

## AGENT ADVISORY

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TO: All Symetra Appointed Agencies in Maine

RE: Maine's Life Insurance and Annuities Replacement Regulation Chapter 919

Maine has adopted the July 2000 NAIC Life Insurance and Annuities Replacement Model Regulation effective Jan. 1, 2007. The purpose of the regulation is to:

- Regulate the activities of insurers and producers with respect to the replacement of existing life insurance and annuities.
- Protect the interests of life insurance and annuity purchasers by establishing minimum standards of conduct to be observed in replacement or financed purchase transactions.

An insurance company must maintain a system of supervision and control to ensure compliance with the requirements of the regulation that include at least the following:

- Informing its producers of the requirements of this regulation and incorporating the requirements of this regulation into all relevant producer training manuals prepared by the insurer.
- Providing to each producer a written statement of the company's position with respect to the acceptability of replacements (Symetra's position is provided below).
- Providing guidance to its producers as to the appropriateness of these transactions.
- A system to review the appropriateness of each replacement transaction in accordance with the company's position.
- Procedures to confirm that the requirements of this regulation have been met.
- Procedures to detect transactions that are replacements of existing policies or contracts by the existing insurer, but that have not been reported as such by the applicant or producer. Compliance with this regulation may include, but shall not be limited to, systematic customer surveys, interviews, confirmation letters or programs of internal monitoring.

## **Symetra's Position**

Symetra makes every attempt to govern replacement activities with the policy owner's interest foremost in mind. We do not encourage or condone wholesale, indiscriminate replacement of existing life insurance and/or annuity policies. This includes not only replacement of other companies' policies but the replacement of our own policies as well. At the same time, we acknowledge that sometimes a replacement can be in the best interest of the client.

## **Duties of Producers**

Copies of the following materials may be found under "Forms" on our [Advisories and Regulatory Training](#) page:

- An executive summary of how the regulation affects you, entitled "Complying with Maine's Replacement Regulation for Life Insurance and Annuities."
- The new replacement form, "Important Notice: Replacement of Life Insurance or Annuities" (LU-745). For additional copies of the replacement form you may print from our agent Web site, or reorder through your usual supply channels.
- Statement of Existing Insurance (LU-766). (Required for applications for Preference or Preference FP only). For additional copies, you may print from our agent Web site, or reorder through your usual supply channel.
- Maine's Regulation Chapter 919 — Life Insurance Policies and Annuities Replacement.

***Please pay careful attention to the summary, "Complying with Maine's Replacement Regulation for Life Insurance and Annuities," as it provides important information about the regulations that you need to know, including the "exemptions."***

If you have any questions, please contact the Symetra Sales at [invest@symetra.com](mailto:invest@symetra.com) or 1-800-706-0700.

Sincerely,

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