

Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Regulatory Affairs
 2 Committee

3 Representative Fant offered the following:

4
 5 **Amendment (with title amendment)**

6 Remove lines 693-729 and insert:

7 627.4553 Recommendations to surrender.—

8 (1) If an insurance agent recommends the surrender of an
 9 annuity or life insurance policy containing a cash value and
 10 does not recommend that the proceeds from the surrender be used
 11 to fund or purchase another annuity or life insurance policy,
 12 before execution of the surrender, the insurance agent, ~~or~~
 13 ~~insurance company if no agent is involved,~~ shall provide
 14 written, ~~on a form that satisfies the requirements of the rule~~
 15 ~~adopted by the department,~~ information relating to the annuity
 16 or policy to be surrendered. Such information shall include, but
 17 is not limited to, the amount of any estimated surrender charge,

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18 the loss of any minimum interest rate guarantees, the
19 possibility amount of any tax consequences resulting from the
20 transaction, the amount of any forfeited death benefit, and a
21 description of the value of any other investment performance
22 guarantees being forfeited as a result of the transaction. The
23 agent shall maintain a copy of the information and the date that
24 the information was provided to the owner. This section also
25 applies to a person performing insurance agent activities
26 pursuant to an exemption from licensure under this part.

27 (2) For purposes of this section, the term "surrender"
28 means the voluntary surrender, by the owner's request, of the
29 annuity or life insurance policy before its maturity date, in
30 exchange for the policy's current cash surrender value which
31 results in a surrender or termination of the policy or contract.
32 The term excludes any involuntary termination that is otherwise
33 required by the terms of the policy contract and excludes all
34 transactions other than a surrender, such as maturity, policy
35 loan, lapse for nonpayment of premium, or withdrawal of policy
36 or contract values, annuitization, or exercise of reduced-paid-
37 up or extended-term nonforfeiture options.

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39 -----
40 **T I T L E A M E N D M E N T**

41 Remove line 41
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