



# STATE OF IOWA

TERRY E. BRANSTAD  
GOVERNOR

SUSAN E. VOSS  
COMMISSIONER OF INSURANCE

KIM REYNOLDS  
LT. GOVERNOR

February 23, 2011

Breadwinners Insurance  
ATTN: Mr. Brian Fechtel  
PO Box 47  
Larchmont NY 10538

Dear Mr. Fechtel:

I apologize for taking some time to respond to your correspondence but I circulated your letter to some of my staff for their thoughts on your suggestions.

As you know, the NAIC has a model law pertaining to life illustrations. I know the life products and markets have changed since this model was last revised and it I agree that it should be reviewed for possible revisions in the near future. However, this year we are focusing on getting states to adopt the Suitability in Annuity Transactions Model Regulations which was adopted by the NAIC last year and on completing the Annuity Disclosure Model Regulation and the Annuity Buyers Guide revisions this year. The annuity sales area is the one where consumers needed the protection of enhanced regulation the most and was where we needed to focus resources.

We are unable to provide the NAIC staff resources and state insurance department staffs to review and revise the life illustration model until such time as we have completed the process of protecting consumers engaged in annuity transactions. The three solutions you recommend on page four of you letter would clearly be controversial and would result in much staff time being used on this endeavor, and states would be reluctant to provide insurance department personnel to assist the NAIC staff in resolving issues that your recommendations raise. Additionally, I am doubtful the NAIC has authority to invoke your suggested recommendations.

I will discuss with my fellow officers about placing a review of the life illustrations model on a future A Committee agenda.

I have reviewed Jane Cline's letter to you of September 8, 2010, and endorse her invitation to you to get involved in the NAIC process.

Sincerely,

A handwritten signature in black ink that reads "Susan E. Voss". The signature is written in a cursive, flowing style.

Susan E. Voss