

**Diana Capes**

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**Subject:** Update on new Best Interest course. (Washington)

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WA CE providers,

I am sending this to all Washington CE providers, to be sure you are aware of the new course required for producers selling annuities in Washington after January 1, 2024. This type of notice will also be available to Washington resident and non-resident producers, and insurance companies soon.

**Notice:**

As of January 1, 2024, **WAC 284-17-265 Sales of annuities—Insurance producer training** will be updated to include Best Interest Standards training.

Producers that completed the 4-hour, annuity suitability training prior to January 1, 2024, will have until June 30, **2024**, to complete the new 1-hour, Best Interest course.

If you apply for CE credit for the 1-hour, Best Interest course. The approval is only valid until June 30, **2024**.

After June 30, **2024**, producers planning to sell annuities will have to complete the updated 4-hour training course.

We will begin to approve applications for these two new courses in December.

The current WA Annuity Suitability 4 Hour course will be cancelled on January 1, 2024.

If interested, I included the draft outlines for these two new courses below. We may make a minor change if any CE providers suggest an additional topic that is deemed important to include. In December, the final outline will be sent to providers offering the current 4-hour training.

*Joe Mendoza*



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**WA Best Interest Standard of Conduct- 1 Hour Course.**

**Outline**

1. Best Interest Standard of Conduct

Recommendations that fall under the best interest standard of conduct.

2. Care Obligation

### 3. Disclosure Obligation

Insurance Producer Disclosure for Annuities form

### 4. Conflict of Interest Obligation

Cash and non-cash compensation

Ownership interest

### 5. Documentation Obligation

### 6. Supervision System

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## **WA Annuity Suitability and Best Interest Standards Course (Updated outline)**

### **Outline: (WAC 284-17-265)**

1. The types of annuities and various classifications of annuities.
2. Identification of the parties to an annuity.
3. How fixed, variable, and indexed, and other product-specific annuity contract provisions affect consumers.

4. The application of income taxation of qualified and nonqualified annuities.
5. The primary uses of annuities.
6. Appropriate standard of conduct sales practices; and Replacement and disclosure requirements.”
7. Best Interest Standard of Conduct (Care Obligation, Disclosure Obligation, Conflict of Interest Obligation, Documentation Obligation, and Supervision System).