**02 DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION**

**031 BUREAU OF INSURANCE**

Chapter 917: SUITABILITY IN ANNUITY TRANSACTIONS

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**Section 1. Purpose**

1. The purpose of this rule is to require producers, as defined in this rule, to act in the best interest of the consumer when making a recommendation of an annuity and to require insurers to establish and maintain a system to supervise recommendations so that the insurance needs and financial objectives of consumers at the time of the transaction are effectively addressed.

2. Nothing herein shall be construed to create or imply a private cause of action for a violation of this rule or to subject a producer to civil liability under the best interest standard of care outlined in section 6 of this rule or under standards governing the conduct of a fiduciary or a fiduciary relationship.

# Section 2. Scope

This rule shall apply to any sale or recommendation of an annuity, except as provided in section 4.

# Section 3. Authority

This rule is adopted by the Superintendent under the authority of 24-A M.R.S.A. §§ 212 and 2517.

**Section 4. Exemptions**

Unless otherwise specifically included, this rule shall not apply to transactions involving:

1. Direct response solicitations where there is no recommendation based on information collected from the consumer pursuant to this rule;

2. Contracts used to fund:

A. An employee pension or welfare benefit plan that is covered by the *Employee Retirement and Income Security Act* (ERISA);

B. A plan described by sections 401(a), 401(k), 403(b), 408(k), or 408(p) of the *Internal Revenue Code* (IRC), as amended, if established or maintained by an employer;

C. A government or church plan defined in section 414 of the IRC, a government or church welfare benefit plan, or a deferred compensation plan of a state or local government or tax-exempt organization under section 457 of the IRC; or

D. A nonqualified deferred compensation arrangement established or maintained by an employer or plan sponsor.

3. Settlements of or assumptions of liabilities associated with personal injury litigation or any dispute or claim resolution process; or

4. Prearranged funeral plans authorized under 32 M.R.S.A. §1401.

**Section 5. Definitions**

1. “Annuity” means an annuity that is an insurance product under the laws of this State that is individually solicited, whether the product is classified as an individual or group annuity.

2. “Cash compensation” means any discount, concession, fee, service fee, commission, sales charge, loan, override, or cash benefit received by a producer in connection with the recommendation or sale of an annuity from an insurer, intermediary, or directly from the consumer.

3. “Consumer profile information” means information that is reasonably appropriate to determine whether a recommendation addresses the consumer’s financial situation, insurance needs and financial objectives, including, at a minimum, the following:

A. Age;

B. Annual income;

C. Financial situation and needs, including debts and other obligations;

D. Financial experience;

E. Insurance needs;

F. Financial objectives;

G. Intended use of the annuity;

H. Financial time horizon;

I. Existing assets or financial products, including investment, annuity, and insurance holdings;

J. Liquidity needs;

K. Liquid net worth;

L. Risk tolerance, including but not limited to, willingness to accept non-guaranteed elements in the annuity;

M. Financial resources used to fund the annuity; and

N. Tax status.

4. “Continuing education credit hour” or “CE credit hour” means one credit hour meeting the requirements of Bureau of Insurance Rule Chapter 542: “Educational Requirements for Insurance Professionals.”

5. “Continuing education vendor” or “CE vendor” means an individual or entity that is approved to offer continuing education courses pursuant to Bureau of Insurance Rule Chapter 542: “Educational Requirements for Insurance Professionals.”

6. “FINRA” means the Financial Industry Regulatory Authority or a succeeding agency.

7. “Insurer” means a company required to be licensed under the laws of this State to provide insurance products, including annuities.

8. “Intermediary” means an entity contracted directly with an insurer or with another entity contracted with an insurer to facilitate the sale of the insurer’s annuities by producers.

9. A. “Material conflict of interest” means a financial interest of the producer in the sale of an annuity that a reasonable person would expect to influence the impartiality of a recommendation.

B. “Material conflict of interest” does not include cash compensation or non-cash compensation.

10. “Non-cash compensation” means any form of compensation that is not cash compensation, including, but not limited to, health insurance, office rent, office support and retirement benefits.

11. “Non-guaranteed elements” means the premiums, credited interest rates (including any bonus), benefits, values, dividends, non-interest-based credits, charges, or elements of formulas used to determine any of these, that are subject to company discretion and are not guaranteed at issue. An element is considered non-guaranteed if any of the underlying non-guaranteed elements are used in its calculation.

