

## PRODUCER INSTRUCTIONS – DOL PTE 84-24 Disclosure Form

### 1. **When to Use Form:**

The Disclosure Form is required to be used in connection with the sale of a qualified annuity or the purchase of life insurance by a retirement plan.

### 2. **Purpose of the Form:**

The Disclosure Form must be completed in order to comply with the ERISA and IRS Prohibited Transaction Rules and to receive a commission for the sale of a qualified annuity or the sale of life insurance to a retirement plan.

### 3. **When Disclosure Form Must be Completed:**

The Disclosure Form must be completed before or at the same time as the application. **It can not be completed and dated after the application.** Forms that are dated after application will be returned along with the application and will need to be re-executed. In the event of the sale of a new product, a new Disclosure Form must be completed if the most recent one on file is over a year old.

### 4. **Producer's Portion of Disclosure Form to Complete:**

i) The Producer must also circle the correct withdrawal penalty line under the **Charges, Fees and Penalties** Section.

ii) In the case of life insurance purchased by a retirement plan, the Producer must complete the life insurance line under the **Charges, Fees and Penalties** Section. You may refer the applicant to the Right to Cancel and Nonforfeiture sections of the contract.

iii) The Producer must sign and date the Disclosure Form.

### 5. **Applicant's Portion of Disclosure Form to Complete:**

The Producer must review the Disclosure Form with the applicant who must then sign and date it.

### 6. **Producer's Responsibilities Regarding Sales of Qualified Annuities and Life Insurance to Retirement Plans:**

The Producer must meet ERISA/IRS Impartial conduct standards. This means: i) the sale must be in client's best interest; ii) statements made by the Producer in connection with the sale are not materially misleading; and iii) the Producer's compensation must be reasonable. It is your duty to review and understand the attached FSCLA DOL Fiduciary Rule Training Sheet before selling a qualified annuity or life insurance to a retirement plan. If you do not understand the FSCLA DOL Fiduciary Rule Training Sheet, please contact FCSLA National Sales Manager, Paul Smithers, before completing the sale. Furthermore, if you have

a material conflict of interest that needs to be disclosed, you MUST contact FCSLA Compliance Officer, Karen Visocan, at 1-800-464-4642 ext. 1050 **prior** to the sale to discuss the conflict so a determination can be made as to the permissibility of the proposed sale.

**7. Parties Who Are Required to Receive Copies of Disclosure Form:**

The Producer is required to give a copy of the Disclosure Form to: i) the Applicant; ii) FCSLA (sent in with the application) and iii) retain a copy.

**8. Producer Recordkeeping Requirement:**

Producer is required to: i) maintain records necessary to demonstrate the exemption rules were followed for 6 years and; ii) make the records available to DOL, IRS and the applicant. Please see attached FSCLA DOL Fiduciary Rule Training Sheet for further explanation.

**9. Additional Implications of Rule**

i) Suitability Forms: applicants must complete annuity suitability forms for sales of all qualified annuities and **may not waive the use of such forms.**

ii) Producer Training: All Producers must read and understand this Producer Instruction Form along with the FSCLA DOL Fiduciary Rule Training Sheet before selling any qualified annuities or life insurance to a retirement fund. Producers must have participated in a training call or other DOL-Fiduciary Rule training acceptable to FCSLA in order to sell qualified annuities or life insurance to a retirement fund.