regulation should focus on alignment with existing regulatory requirements, rather than introducing broad monitoring mechanisms without a clear sense of what gaps they are intended to address. IRI and its members appreciate the opportunity to provide these comments and look forward to continued engagement with the Committee and other NAIC stakeholders as these issues are considered. We remain willing to work collaboratively to help develop targeted, coordinated approaches that enhance consumer understanding while preserving the effectiveness of existing regulatory frameworks.

Please do not hesitate to reach out with any questions or concerns, or if there's anything else with which we can assist.

Sincerely,

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