

PRESS RELEASE

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For Immediate Release

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REGULATORS REVIEW CONSUMER DISCLOSURES ON RETAINED ASSET ACCOUNTS

Concord, NH - (August 19, 2010) — The National Association of Insurance Commissioners' (NAIC) newly created Retained Asset Accounts (RAA) Working Group held a meeting to review the use of RAAs by insurance companies and to study whether appropriate consumer protections are in place. The working group is co-chaired by New Hampshire Insurance Commissioner Roger Sevigny, and Connecticut Insurance Commissioner Thomas Sullivan. The working group is composed of members of the NAIC's Life Insurance and Annuities Committee and the Market Regulation and Consumer Affairs Committee.

The working group heard from consumer and industry groups, in addition to representatives from the National Organization of Life and Health Insurance Guaranty Associations and the National Conference of Insurance Legislators. During the meeting, insurance regulators asked questions, including:

- What disclosures are given to consumers;
- Whether consumers understand settlement options; and
- Whether RAAs are protected by state guaranty funds.

“We know there have been relatively few consumer complaints about RAAs, but it is our desire to make sure consumers have as many choices as possible and that all payment term options are easy to understand,” said NH Insurance Commissioner Roger Sevigny, co-chair of the working group. “We appreciate today’s thoughtful exchange of information regarding this form of life insurance claims settlement option.”

Connecticut Insurance Commissioner Thomas Sullivan, co-chair of the working group, said “Through the NAIC, state regulators consistently work together to create sound public policy, and we intend to make sure consumers have appropriate disclosure surrounding these benefits.”

The working group also distributed [this consumer alert on RAAs](#).

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ABOUT THE NH INSURANCE DEPARTMENT

The first insurance regulator in the US, the NH Insurance Department was created in 1851 and charged with enforcing and administering New Hampshire's insurance laws. The department, an agency of the executive branch of New Hampshire state government, conducts safety and soundness and market conduct examinations of licensees, licenses insurance companies and insurance producers, reviews premium rates and policy forms, provides assistance, information and referral services to New Hampshire insurance consumers, and administers the filing and collection of New Hampshire's insurance premium tax. For more information, visit the Insurance Department's web site at: www.nh.gov/insurance.