



New York Reg. 187- Suitability/Best Interest Regulation **Advisor Record Retention and Required Documentation Checklist**

As a Nationwide appointed producer licensed in the State of New York, it is important to maintain and make available upon request to Nationwide or a NY state regulator a record of your client information collected, documentation relating to the recommendation and whether the client elected to purchase a life insurance policy or annuity contract. Please maintain all active client files indefinitely and all inactive client files for seven (7) years.

Nationwide has developed this checklist to assist the producer with NY Reg. 187-Suitability/Best Interest documentation and record keeping requirements. The checklist reflects Nationwide's current understanding of the Regulation and any future changes will be published on nationwidefinancial.com.

If the producer's firm conducts suitability, it is the responsibility of the producer to follow their Firm's policies and procedures including the Books and Records requirements. It is important to understand that the New York Department of Financial Services could request this information from **you** as part of a complaint or regulatory inquiry.

For each transaction in which you conduct a sales transaction, you must complete:

- Customer Profile/Need Analysis
- Product Comparisons
- Signed Carrier Application
- Signed Suitability & Best Interest Form

For each transaction in which you interact with a client, you should document whether:

- New Recommendation
- Post Issue Recommendation
- No Recommendation Made
- Client decision made against the producer recommendation
- Describe the basis for the recommendation
- Product advantages/disadvantages and Non-Guaranteed Elements
- How compensation is paid for the sale and servicing of the annuity contract
- Any impact of replacing an existing product.

For each transaction you must provide the client with:

- Applicable disclosures and documented my file.
- Carrier Product Summary or Guide
- Fee/Commission based disclosure (if applicable)
- Disclosure of product limitations (if applicable)
- NY Reg. 194 compensation disclosure
- NY Reg 60 paperwork for Replacements (if applicable)

Retain all sales documentation used in making the recommendation, and anything else that may assist in supporting the recommendation and protecting you from potential customer complaint or regulatory scrutiny. This includes but is not limited to:

- Training Completion Certifications
- Customer Profile/Need Analysis
- Product Comparisons
- Signed Carrier Application
- Signed Suitability Form
- Signed Illustrations
- Sales material
- Personal notes
- Any required post issue documents such as delivery receipts

Training & Other Considerations:

- You must complete a Reg. 187 Suitability/Best Interest course. You will need to maintain a certification of completion.
- You must complete the required product training prior to solicitation and maintain a copy of certification of completion.
- You must ensure that no representations were made regarding professional designations that may be misconstrued or misleading (e.g. if you are an insurance licensed only producer, you cannot represent yourself as a financial advisor, planner or securities representation)
- Document any recommendation which does not result in a transaction in your file, such as a recommendation to hold.
- If an In-Force Transaction has been recommended, then best interest documentation is required. Nationwide considers additional funds contributed to the annuity contract that are over a certain threshold to be sales transaction and will also require a suitability review. Please contact Nationwide Sales Desk for additional information.

Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

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