12. “Producer” means a person or entity required to be licensed under the laws of this State to sell, solicit or negotiate insurance, including annuities. For purposes of this rule, “producer” includes an insurer where no producer is involved.

13. A. “Recommendation” means advice provided by a producer to an individual consumer that was intended to result or does result in a purchase, an exchange, or a replacement of an annuity in accordance with that advice.

B. “Recommendation” does not include general communication to the public, generalized customer services assistance or administrative support, general educational information and tools, prospectuses, or other product and sales material.

14. “Replacement” means a transaction in which a new policy or contract is to be purchased, and it is known or should be known to the proposing producer that by reason of the transaction, an existing policy or contract has been or is to be:

A. Lapsed, forfeited, surrendered, or partially surrendered, assigned to the replacing insurer, or otherwise terminated;

B. Converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced in value by the use of non-forfeiture benefits or other policy values;

C. Amended so as to effect either a reduction in benefits or in the term for which coverage would otherwise remain in force or for which benefits would be paid;

D. Reissued with any reduction in cash value; or

E. Used in a financed purchase.

15. “SEC” means the United States Securities and Exchange Commission.

# Section 6. Duties of Insurers and Producers

1. **Best Interest Obligations**. A producer, when making a recommendation of an annuity, shall act in the best interest of the consumer under the circumstances known at the time the recommendation is made, without placing the producer’s or the insurer’s financial interest ahead of the consumer’s interest. A producer has acted in the best interest of the consumer if the producer has satisfied the following obligations regarding care, disclosure, conflict of interest, and documentation:

A. (1) **Care Obligation**. The producer, in making a recommendation, shall exercise reasonable diligence, care, and skill to:

(a) Know the consumer’s financial situation, insurance needs and financial objectives;

(b) Understand the available recommendation options after making a reasonable inquiry into options available to the producer;

(c) Have a reasonable basis to believe the recommended option effectively addresses the consumer’s financial situation, insurance needs and financial objectives over the life of the product, as evaluated in light of the consumer profile information; and

(d) Communicate the basis or bases of the recommendation.

(2) Subparagraph (1) requires a producer to make reasonable efforts to obtain consumer profile information from the consumer before the recommendation of an annuity.

(3) Subparagraph (1) requires a producer to consider the types of products the producer is authorized and licensed to recommend or sell that address the consumer’s financial situation, insurance needs and financial objectives. This does not require analysis or consideration of any products outside the authority and license of the producer or other possible alternative products or strategies available in the market at the time of the recommendation. Producers shall be held to standards applicable to producers with similar authority and licensure.

(4) Subparagraph (1) requires a producer to consider the consumer’s profile information, characteristics of the insurer, and product costs, rates, benefits, and features in determining whether an annuity would effectively address the consumer’s financial situation, insurance needs and financial objectives. The level of importance given each factor may vary depending on the facts and circumstances of the particular case; however, no single factor may be considered in isolation.

(5) Subparagraph (1) requires a producer to have a reasonable basis to believe the consumer would benefit from certain features of the annuity, such as annuitization, death or living benefit, or other insurance-related features.

(6) The requirements of this paragraph apply to the particular annuity as a whole; the underlying subaccounts to which funds are allocated at the time of purchase or exchange of an annuity; and riders and similar product enhancements, if any.

(7) This paragraph does not necessarily require a producer to recommend the annuity with the lowest one-time or multiple occurrence compensation structure.

(8) Subparagraph (1) does not impose ongoing monitoring obligations on a producer. However, such an obligation might be separately owed under the terms of a fiduciary, consulting, investment advising, or financial planning agreement between the consumer and the producer.

(9) In the case of an exchange or replacement of an annuity, the producer shall consider the whole transaction, which includes taking into consideration whether:

(a) The consumer will incur a surrender charge, be subject to the commencement of a new surrender period, lose existing benefits, such as death, living, or other contractual benefits, or be subject to increased fees, investment advisory fees, or charges for riders and similar product enhancements;

(b) The replacing product would substantially benefit the consumer in comparison to the replaced product over the life of the product; and

(c) The consumer has had another annuity exchange or replacement and, in particular, an exchange or replacement within the preceding 60 months.

(10) Nothing in this rule shall be construed to require a producer to obtain any license other than a producer license with the appropriate line of authority to sell, solicit, or negotiate insurance in this State, including but not limited to any securities license, in order to fulfill the duties and obligations contained in this rule; provided the producer does not give advice or provide services that are otherwise subject to securities laws or engage in any other activity requiring other professional licenses.

