



K a n s a s I n s u r a n c e D e p a r t m e n t

Sandy Praeger COMMISSIONER OF INSURANCE

Bulletin 2005-2

TO: All Life Insurance Companies and Producers Writing Life Insurance

FROM: Sandy Praeger
Commissioner of Insurance

DATE: May 27, 2005

RE: Life Insurance and Annuities Suitability Regulations, K.A.R. 40-2-14a and 40-2-14b

On May 20, 2005, K.A.R. 40-2-14a and 40-2-14b became effective. These regulations govern standards for recommending annuities and supervision standards for insurers. These regulations are not based on the NAIC model regulation.

The Department currently is proposing and seeking approval for a new version of K.A.R. 40-2-14a, which had been initially rejected by the Attorney General. If approved the new regulation would, for the most part, adopt the NAIC model regulation. Negotiations between the Department and the Attorney General's Office have been renewed and it is possible that the model regulations may be adopted.

Because of the above, the Department is granting the industry a grace period from compliance with the current KAR 40-2-14a and 14b. The grace period would extend until June 16, 2005, at which time the Department will announce either the approval of the model regulation or it will set a compliance timeline for the current KAR 40-2-14a and 14b.

Take notice, all other consumer protections statutes, rules, regulations and policies remain in effect as before the approval of these particular regulations. This grace period applies only to K.A.R. 40-2-14 a & b.

If you have any questions regarding this Bulletin, please contact Deletria Nash at 420 SW 9th Street, Topeka, Kansas 66605, via phone at (785)296-4140, or via email at dnash@ksinsurance.org.