

## AGENT ADVISORY

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TO: All First Symetra Distributors in New York  
RE: Anti-Money Laundering (AML) Rules Require Training

The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) announced rules that require insurance companies to take steps to identify and apprehend money launderers. The Anti-Money Laundering (AML) rules require training for distributors of covered products. This advisory provides an overview of the federally mandated distributor training and the resources available to you.

### **Who needs Anti-Money Laundering (AML) training?**

All distributors licensed to sell one or more of the "covered products" must complete annual AML training. Covered products include: (1) permanent life insurance policies, other than group life insurance policies; (2) annuity contracts, other than group annuity contract; and (3) any other products with cash value or investment features.

### **Where can I find AML training?**

First Symetra offers a quick-and-easy online AML training course, which may be found under "Training Courses" on the [Advisories and Regulatory Training](#) page. At the end of the course, distributors can print out a certificate of completion. In lieu of its own training, First Symetra will accept an AML training course offered by other recognized financial service institutions — including banks, broker/dealers and insurance companies — or training vendors such as LIMRA or LOMA. Distributors only need to take one course annually from one of these providers to satisfy the training requirement.

### **What does AML training cover?**

The course explores the distributor's regulatory role and responsibilities, red flags that may signal illegal money laundering activities, what to do once the risk is identified, and the disciplinary consequences for noncompliance (including civil and criminal penalties).

### **How often is AML training required?**

Beginning in 2006, distributors must complete an authorized AML training course once each year.

### **Who monitors completion of training?**

It is the agency's responsibility to monitor and track each producer's compliance with AML training requirements, including annual refresher courses. Upon First Symetra's request,

agencies must provide proof (such as certificate of completion) that training has been completed.

### **What are the consequences for not taking the training or failing to comply with the AML rules?**

Distributors selling “covered products” must take annual AML training. Failure to take the training or failure to follow the rules in compliance efforts can result in disciplinary action, including civil and criminal penalties under the [USA PATRIOT Act](#).

### **What are some of the AML reporting requirements for insurance companies?**

Insurance companies must:

- **Report suspicious activity.** Insurers are already required to file Form 8300 with respect to the receipt of cash in excess of \$10,000. Although it's not required, this form includes space for reporting other suspicious transactions.
- **File a Suspicious Activity Report (SAR).** Insurers must report suspicious activities, which may include insurance purchases inconsistent with needs, unusual payment methods, early product termination, or refund checks directed to unusual third parties.
- **Must involve producers as necessary.** Although producers are not directly subject to the reporting rules, the rules recognize that producers frequently have better access to certain customer-related information. Insurance companies will establish and implement policies and procedures reasonably designed to obtain such information from all relevant sources, including the insurer's producers.

### **Questions**

If you have any questions concerning the new rules, need assistance in developing policies and procedures to implement the new distributor training, or need to report suspicious activities, please contact AML Compliance at [AMLCOM@symetra.com](mailto:AMLCOM@symetra.com).

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