(11) The requirements under this subsection do not create a fiduciary obligation or relationship and only create a regulatory obligation as established in this rule.

B. **Disclosure Obligation**

(1) Before the recommendation or sale of an annuity, the producer shall prominently disclose to the consumer on a form substantially similar to a disclosure form as published by the Superintendent:

(a) A description of the scope and terms of the relationship with the consumer and the role of the producer in the transaction;

(b) An affirmative statement on whether the producer is licensed and authorized to sell the following products:

(i) Fixed annuities;

(ii) Fixed indexed annuities;

(iii) Variable annuities;

(iv) Life insurance;

(v) Mutual funds;

(vi) Stocks and bonds; and

(vii) Certificates of deposit;

(c) An affirmative statement describing the insurers the producer is authorized, contracted (or appointed), or otherwise able to sell insurance products for, using the following descriptions:

(i) From one insurer;

(ii) From two or more insurers; or

(iii) From two or more insurers although primarily contracted with one insurer;

(d) A description of the sources and types of cash compensation and non-cash compensation to be received by the producer, including whether the producer is to be compensated for the sale of a recommended annuity by commission as part of premium or other remuneration received from the insurer, intermediary or other producer or by fee as a result of a contract for advice or consulting services; and

(e) A notice of the consumer’s right to request additional information regarding cash compensation described in subparagraph (2) of this paragraph.

(2) Upon request of the consumer or the consumer’s designated representative, the producer shall disclose:

(a) A reasonable estimate of the amount of cash compensation to be received by the producer, which may be stated as a range of amounts or percentages; and

(b) Whether the cash compensation is a one-time or multiple occurrence amount, and if a multiple occurrence amount, the frequency and amount of the occurrence, which may be stated as a range of amounts or percentages.

(3) Before or at the time of the recommendation or sale of an annuity, the producer must have a reasonable basis to believe that the consumer has been reasonably informed of various features of the annuity, such as the potential surrender period and surrender charge, potential tax penalty if the consumer sells, exchanges, surrenders, or annuitizes the annuity, mortality and expense fees, investment advisory fees, any annual fees, potential charges for and features of riders or other options of the annuity, limitations on interest returns, potential changes in non-guaranteed elements of the annuity, insurance and investment components, and market risk. The requirements of this section are intended to supplement and not replace any applicable disclosure requirements of Bureau of Insurance Rule Chapter 915: “Annuity Disclosure.”

C. Obligation to Address Conflicts of Interest. A producer shall identify and avoid or reasonably manage and disclose material conflicts of interest, including material conflicts of interest related to an ownership interest.

D. Documentation Obligation. A producer shall at the time of recommendation or sale:

(1) Make a written record of any recommendation subject to this rule and the basis for the recommendation;

(2) If the consumer does not provide all requested consumer profile information, obtain a consumer signed statement on a form substantially similar to an acknowledgment form as published by the Superintendent documenting:

(a) The consumer’s refusal to provide some or all of the consumer profile information; and

(b) The consumer’s understanding of the ramifications of not providing the consumer profile information or providing insufficient consumer profile information; and

(3) Obtain a consumer signed statement on a form substantially similar to an acknowledgment form as published by the Superintendent, acknowledging that the annuity transaction is not recommended, if the consumer decides to enter into an annuity transaction that is not based on the producer’s recommendation.

E. Application of the Best Interest Obligation. Any requirement applicable to a producer under this subsection shall apply to every producer who has exercised material control or influence in the making of a recommendation and has received direct compensation as a result of the recommendation or sale, regardless of whether the producer has had any direct contact with the consumer. Activities such as providing or delivering marketing or educational materials, product wholesaling or other back office product support, and general supervision of a producer do not, in and of themselves, constitute material control or influence.

2. **Transactions Not Based on a Recommendation**

A. Except as provided under paragraph B, a producer shall have no obligation to a consumer under subsection 1(A) related to any annuity transaction if:

(1) No recommendation was made;

(2) A recommendation was made and was later found to have been prepared based on materially inaccurate information provided by the consumer;

(3) The consumer refused to provide relevant consumer profile information and the annuity transaction was not recommended; or

(4) The consumer decided to enter into an annuity transaction that was not based on a recommendation by the producer.

B. An insurer’s issuance of an annuity subject to paragraph A must be reasonable under all the circumstances actually known to the insurer at the time the annuity is issued.

