

Doing Annuity Business the AE Way

The following are general guidelines for Advisors Excel Producers. Please keep in mind, each annuity carrier has their own specific guidelines that should be followed when conducting business.

Standard of Care

- Producers are responsible for knowing the requirements of the Standard of Care as adopted by the state in which the producer is licensed, and solicitation is taking place.
- All recommendations for the purchase or exchange of an annuity product should be appropriate for the customer based on information known by the Producer at the time the recommendation is made.
- All information within the application packet should be filled out accurately and completely to the best of the Producer's knowledge.

Keeping Documentation

- The Producer must know the state requirements for record keeping in the state in which solicitation takes place.
- It is best practice that the client file contains the following:
 - Information on how the Producer met the client. (Referral, response to marketing, or the client reaching out via email, web, or phone)
 - Records of all meetings that have taken place, including the following information:
 - Date and Time of all interactions with client(s)
 - How the meeting took place (Telephone, Video Call, In-Person, etc.)
 - All Individuals who participated in meeting(s)
 - Information discussed, including any recommendations and decisions made
 - All sales materials or illustrations presented
 - Log all correspondence including phone calls, emails, text messages, etc.
 - All client information gathered, including suitability information.
 - Copy of all signed documents.
 - PTE 84-24, if applicable.
 - Details regarding how the policy was delivered to the client.

Protecting Personal Information

- Producers are responsible for monitoring and following all federal and state laws regarding the protection of personal information.
- Producers have a responsibility to keep all client information confidential unless the client grants permission to release.
- Producers are required to maintain adequate cybersecurity systems and safeguards to prevent client information from becoming compromised.

Agent Licensing and Appointment

- The Producer is expected to complete all required licensing and appointment requirements prior to the solicitation of business.
- The Producer is responsible for reviewing and signing all new carrier contracts prior to submission to the carrier.
- The Producer must know the licensing requirements of each state in which they conduct business and must maintain active licenses with proper lines of authority.
 - Individual requirements
 - Agency requirements
 - CE requirements
 - Renewal process & requirements
- The Producer is responsible for completing all carrier-specific product training requirements prior to the solicitation of business.
- The Producer is responsible for maintaining Errors and Omissions coverage with up to 1M per aggregate.
- The Producer is responsible for maintaining Anti-Money Laundering training.

Virtual Sales

Virtual Sales Guidelines

- Virtual sales guidelines are commonly found in an agent guide or compliance guide on the annuity carriers' website. In some instances, guidelines may be located in a stand-alone publication.
- Any general questions on virtual sales can be directed to AE Compliance.
- Carrier specific questions on virtual sales can be directed to AE Annuity Operations and Marketing teams.
- Producers must have the correct insurance producer license, training, and appointments in all states where the Telephone and/or Video Platform solicitation or sales process occur.

Virtual Meeting Requirements

- The Producer must view the client's government-issued picture ID, while on the video call, to verify the client's identity, if they have not previously done so in-person.
- Virtual sales should be completed in a private location to protect the client's Personally Identifiable Information (PII).
- When conducting a virtual sale across state lines, review the annuity carrier's specific guidelines to determine if acceptable.
- If there are technical difficulties during the virtual sale, the advisor should re-schedule the meeting to ensure information is delivered without interruption to the client.

Signature Requirements

- The Producer or Producers' staff should never sign the application or any other document on behalf of the client, even if the client has given permission.
- Documents should only be signed when completed in their entirety. The client should never sign blank or incomplete documents.

- All signature dates should always be included at the time of signing and never added subsequently.
- The product jurisdiction is required to be based on the location of the client when they sign the application. Carriers have the ability to review the IP address and capture the location where the e-signature occurred.
- The Producer should never sign the application or any other document prior to the client.
- The Producer who met with the client and solicited the business is required to sign the application. Other advisors or office staff should never sign on their behalf, even if the advisor has given permission, as this is considered forgery.

Transfers and Replacements

- The Producer should obtain a recent account statement to verify all account information prior to transferring funds.
- Funds coming from a brokerage or mutual fund account should be liquidated prior to requesting funds.
- Replacements should only take place if determined to be in the client's long-term best interest.
- If a 1035 exchange is taking place, the transfer must be like-to-like. The new account must match the existing owner(s) and annuitant(s).
- PTE 84-24 (DOL Requirement) is needed with any Qualified recommendation and needs to stay in the Producers office/files.
- The Producer is expected to be familiar with the annuity carrier's suitability guidelines to determine if the replacement is suitable.

Agent Splits

It is best practice for multi-producer offices to utilize agent splits on new applications submitted.

How to split

- If the primary writing advisor is the business owner, the application should be listed as 100% in the business owner's name.
- If the primary writing advisor is NOT the business owner, the application should be listed as 1% in the primary writing advisor's name and 99% in the business owner's name. Please keep in mind that both agents will need to be fully licensed prior to solicitation.
- The primary writing advisor must be the producer that met with the client and solicited the business.

Benefits of Agent Split

- Split applications increase the firm's ability to service the client. If a Producer were to leave the firm for any reason, the firm would still have access to the policy since the business owner was listed on the application.
- This strategy also allows for production to be pooled under the business owner, providing greater opportunities to reach carrier incentive goals.

Licensable Vs. Non-Licensable Tasks

Activities	Licensable "Agent" Acts	Non- Licensable "Clerical" Acts
Scheduling appointments with the Producer.		X
Entering client information into a CRM.		X
Dispensing brochures and other information.		X
Receiving and recording information from a policyholder to give to a Producer for his or her response.		X
Disseminating information as to rates secured.	X	
Explaining, discussing or interpreting annuity products.	X	
Providing opinions or recommendations for annuity products.	X	
Counseling any prospective purchaser to select a particular company or product.	X	
Preparing an application for an annuity pursuant to instructions from and for the review of the Producer.		X
Signing the annuity application.	X	
Receiving premiums at the recorded place of business.		X
Delivering the annuity contract to the client.	X	
Opening mail, office filing and mailing.		X

Best Practices Portal & Firelight

Portal

- Each Producer and staff member is required to use their individual portal login. Usernames and passwords should never be shared.
- For security purposes, all client documents are expected to be submitted via the portal, except for original documents sent via mail. Documents should be attached directly to the financial account for the client. There is no need to add a note unless there are specific instructions for AE.
- Urgent requests should not be noted in the portal. Our phone team is available to assist with anything needed right away.

Firelight

- The jurisdiction selected should be based on where the client will be signing the application.
- When “Integrating with CRM”, please ensure all Client Information is correct and up to date within the Agents CRM before utilizing the “Integrate with CRM” feature. If any information is not up-to-date, Firelight will not allow for any corrections to be made.
- If 1035 Yellow Page Lookup feature is available within the Firelight application, it should always be utilized. This feature verifies transfer company information and helps streamline the transfer process.
- The blue ‘Continue’ button should only be selected if the client is ready to sign the same day. If selected prior to signing, the application will not automatically be updated if any changes are made at the carrier level.
- Firelight will allow for multiple signature requests to be sent at one time, to prevent Signature Mismatches on Joint Owned policies specifically, please only send one request to each signer at a time. Once the Signature has been applied, you may continue with the Additional Signers.

Advisors Excel Services

- Advisors Excel will strive to create an unrivaled support system for all the Producer’s annuity needs through the following services:
 - Aiding Producers with pre-sale case design and illustrations
 - Scrubbing annuity new business applications prior to submission to the annuity carrier
 - Following up with annuity carriers and transfer companies to drive new business to completion
 - Providing assistance on inforce business and servicing needs