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**New York Best Interest: February 1, 2020 Implementation Plan for**

**Nationwide® Life Insurance Business**

The New York Best Interest Regulation (Reg. 187) for Life Insurance becomes effective February 1, 2020. This communication provides detail that your Firm 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.

Nationwide will rely on your firm for Variable Life Insurance to ensure that your advisors are acting in the best interest of customers, conducting Best Interest and Suitability review and maintaining the required records.

Nationwide will provide fixed Life product suitability for your firm. Please find enclosed the New York state specific Customer Suitability and Best Interest for Fixed Life Products form to be submitted with New Business applications signed on or after 2/1/2020

Our Office of Compliance Staff will conduct periodic firm and advisor reviews. We will require firms to complete an annual Due Diligence Questionnaire along with a Suitability and Best Interest Certification. We will use this information to develop a risk-based review in which we will sample suitability and best interest paperwork.

**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 training and obtain a new signed application and applicable paperwork.

1. **Reg. 187 Advisor Training**

We are expecting firms to communicate that Reg. 187 training is required and ensure that NY licensed and appointed advisors complete the 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

1. **Life Product Training**

In addition to the Reg. 187 Advisor training, Nationwide is developing 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>. Nationwide will be verifying completion of Life Product specific training courses for applications signed on or after 2/1/2020. We will communicate further details once these trainings become available.

**Product Profile Summaries**

Nationwide is developing product profile summaries to assist your advisor in satisfying product information requirements.

**Customer Suitability and Best Interest Form for Fixed Life Products Form**

If Nationwide is completing Fixed Life Suitability review for your firm, a New York state specific Customer Suitability and Best Interest for Fixed Life Products Form has been created to include additional disclosure requirements and customer and producer acknowledgements. This form will be required effective 2/1/2020 for New Business and require all advisor and client checkboxes completed before the business will be considered in-good-order for processing.

Product Profile Summaries and the Customer Suitability and Best Interest Form will be available through nationwidefinancial.com on 2/1/2020 or by contacting our Life Solutions Center at 1-800-321-6064.

**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, please contact our Life Solutions Center at 1-800-321-6064 [or email me at [\_\_\_\_\_\_\_\_\_\_\_\_@nationwide.com](mailto:____________@nationwide.com)]. If there are any questions regarding Corporate Life business, please contact 877-351-8808.

Thank you,

[Relationship Manager Name]

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