

NAIC Annuity Transaction Model Reg – training required

Several states now require additional training; other states anticipated to follow

The NAIC has amended the Annuity Transaction Model Regulation to align with the best interest standard of care for annuity sales. As part of this Model Regulation, producers will need to complete additional training. Refer to the [Frequently Asked Questions](#) document for more information.

Producer training requirements for states who have adopted the 2020 NAIC Model

- **New annuity producers** are required to complete a four-credit training course that covers the new requirements.
- **Existing producers** who have previously completed a four-credit training are required to complete a new one-credit training course (a new four-credit course will also meet the requirement). Completion of this training is required within six months after the effective date of the Model Regulation in each state.
- **All Producers:** Product-specific training will continue to be a requirement for new and existing producers prior to solicitation of an annuity product.

Note: Where Lincoln is conducting the suitability review, the Acord 660 form or “Appendix A”, (“Insurance Agent (Producer) Disclosure For Annuities”) is required with the application in states that have adopted the new NAIC Model Regulation. If this form is missing from applications received after the Effective Date of that state’s adoption, the business will be deemed Not in Good Order (NIGO).

The new state-approved NAIC courses are currently available on vendor sites and will be accepted immediately.

Current state adoptions – Alabama, Maine, Texas and Virginia added

The following states have recently adopted the revised NAIC Suitability in Annuity Transaction Model Regulation:

State	Effective Date	General Annuity Deadline if licensed prior to effective date	General Annuity Deadline if NOT licensed prior to effective date	Product-specific (carrier training) deadline	Reciprocal
Alabama	1/1/2022	6/30/2022	Prior to Solicitation	Prior to Solicitation	Yes
Arkansas	7/8/2021	1/1/2022	1/1/2022	1/1/2022	Yes
Arizona	1/1/2021	6/30/2021	Prior to Solicitation	Prior to Solicitation	Yes
Delaware	8/1/2021	1/31/2022	Prior to Solicitation	Prior to Solicitation	Yes
Idaho	7/1/2021	12/31/2021	Prior to Solicitation	Prior to Solicitation	Yes
Iowa ¹	1/1/2021	6/30/2021	Prior to Solicitation	Prior to Solicitation	Yes
Maine	1/1/2022	6/30/2022	Prior to Solicitation	Prior to Solicitation	Yes
Michigan	6/29/2021	12/29/2021	Prior to Solicitation	Prior to Solicitation	Yes
Montana ²	10/1/2021	3/31/2022	Prior to Solicitation	Prior to Solicitation	Yes
Nebraska ³	7/1/2021	12/31/2021	Prior to Solicitation	Prior to Solicitation	Yes
North Dakota	1/1/2022	6/30/2022	Prior to Solicitation	Prior to Solicitation	Yes
Ohio	2/14/2021	8/14/2021	Prior to Solicitation	Prior to Solicitation	Yes
Rhode Island	4/1/2021	9/30/2021	Prior to Solicitation	Prior to Solicitation	Yes
Texas	9/1/2021	12/31/2021	Prior to Solicitation	Prior to Solicitation	Yes
Virginia	9/1/2021	2/28/2022	Prior to Solicitation	Prior to Solicitation	Yes

¹ Iowa: Producers who intend to sell fixed and variable indexed annuities in Iowa will need to complete a four-credit indexed product training course.

² Montana: Requires producers to have securities license if recommending the distribution of a security (including a variable annuity).

³ Nebraska: Compliance Training Effective date, 7/1/2021. Regulation Effective Date, 1/1/2022.

Future state adoptions

The following states are pending adoption of the 2020 NAIC Model (others may follow): Connecticut, Kentucky, Nevada, Pennsylvania.

The Annuity Education Requirements 50-State Chart includes this new requirement, and is available by logging onto LFD.COM > GUIDELINES AND EDUCATION > COMPLIANCE GUIDELINES. Updates will be published on a continual basis as states adopt the 2020 NAIC Suitability in Annuity Transaction Model Regulation.