

STATE OF CONNECTICUT  
**REGULATION**

R-39 REV. 1/77

OF

**IMPORTANT: Read Instructions on bottom of Certification Page before completing this Form. Failure to comply with instructions may cause disapproval of proposed Regulations.**

NAME OF AGENCY  
INSURANCE DEPARTMENT

Concerning

Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities

SECTION 1

The Regulations of Connecticut State Agencies are amended by adding Sections 38a-432b-1 through 38a-432b-4 as follows:

**(NEW) Section 38a-432b-1. Definitions and Scope**

(a) For purposes of this regulation, "insurance producer" means a person required to be licensed under the laws of this state to sell, solicit or negotiate insurance, including annuities.

(b) This regulation shall apply to any solicitation, sale or purchase of, or advice made in connection with, a life insurance or annuity product by an insurance producer.

**(NEW) Section 38a-432b-2. Prohibited Uses of Senior-Specific Certifications and Professional Designations**

(a) It is a prohibited practice in the business of insurance, and constitutes cause for the suspension or revocation of insurance licenses or for the imposition of fines pursuant to section 38a-774 of the Connecticut General Statutes, for an insurance producer to use a senior-specific certification or professional designation in such a way as to mislead a purchaser or prospective purchaser that the insurance producer has special certification or training in advising or servicing seniors (1) in connection with the solicitation, sale or purchase of a life insurance or annuity product, (2) in the provision of advice as to the value of or the advisability of purchasing or selling a life insurance or annuity product, either directly or indirectly through publications or writings, (3) in the issuance or promulgation of analyses or reports related to a life insurance or annuity product.

(b) The following uses of senior-specific certifications or professional designations shall be prohibited:

(1) Use of a certification or professional designation by an insurance producer who has not actually earned or is otherwise ineligible to use such certification or designation;

(2) Use of a nonexistent or self-conferred certification or professional designation;

(3) Use of a certification or professional designation that indicates or implies a level of occupational qualifications obtained through education, training or experience that the insurance producer using the certification or designation does not have; and

(4) Use of a certification or professional designation that was obtained from a certifying or designating organization that: (i) Is primarily engaged in the business of instruction in sales or marketing; (ii) does not have reasonable standards or procedures for assuring the competency of its certificants or designees; (iii) does not have reasonable standards or procedures for monitoring and disciplining its certificants or designees for improper or unethical conduct; or (iv) does not have reasonable continuing education requirements for its certificants or designees in order to maintain the certificate or designation.

**(NEW) Section 38a-432b-3. Qualified Certifying or Designating Organizations**

An insurance producer may use a certification or professional designation issued by a certifying or designating organization where (1) such certification or designation does not primarily apply to sales or marketing, and (2) the certifying or designating organization has been accredited by (i) The American National Standards Institute (ANSI), (ii) the National Commission for Certifying Agencies, or (iii) any organization that is on the U.S. Department of Education's list entitled "Accrediting Agencies Recognized for Title IV Purposes."

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# REGULATION

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NAME OF AGENCY  
INSURANCE DEPARTMENT

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## SECTION 4

### (NEW) Section 38a-432b-4 Determining Factors

(a) **In** determining whether a combination of words or an acronym standing for a combination of words constitutes a certification or professional designation indicating or implying that a person has special certification or training in advising or servicing seniors, factors to be considered shall include: (1) Use of one or more words such as "senior," "retirement," "elder," or like words combined with one or more words such as "certified," "registered," "chartered," "advisor," "specialist," "consultant," "planner," or like words, in the name of the certification or professional designation; and (2) the manner in which those words are combined.

(b) For purposes of this regulation, a job title within an organization that is licensed or registered by a state or federal financial services regulatory agency is not a certification or professional designation, unless it is used in a manner that would confuse or mislead a reasonable consumer, when the job title: (1) Indicates seniority or standing within the organization; or (b) specifies an individual's area of specialization within the organization.

(c) For purposes of subsection (b) of this section, financial services regulatory agency includes, but is not limited to, an agency that regulates insurers, insurance producers, broker-dealers, investment advisers, or investment companies as defined under the Investment Company Act of 1940.

**Purpose:** The purpose of this regulation is to set forth standards to protect consumers from misleading and fraudulent marketing practices with respect to the use of senior-specific certifications and professional designations in the solicitation, sale or purchase of, or advice made in connection with, a life insurance or annuity product.

**A. The problems, issues or circumstances that the regulation proposes to address:** Some insurance producers who have no special training or qualifications, in soliciting and selling life insurance and annuities, use certifications or professional designations that imply that such producers have specific credentials, training or knowledge in advising seniors and servicing insurance products sold to seniors. The regulation prevents the fraudulent use of certifications or designations that have not been obtained from legitimate certifying or designating organizations and that do not reflect a producer's actual knowledge, training or experience.