3. **Supervision System**

A. Except as permitted under subsection 2, an insurer may not issue an annuity recommended to a consumer unless there is a reasonable basis to believe the annuity would effectively address the particular consumer’s financial situation, insurance needs, and financial objectives based on the consumer’s consumer profile information.

B. An insurer shall establish and maintain a supervision system that is reasonably designed to achieve the insurer’s and its producers’ compliance with this rule, including, but not limited to, the following:

(1) The insurer shall establish and maintain reasonable procedures to inform its producers of the requirements of this rule and shall incorporate the requirements of this rule into relevant producer training manuals;

(2) The insurer shall establish and maintain standards for insurance producer product training and shall maintain reasonable procedures to require its producers to comply with the requirements of section 7 of this rule;

(3) The insurer shall provide product-specific training and training materials which explain all material features of its annuity products to its producers;

(4) The insurer shall establish and maintain procedures for the review of each recommendation before issuance of an annuity that are designed to ensure that there is a reasonable basis for any determination that the recommended annuity would effectively address the particular consumer’s financial situation, insurance needs, and financial objectives. Such review procedures may apply a screening system for the purpose of identifying selected transactions for additional review and may be accomplished electronically or through other means including, but not limited to, physical review. Such an electronic or other system may be designed to require additional review only of those transactions identified for additional review by the selection criteria;

(5) The insurer shall establish and maintain reasonable procedures to detect recommendations that are not in compliance with subsections 1, 2, 4, and 5. This may include, but is not limited to, confirmation of the consumer’s consumer profile information, systematic customer surveys, producer and consumer interviews, confirmation letters, producer statements and attestations, and programs of internal monitoring. Nothing in this subparagraph prevents an insurer from complying with this subparagraph by applying sampling procedures, or by confirming the consumer profile information or other required information under this section after issuance or delivery of the annuity;

(6) The insurer shall establish and maintain reasonable procedures to assess, before issuance or delivery of an annuity, whether a producer has provided to the consumer the information required to be provided under this section;

(7) The insurer shall establish and maintain reasonable procedures to identify and address suspicious consumer refusals to provide consumer profile information;

(8) The insurer shall establish and maintain reasonable procedures to identify and eliminate any sales contests, sales quotas, bonuses, and non-cash compensation that are based on the sales of specific annuities within a limited period of time. The requirements of this subparagraph are not intended to prohibit the receipt of health insurance, office rent, office support, retirement benefits or other employee benefits by employees as long as those benefits are not based upon the volume of sales of a specific annuity within a limited period of time; and

**Drafting Note:** The intent of Subparagraph (8) is to prohibit sales contests, sales quotas, bonuses, and non-cash compensation based on the sale of a particular product within a limited period of time, but not to prohibit general incentives regarding the sales of a company’s products with no emphasis on any particular product.

(9) The insurer shall annually provide a written report to senior management, including to the senior manager responsible for audit functions, which details a review, with appropriate testing, reasonably designed to determine the effectiveness of the supervision system, the exceptions found, and corrective action taken or recommended, if any.

C. (1) Nothing in this subsection restricts an insurer from contracting for performance of a function (including maintenance of procedures) required under this subsection. An insurer is responsible for taking appropriate corrective action and may be subject to sanctions and penalties pursuant to section 8 of this rule regardless of whether the insurer contracts for performance of a function and regardless of the insurer’s compliance with subparagraph (2) of this paragraph.

(2) An insurer’s supervision system under this subsection shall include supervision of contractual performance under this subsection. This includes, but is not limited to, the following:

(a) Monitoring and, as appropriate, conducting audits to assure that the contracted function is properly performed; and

(b) Annually obtaining a certification from a senior manager who has responsibility for the contracted function that the manager has a reasonable basis to represent, and does represent, that the function is properly performed.

D. An insurer is not required to include in its system of supervision:

(1) A producer’s recommendations to consumers of products other than the annuities offered by the insurer; or

(2) Consideration of or comparison to options available to the producer or compensation relating to those options other than annuities or other products offered by the insurer.

4. **Prohibited Practices**. Neither a producer nor an insurer shall dissuade, or attempt to dissuade, a consumer from:

A. Truthfully responding to an insurer’s request for confirmation of the consumer profile information;

B. Filing a complaint; or

C. Cooperating with the investigation of a complaint.

5. **Safe Harbor**

1. Recommendations and sales of annuities made in compliance with comparable standards shall satisfy the requirements under this rule. This subsection applies to all recommendations and sales of annuities made by financial professionals in compliance with business rules, controls, and procedures that satisfy a comparable standard even if that standard would not otherwise apply to the product or recommendation at issue. However, nothing in this subsection shall limit the Superintendent’s ability to enforce the provisions of this rule, including the authority to verify compliance and investigate potential violations.

