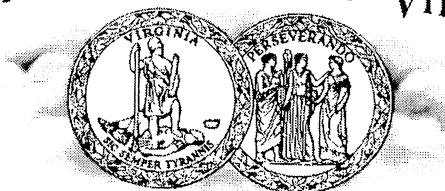


COMMONWEALTH OF VIRGINIA

JACQUELINE K. CUNNINGHAM
COMMISSIONER OF INSURANCE
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE



P.O. BOX 1157
RICHMOND, VIRGINIA 23218
TELEPHONE: (804) 371-9741
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www.scc.virginia.gov/boi

April 4, 2017

Administrative Letter 2017-01

TO: All Companies Licensed to Sell Annuities or Variable Annuities under Title 38.2 of the Code of Virginia

RE: Revisions to the Rules Governing Suitability in Annuity Transactions (14 VAC 5-45 of the Virginia Administrative Code)

The Virginia Bureau of Insurance has revised the Rules Governing Suitability in Annuity Transactions, incorporating provisions contained in the National Association of Insurance Commissioners' Suitability in Annuity Transactions Model Regulation. The revised Rules can be accessed at:

<http://law.lis.virginia.gov/admincode/title14/agency5/chapter45/>

Among other changes, the revised Rules require agents to complete a one-time four credit continuing education (C.E.) course on annuity products. The deadline for compliance with this C.E. requirement is January 1, 2018, for agents currently holding a life insurance line of authority and who desire to sell annuities in Virginia. Agents who obtain a life insurance line of authority on or after January 1, 2018, must complete the C.E. requirement prior to engaging in the sale of annuities in Virginia. Virginia resident agents are required to complete a Virginia approved one-time four credit C.E. course designated for annuity suitability on or after April 1, 2017. Therefore, courses taken by resident agents prior to April 1, 2017, will not be counted towards compliance. Non-resident agents are exempt if they have already completed a "substantially similar" course in their home state. Insurers are responsible for verifying that any agent selling annuity products in Virginia on their behalf has completed the four credit C.E. course. (See 14 VAC 5-45-45 B 10 of the Virginia Administrative Code.)

Questions concerning this administrative letter may be addressed to:

Life and Health Division, Bureau of Insurance
State Corporation Commission
P.O. Box 1157
Richmond, VA 23218
(804) 371-9741
BureauofInsurance@scc.virginia.gov

Sincerely,

A handwritten signature in black ink, appearing to read 'Jacqueline K. Cunningham'.

Jacqueline K. Cunningham
Commissioner of Insurance