**B. Summary of the main provision of the proposed amendment:** The regulation provides that insurance producers are prohibited from using (1) a senior-specific certification or professional designation that implies in a misleading manner that the producer has special training or qualification in advising seniors or servicing policies sold to seniors; (2) certifications or designations that they have not actually earned from accredited organizations or that have been issued by organizations primarily engaged in teaching sales and marketing skills; (3) nonexistent or self conferred certifications or professional designations; and (4) certifications or designations that imply a level of education, competency or experience that such producer does not actually have. In addition, the regulation defines the kind of organizations that are allowed to issue professional designations and certifications and the factors that should be considered in determining whether a word or combination of words constitute the kind of certifications and designations subject to the prohibition.

**C. The legal effect of the proposed amendment on existing regulations or other laws:** There is no impact on existing regulations or other laws.

**CERTIFICATION**

R-39 REV. 1/77

Be it known that the foregoing:

Page 3 of 3 pages

Regulations  Emergency Regulations

Are:

Adopted  Amended as hereinabove stated  Repealed

By the aforesaid agency pursuant to:

Section \_\_\_\_\_ of the General Statutes.

Section \_\_\_\_\_ of the General Statutes, as amended by Public Act No. \_\_\_\_\_ of the \_\_\_\_\_ Public Acts.

Public Act No. 09-174 of the Public Acts.

After publication in the Connecticut Law Journal on January 26, 2010, of the notice of the proposal to:

Adopt  Amend  Repeal such regulations

(If applicable):  And the holding of an advertised public hearing on \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

WHEREFORE, the foregoing regulations are hereby:

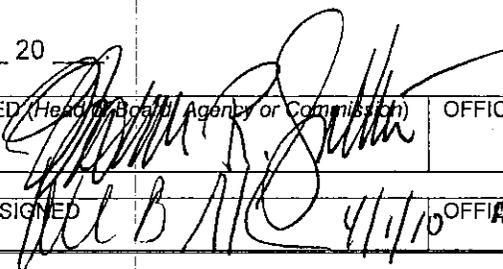
Adopted  Amended as hereinabove stated  Repealed

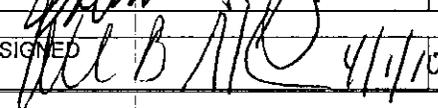
Effective:

When filed with the Secretary of the State.

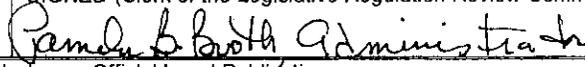
(OR)

The \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

In Witness Whereof:	DATE <u>3/15/10</u>	SIGNED (Head of Branch, Agency or Commission) 	OFFICIAL TITLE, DULY AUTHORIZED INSURANCE COMMISSIONER
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Approved by the Attorney General as to legal sufficiency In accordance with Sec. 4-169, as amended, C. G. S.:	SIGNED 	DATE <u>4/1/10</u>	OFFICIAL TITLE, DULY AUTHORIZED ATTORNEY GENERAL
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- Approved
- Disapproved
- Disapproved in part, (Indicate Section Numbers disapproved only)
- Rejected without prejudice.

By the Legislative Regulation Review Committee in accordance With Sec. 4-170, as amended, of the General Statutes.	DATE <u>6/23/2010</u>	SIGNED (Clerk of the Legislative Regulation Review Committee) 
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Two certified copies received and filed, and one such copy forwarded to the Commission on Official Legal Publications in accordance with Section 4-172, as amended, of the General Statutes.

DATE	SIGNED (Secretary of the State.)	BY
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**INSTRUCTION**

- One copy of all regulations for adoption, amendment or repeal, except emergency regulations, must be presented to the Attorney General for his determination of legal sufficiency. Section 4-169 of the General Statutes.
- Seventeen copies of all regulations for adoption, amendment or repeal, except emergency regulations, must be presented to the standing Legislative Regulation Review Committee for its approval. Section 4-170 of the General Statutes.
- Each regulation must be in the form intended for publication and must include the appropriate regulation section number and section heading. Section 4-172 of the General Statutes.

Indicate by "(NEW)" in heading if new regulation. Amended regulations must contain new language in capitol letters and deleted language in brackets. Section 4-170 of the General Statutes.



**Office of Secretary of the State**  
State of Connecticut  
P.O. Box 150470, Hartford, CT 06115-0470

**Susan Bysiewicz**  
*Secretary of the State*

**Lesley D. Mara**  
*Deputy Secretary of the State*

July 8, 2010

Thomas R. Sullivan, Commissioner  
Department of Insurance  
153 Market Street  
Hartford, CT 06103

Re: Agency Regulation Concerning:  
Use of Senior-Specific Certifications and Professional Designations in the  
Sale of Life Insurance and Annuities  
Regulation Review Committee Docket Number: 2010-022  
Secretary of the State File Number: 5987

Dear Commissioner Sullivan:

This is to acknowledge receipt of two certified copies of the above referenced regulation issued by the Department of Insurance. One of the two copies has been forwarded to the Commission on Official Legal Publications as required by law.

Said regulation was received and filed in this office on July 7, 2010. The effective date of this regulation is July 7, 2010.

We request that you please forward the original or a copy of this acknowledgement letter to your agency's legal services department, and/or to the agency department responsible for adopting the regulation, for its files.

Sincerely,

Barbara Sladek  
RLS Assistant Coordinator  
860-509-6147

CC: Commission on Official Legal Publications (Letter and Copy of Regulation)

File