# B. Nothing in paragraph A shall limit the insurer’s obligation to comply with section 6(3)(A) of this rule, although the insurer may base its analysis on information received from either the financial professional or the entity supervising the financial professional.

C. For paragraph A to apply, an insurer must:

(1) Monitor the relevant conduct of the financial professional seeking to rely on paragraph A or the entity responsible for supervising the financial professional, such as the financial professional’s broker-dealer or an investment adviser registered or licensed under federal securities laws, using information collected in the normal course of the insurer’s business; and

(2) Provide to the entity responsible for supervising the financial professional seeking to rely on paragraph A, such as the financial professional’s broker-dealer or investment adviser registered or licensed under federal securities laws, information and reports that are reasonably appropriate to assist that responsible entity to maintain its supervision system.

# D. For purposes of this subsection, “financial professional” means a producer who is regulated and acting as:

# (1) A broker-dealer registered or licensed under federal securities laws or a registered representative of a broker-dealer;

# (2) An investment adviser registered or licensed under federal securities laws or an investment adviser representative associated with the federally registered or licensed investment adviser; or

# (3) A plan fiduciary under section 3(21) of the Employee Retirement Income Security Act of 1974 (ERISA) or fiduciary under section 4975(e)(3) of the Internal Revenue Code (IRC) or any amendments or successor statutes thereto.

**Drafting Note:** The requirement that a producer be “regulated and acting” as a broker-dealer, a registered representative of a broker-dealer, an investment adviser, an investment adviser representative or a plan fiduciary means that a producer who is not explicitly acting in compliance with the relevant comparable standards, as specified in Paragraph D below, is not eligible for this safe harbor and is subject to compliance with the requirements of this regulation.

# E. For purposes of this subsection, “comparable standards” means:

# (1) With respect to broker-dealers and registered representatives of broker-dealers, applicable SEC and FINRA rules pertaining to best interest obligations and supervision of annuity recommendations and sales, including, but not limited to, Regulation Best Interest and any amendments or successor regulations thereto;

# (2) With respect to investment advisers registered under federal securities laws or investment adviser representatives, the fiduciary duties and all other requirements imposed on such investment advisers or investment adviser representatives by contract or under the Investment Advisers Act of 1940, including but not limited to, the Form ADV and interpretations; and

# (3) With respect to plan fiduciaries or fiduciaries, the duties, obligations, prohibitions, and all other requirements attendant to such status under ERISA or the IRC and any amendments or successor statutes thereto.

**Section 7. Producer Training**

1. A producer shall not solicit the sale of an annuity product unless the producer has adequate knowledge of the product to recommend the annuity and is in compliance with the insurer’s standards for product training. A producer may rely on insurer-provided product-specific training standards and materials to comply with this subsection.

2. A. (1) A producer who engages in the sale of annuity products shall complete a one-time four (4) credit hour training course approved by the Bureau of Insurance and provided by a vendor approved by the Bureau of Insurance.

(2) Producers who hold a life insurance line of authority on the effective date of the 2021 amendments to this rule and who desire to sell annuities shall complete a training course that satisfies the requirements of this subsection no later than six (6) months after the effective date of the amendments. Producers whose life insurance line of authority is obtained on or after the effective date of the amendments may not engage in the sale of annuities until the annuity training course required under this subsection has been completed.

B. The length of the training required under this subsection shall be sufficient to qualify for at least four (4) CE credit hours. If a course covers additional subject matter beyond the topics required by this subsection, only the pertinent subject matter shall count toward the four (4)-hour minimum.

C. The training required under this subsection shall include information on the following topics:

(1) The types of annuities and various classifications of annuities;

(2) Identification of the parties to an annuity;

(3) How product-specific annuity contract features affect consumers;

(4) The application of income taxation of qualified and non-qualified annuities;

(5) The primary uses of annuities; and

(6) Appropriate standards of conduct, appropriate sales practices, and replacement and disclosure requirements. Courses completed on or after the effective date of the 2021 amendments to this rule must address the requirements of the amended rule.

