



350260

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/02/2015	.	
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Appropriations Subcommittee on General Government (Simpson)  
recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 682 - 700

and insert:

627.4553 Recommendations to surrender.-

(1) If an insurance agent recommends the surrender of an annuity contract or life insurance policy containing a cash value and does not recommend that the proceeds from the surrender be used to fund or purchase another annuity contract or life insurance policy, before execution of the surrender, the



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11 insurance agent, ~~or insurance company if no agent is involved,~~  
12 shall provide written ~~, on a form that satisfies the~~  
13 ~~requirements of the rule adopted by the department,~~ information  
14 relating to the contract annuity or policy to be surrendered.  
15 Such information must ~~shall~~ include, but is not limited to, the  
16 amount of any estimated surrender charge, the loss of any  
17 minimum interest rate guarantees, the possibility amount of any  
18 tax consequences ~~resulting from the transaction,~~ the estimated  
19 amount of any forfeited death benefit, and a description of the  
20 ~~value of~~ any other investment performance guarantees being  
21 forfeited as a result of the transaction. The agent shall  
22 maintain a copy of the information and the date that the  
23 information was provided to the owner. This section also applies  
24 to a person performing insurance agent activities pursuant to an  
25 exemption from licensure under this part.

26 (2) For purposes of this section, the term "surrender"  
27 means the voluntary surrender at the request of the owner of the  
28 annuity contract or life insurance policy before its maturity  
29 date in exchange for the contract's or policy's current cash  
30 surrender value which results in the surrender or termination of  
31 the contract or policy. The term excludes any involuntary  
32 termination that is otherwise required by the terms of the  
33 contract or policy and all transactions other than a surrender,  
34 such as the maturity of the contract or policy, a contract or  
35 policy loan, a lapse for nonpayment of premium, a withdrawal of  
36 the contract or policy values, an annuitization, or the exercise  
37 of reduced paid-up or extended-term nonforfeiture options.

38  
39 ===== T I T L E A M E N D M E N T =====



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40 And the title is amended as follows:

41 Delete lines 34 - 35

42 and insert:

43 certain information upon surrender of an annuity  
44 contract or life insurance policy under certain  
45 circumstances; defining the term "surrender";