NAIC Annuity Best Interest Standard
Presented By

53 state and territorial chapters and 35 large metropolitan local chapters with members in every congressional district who advocate on behalf of producers and consumers at the state, interstate, and federal levels.

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Benefits of Adoption

1. Consumers
2. Industry – Both Producers and Insurers
3. Regulators
4. Uniformity
Consumers
Consumers

- Enhancement of consumer protections
- Establishes clear consumer expectations of the obligations and requirements of financial professionals
- All understand that producers must act in the best interest of consumers
- Ensure wide range of product selection
Industry
Industry

- Prevents a patchwork of regulatory compliance
- Allows for a cleaner compliance regime
- Elevated reputation for producers
- Establishes consistent training requirements, including reciprocity
Regulators
Regulators

• Provides a clear, simple, and not overly burdensome compliance regime for enforcement purposes
• Establishes uniform disclosures & training requirements
• Less consumer complaints
Uniformity
More States = More Uniformity

Swift and Consistent Adoption by States serves as the catalyst for all the benefits we have discussed.

Driving best interest to become best practice for annuity sales.

The States remain the best arena for this non-variable annuity regulation, including sales practices, product approvals, etc.

Variable Annuities have additional federal oversight as a securities product.
Questions?