D. Vendors providing courses intended to comply with this subsection shall cover all topics listed in the prescribed outline and shall not present any marketing information or provide training on sales techniques or provide specific information about a particular insurer’s products. Additional topics may be offered in conjunction with and in addition to the required outline.

E. A vendor providing an annuity training course intended to comply with this subsection shall register as a CE vendor in this State and comply with the rules and guidelines applicable to producer continuing education courses as set forth in Bureau of Insurance Rule Chapter 542: “Educational Requirements for Insurance Professionals.”

# F. A producer who has satisfied the requirements of paragraph A by completing an annuity training course based on a prior version of this rule shall, no later than six (6) months after the effective date of this rule, complete a course providing training on appropriate standards of conduct, appropriate sales practices, and replacement and disclosure requirements under this amended rule. The course may be either:

# (1) A four (4) credit training course approved by the Bureau of Insurance under paragraph A; or

# (2) A one (1) credit training course approved by the Bureau of Insurance and provided by a Bureau of Insurance-approved education provider.

G. Annuity training courses may be conducted and completed by classroom or self-study methods in accordance with Bureau of Insurance Rule Chapter 542: “Educational Requirements for Insurance Professionals.”

H. Vendors that provide annuity training shall comply with the reporting requirements and shall issue certificates of completion in accordance with Bureau of Insurance Rule Chapter 542: “Educational Requirements for Insurance Professionals.”

I. The satisfaction of the training requirements of another state that are substantially similar to the provisions of this subsection shall be deemed to satisfy the training requirements of this subsection in this State.

J. A producer may satisfy the training requirements of this subsection by taking two or more approved courses if those courses, combined into a single course, would meet the requirements of this subsection.

K. An insurer must verify that a producer has completed the annuity training course required under this subsection before allowing the producer to sell an annuity product for that insurer. An insurer may satisfy its responsibility under this subsection by obtaining certificates of completion of the training course or obtaining reports provided by database systems or vendors authorized by the Superintendent or from a reasonably reliable commercial database vendor that has a reporting arrangement with approved continuing education vendors.

# Section 8. Compliance; Mitigation; Penalties; Enforcement

# 1. An insurer is responsible for compliance with this rule. If a violation occurs, either because of the action or inaction of the insurer or its producer, the Superintendent may order:

# A. An insurer to take reasonably appropriate corrective action for any consumer harmed by a failure to comply with this rule by the insurer, by an entity contracted to perform the insurer’s supervisory duties, or by the producer;

B. A producer to take reasonably appropriate corrective action for any consumer harmed by the producer’s violation of this rule;

C. A business entity that employs or contracts with a producer to sell, or solicit the sale, of annuities to consumers, to take reasonably appropriate corrective action for any consumer harmed by the producer’s violation of this rule; and

D. Appropriate civil penalties and other disciplinary and remedial measures as provided in 10 M.R.S.A. §8003(5) and 24-A M.R.S.A. §§ 12‑A, 417, 418, and 1420-K.

2. Any applicable penalty for a violation of this rule may be reduced or eliminated if corrective action for the consumer was taken promptly after a violation was discovered or the violation was not part of a pattern or practice.

3. As provided in 10 M.R.S.A. §8003(5) and 24 A M.R.S.A. §§ 12-A & 214, the authority to enforce compliance with this rule is vested with the Superintendent and with the Attorney General. Nothing in this rule shall be construed as delegating or granting enforcement authority to any other party.

# Section 9. Recordkeeping

1. Insurers, producer business entities and individual producers shall maintain or be able to make available to the Superintendent records of the information collected from the consumer, disclosures made to the consumer including summaries of oral disclosures, and other information used in making the recommendations that were the basis for insurance transactions for three years after the insurance transaction is completed by the insurer. An insurer is permitted, but not required, to maintain documentation on behalf of a producer.

2. Records required to be maintained by this rule shall be maintained in a manner consistent with the requirements of 24-A M.R.S.A. §1447.

**Section 10. Severability**

If any section or portion of a section of this rule, or its applicability to any person or circumstances, is held invalid by a court, the remainder of this rule, or the applicability of its provisions to other persons, shall not be affected.

**Section 11. Effective Date**

This rule shall be effective July 1, 2007. The 2015 amendments to this rule shall be effective November 1, 2015. The 2021 amendments to this rule shall be effective January 1, 2022.

STATUTORY AUTHORITY:

24-A M.R.S. §§ 212, 2517

EFFECTIVE DATE:

July 1, 2007 – filing 2007-111

AMENDED:

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