

Florida Suitability for Annuities Sold to Senior Consumers

Florida recently adopted a Suitability Rule for annuities sold to seniors (defined by Florida as a person 65 years old and older). The Rule requires two state-mandated forms: *Suitability Questionnaire* and *Disclosure and Comparison of Annuity Contracts*. A copy of the state-mandated forms must be provided to the insurer and to the consumer and must be kept by the producer in his/her customer file for five years. These forms must be used by producers with senior consumers in Florida beginning **December 25, 2009**.

Suitability Questionnaire, Form 10294

- Required beginning December 25, 2009, for the purchase or exchange of an annuity product to a senior (a person 65 years old and older)
- Must be used for both immediate and deferred annuities
- If the Owner and Annuitant are not the same person, and the Owner's age is less than 65 and the Annuitant's age is 65 or older, then the Owner will be considered a senior consumer and the form must be used
- Applicant's signature is required on Page 3. Applicant must either initial or sign all other pages of the form
- If the transaction occurs in Florida with a resident of another state, i.e. snow bird, the law of Florida governs the transaction and the form must be used

Disclosure and Comparison of Annuity Contracts, Form 10293

- Required beginning December 25, 2009, for the replacement or exchange of a fixed annuity product
- State "Replacement Notice" must still be completed and acknowledged
- If the Owner and Annuitant are not the same person, and the Owner's age is less than 65 and the Annuitant's age is 65 or older, then the Owner will be considered a senior and the form must be used
- Asset Fees question is asking for dollars paid
- Administration Fees or Margins question is asking for dollars paid
- Applicant's signature is required on Page 2. Applicant must either initial or sign all other pages of the form
- If the transaction occurs in Florida with a resident of another state, i.e. snow bird, the law of Florida governs the transaction and the form must be used

For annuity applicants under age 65, you must continue to use American National's current suitability Form 4466.



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