



# New York Best Interest: February 1, 2020 Implementation Plan for Nationwide Life Insurance

The New York Best Interest Regulation (Reg. 187) for Life Insurance becomes effective February 1, 2020. This communication provides detail that advisors will need to know to conduct New York Life Insurance business on or after the February 1, 2020 effective date.

## Background

On August 1, 2018, the New York Department of Financial Services adopted an amendment to their existing suitability regulation to include best interest, life insurance and post issue transactions. Reg. 187 applies to *any policy delivered or issued* in New York on or after the effective date.

Reg. 187 requires that all transactions be in the best interest of the customer. It has several new requirements including additional disclosure and training. All licensed New York advisors need to be aware of these new requirements.

## New requirements and how we intend to support you

### Two advisor training requirements:

Nationwide will be verifying completion of Reg 187 Advisor and Life Product training for applications received and signed on or after 2/1/20. If the training has not been completed by the advisor prior to the signed application date, Nationwide will require the advisor to complete both training requirements and obtain a new signed application and applicable paperwork.

#### 1) **Reg. 187 Advisor Training**

We strongly suggest NY licensed and appointed advisors complete the required training prior to submitting business on 2/1/2020.

Nationwide will accept, and track completion of NY 187 training courses created by Reg Ed and Kaplan on their platforms.

#### **Reg Ed**

- Course Title: NY Reg 187; Suitability and Best Interest of Clients in Life Insurance and Annuity Transactions Course Code: 484\_NY **or**
- Course Title: Best Interest of Clients in Life Insurance and Annuity Transactions: NY Reg 187 – 1 Hour Course. Course Code: 485\_NY

#### **Kaplan**

- Course Titles: New York Suitability and Best Interests in Life Insurance and Annuity Transactions **or**
- Course Title: New York Suitability and Best Interests in Life Transactions

## LIMRA

Nationwide will manually track completion of Reg 187 training taken through LIMRA.

- Course Title: Understanding Best Interest: NY Reg 187 for Producers

If completing LIMRA training, please email the following information to [License@nationwide.com](mailto:License@nationwide.com) to inform Nationwide that NY 187 training has been completed through LIMRA:

- Subject Line: NY 187 LIMRA Training
- Firm Name
- Advisor Name
- National Producer Number (NPN)
- Vendor Name (LIMRA)
- Course Title
- Date Course was completed

## 2) Life Product Training

In addition to the Reg. 187 Advisor training, Nationwide developed Life product training for New York licensed and appointed life advisors to complete prior to solicitation. Nationwide will offer the required courses prior to launch online through RegEd's Annuity Training Platform, accessible at <https://secure.reged.com/TrainingPlatform/>.

Life product training modules are available for YourLife® Guaranteed Level Term, Nationwide YourLife Simplified Whole Life, Nationwide YourLife Whole Life 100 & 20-Pay Whole Life and Nationwide YourLife CareMatters. Life Product training is currently not available for Nationwide® No-Lapse Guarantee UL II, Nationwide YourLife Indexed UL Accumulator and Nationwide YourLife Indexed UL Protector. We will communicate further details once these trainings become available. Nationwide will be verifying completion of Life Product specific training courses for applications signed on or after 2/1/2020.

## Product Profile Summaries

Nationwide is developing product profile summaries to assist advisors in satisfying product information requirements

## Advisor Record Retention and Required Documentation Checklist

For Nationwide appointed advisors 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 the client information collected, documentation relating to the recommendation, and whether the client elected to purchase a life insurance policy or annuity contract. All active client files should be maintained indefinitely and all inactive client files for seven (7) years.

Nationwide has developed a checklist to assist advisors with NY Reg. 187 Suitability and Best Interest documentation and record keeping requirements. The checklist reflects Nationwide's current understanding of the Regulation. Any future changes will be published on [nationwidefinancial.com](http://nationwidefinancial.com).

It is the responsibility of the advisor 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 Firms as part of a complaint or regulatory inquiry.

A guide has also been created to help address Frequently Asked Questions.

Product Profile Summaries, Advisor Record Retention and Required Documentation Checklist and the Frequently Asked Questions will be available through [nationwidefinancial.com](http://nationwidefinancial.com) on 2/1/2020 or by contacting our Life Solutions Center at 1-800-321-6064.

### Business Practice and Compliance Guide

Reg. 187 requires detailed records and documentation to demonstrate compliance with the regulation. Nationwide is updating its Business Practice and Compliance Guide and internal supervision program to ensure compliance with its requirements. The Business Practice and Compliance Guide can be accessed at: <https://nationwidefinancial.com/resources/support/business-practices>.

### We're ready to support you

Your business is important to us and our team is committed to helping you prepare for this change.



If you have questions or need more information, please contact us:

Life Solutions Center	1-800-321-6064
Brokerage General Agents (BGAs) Solutions Center	1-888-767-7373
Nationwide Financial Network® (NFN) Solutions Center	1-877-223-0795



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