

Center for Economic Justice
Independent Insurance Agents & Brokers of America

September 16, 2022

Damion Hughes
Market Conduct Examination Guidelines Working Group
National Association of Insurance Commissioners
1100 Walnut Street, Suite 1500
Kansas City, MO 64106

Delivered via email to Petra Wallace at pwallace@naic.org

Dear Chairman Hughes:

On behalf of the Center for Economic Justice (CEJ) and the Independent Insurance Agents & Brokers of America (IIABA), we write to comment on the proposed revisions to Chapter 23 of the Market Regulation Handbook (Conducting the Life and Annuity Examination). Our

- x Monitoring the relevant conduct of the financial professional seeking to rely on the safe harbor or the entity responsible for supervising the financial professional using information collected in the normal course of an insurer's business; and
- x Providing to the entity responsible for supervising the financial professional seeking to rely on the safe harbor information and reports that are reasonably appropriate to assist such entity to maintain its supervision system.

The review procedures relate to an insurer's supervisory responsibility of a producer not to whether a comparable standard applies or how to examine compliance with that comparable standard. Further, the proposed guidance for insurers is limited to procedural activities and not substantive outcomes. The model regulation requires an insurer not to issue an annuity unless there is a reasonable basis to believe the annuity would effectively address the particular consumer's needs (set out in Standard 16).

CEJ and IIABA thank you for the opportunity to submit these joint comments and for your consideration of our perspective regarding this important issue, and we again urge you not to adopt the revisions to Standard 9 as drafted. If we can provide you with any additional information or assistance in advance of your next meeting, please feel free to contact us.

Birny Birnbaum
Executive Director
Center for Economic Justice

Wesley Bissett
Senior Counsel, Government Affairs
Independent Insurance Agents & Brokers
of America