



Manhattan Life

A ManhattanLife Company

Standing By You. Since 1850.TM

New York Regulations 60 and 194



Product Training Contents

- **Regulation 60**
 - Replacement of Life Insurance Policies and Annuity Contracts
- **Regulation 194**
 - Mandatory Disclosure of Producer Compensation



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Regulation 60
Replacement

Regulation 60 Definition

- Replacement
 - New York rule 60 regulates the acts and practices of insurers, insurance agents/producers, insurance brokers and other licensees with respect to the internal and external replacement of life insurance policies and annuity contracts.
 - Protects interest of the public by establishing minimum standards of conduct to be observed in the replacement or proposed replacement of life insurance policies and annuity contracts.

Producer Responsibilities (You, Your)



- When you meet with your client (the Applicant), complete the NY Definition of Replacement form (NYDFRP-A11).
 - If **all** the answers are **No**:
 - Complete, sign and date the following:
 - NY Definition of Replacement form (NYDFRP-A11)
 - New York Application Packet including all required state forms
 - If **any** of the answers are **YES**:
 - Complete, sign and date the following:
 - Application packet including all required state forms
 - NY Important Notice Regarding Replacement or Change form (NYRPLC-A10C), including:
 - Marketing Materials Verification form (MKMV0920_NY)
 - A separate Contract/Policy Information Request form (NY600217) for each company whose contract/policy is being replaced.
- Leave copies with the applicant/owner
- Submit all above completed forms to the Annuity Operations office in Spokane, Washington.

New Business Admin (We, Us, Our)



- Upon receiving all the required forms in good order, we will forward the Contract/Policy Information Request form(s) (NY600217) to the existing insurer.
 - They will be given the required 20 days to return the information.
- When we receive the information from the existing insurer, we will complete the applicable NY Disclosure Statement (NYDISC-A10A or NYDISC-A10B) with the information received from the existing insurer.
- If we do not receive the information from the existing insurer within 20 days, we will work with you as Producer to complete the form using your good faith estimates.
- We will forward the completed NY Disclosure Statement (NYDISC-A10A or NYDISC-A10B) to you to complete the “Agent’s or Broker’s Statement” to sign and return to us.



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Regulation 194
Producer Compensation Transparency

Regulation 194 Definition

- New York rule 194 imposes mandatory compensation disclosure requirements on all persons licensed to sell insurance products in New York.
 - It is your responsibility to comply.
 - It is recommended that all notices under this rule be given in writing. (Although disclosures may initially be given orally, the rule also requires that all such disclosures be followed up with a prominent written disclosure).

Compensation Disclosure

- **Initial Disclosure**

- Required in Every Case
 - At the time of application, you must disclose:
 - A description of your role in the sale
 - The source(s) of all compensation
 - That compensation may vary based on several factors
 - That the Applicant may request more information about the compensation that you will receive at any time.

- **Second Disclosure**

- Required only if Applicant Requests More information
 - When a request for additional information is received, you must disclose:
 - A description of the nature, amount and source of any compensation you will receive based on the sale.
 - A description of any alternative quotes presented by you, including the coverage, premium, and any compensation that you would have received.
 - A description of any material ownership interest between you and the issuing insurer.
 - A statement of whether you are legally prohibited from altering the amount of compensation you receive.

Compensation Disclosure

- **Timing of Second Disclosure**

- If a request for additional information is made before the contract is issued, the disclosure must generally be delivered prior to the issuance of the contract.*
- If the request comes after the contract is issued but within thirty (30) days of issuance, the disclosure must be delivered within five (5) business days.

*There is a limited exception which allows the disclosure to be made within five (5) business days of the contract's issuance, if "time is of the essence to issue the insurance contract."

- **Ways to Disclose the 'Amount'**

- The "amount" of your known compensation may be described in the following ways:
 - A total dollar amount
 - A percentage of premium

Contradictory, misleading, or false statements regarding compensation are
STRICTLY PROHIBITED!!!

Compensation Disclosure

- **Unknown Compensation**

- If the value of any compensation is unknown at the time the second disclosure is required, then you are required to:
 - Give a description of the circumstances that may determine the receipt and amount of compensation.
 - Give a reasonable estimate of the amount. This can be stated as a range.

- **Record Retention**

- You are required to keep copies of all disclosures provided pursuant to this rule for at least three years.

- **Best Practices**

- You are responsible for keeping a record of all disclosures given under this rule.
 - Every one of your files should contain a copy of at least the first disclosure and where applicable, the second disclosure.
- Although it is not required, it is a good habit to develop a procedure to document delivery of the disclosures required by this regulation.
- Non-Compliance will likely result in fines per incident and may be published on the [New York Department of Financial Services Enforcement and Discipline](#) website.



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Marketing Support

Marketing Support



- **Producer Compensation**
 - Consult your personal Annuity Commission Schedule for details
- **Website: ManhattanLife.com**
 - [Annuity Producer Center](#) – You have secure, convenient access to:
 - Up-to-date Commission statements and schedules
 - Marketing and Training Materials
 - Helpful Guides
 - Client Reports
 - Forms that you can fill-in, print, sign and securely upload to the Annuity Operations Office within the site
 - All your clients' Annuity Contract Information in a downloadable format
 - [Client Services](#) - Your clients have secure, convenient access to:
 - Their daily contract values and information;
 - Frequently used forms that they can fill-in, print, sign and securely upload to the Annuity Operations Office within the site
 - Secure messaging with the Annuity Operations Office in Spokane, Washington.
 - Beneficiaries and other interested parties can also securely send the required documents through the Client Services site without having to login. They will need to know the annuity contract number and Owner's zip code to use this feature.

- **How to Submit Your Annuity Business to Annuity Operations**

- Easy Upload* - Preferred and Most Secure Method **(Do Not send any other way)**
 - Login to your account in the Annuity Producer Center (APC)
 - Choose the Easy Upload button at the top of the page then complete the steps to send your files directly to the department you choose.
- Fax* **(Do Not send any other way)**
 - This is the second most secure method; however, the documents aren't always clear and readable. If the fax is not easily readable, you may be asked to send another way.
- Encrypted Email* **(Do Not send any other way)**
 - Email is not a secure way to send files containing private information. If you do submit using email, it must be encrypted.
 - You can encrypt emails using the newer versions of MS Outlook by adding the word Encrypt in the subject line of the email. (It is case sensitive, so do not use all caps.) There are also software apps that can be used or downloaded to encrypt your emails.
- USPS Mail/Overnight
 - You may also mail or overnight to the applicable address.

*Electronic Mail –

- **If you send documents electronically, DO NOT send them in any other form. (e.g., fax, mail, email, etc.) This will cause confusion and delays in processing.**
- You are responsible for finding out if the transferring company requires original paperwork or signature guarantees. If they do, please do not submit your client's paperwork via electronic mail.

Marketing Support

- **Questions?**

- You may contact your Regional Vice President, IMO, or our Marketing Administration team
 - Phone: 509.835.2500
 - Toll Free: 800.247.2045
 - Email: AnnuityServices@wula.com
 - Website: ManhattanLife.com

- **Normal Business Hours (Pacific Time)**

- Monday – Thursday – 8:00 AM to 4:00 PM
- Friday – 8:00 AM to 1:00 PM

- **Direct Mail**

Annuity Operations
PO Box 2290
Spokane WA 99210-2217

- **Overnight**

Annuity Operations
929 W Sprague Ave
Spokane WA 99201

Click the link below to get your Certificate of Completion.

Please fill it out and submit it to the Annuity Operations Office to update your file.

NY Reg 60-194
Certificate of Completion