

## The Annuity Transition Solution

For advisors transitioning from FINRA registration who aren't insurance licensed, RetireOne can be added to their client annuity policies as "Agent of Record" ("AOR"). The advisor may then transition the asset to their practice where they may continue to track and manage it. In most cases, the annuity client simply grants authorization to share annuity data with that advisor, and RetireOne becomes a conduit for management of those assets.

### What is the benefit of adding RetireOne as "Agent of Record?"

If an advisor is leaving a broker-dealer or giving up licenses altogether, authorizing RetireOne as agent of record on their clients' annuities may prevent the former broker-dealer from reassigning the assets as house accounts or assigning them to other brokers.

Preventing those assets from being reassigned closes the door on salesmen who would have otherwise had back-door access to the advisor's clients. Because RetireOne does not work directly with the client without the advisor's knowledge, this agent of record structure may provide a safe haven for these assets.

Depending on the insurance company, the advisor may be added as an interested party or third party, which may grant online access to the client accounts

with trading authority. In certain instances, visibility of the annuity assets on portfolio management software may also be available to the RIA firm via data feeds.

RetireOne is able to access the account's DTCC feed and can work with the RIA to get that account data to the firm's portfolio management system should DST not be available from the insurance carrier.

As AOR, RetireOne can also monitor the annuities and potentially recommend more suitable, lower cost solutions should the surrender period expire. At that point, advisors may be able to bring the assets under management through their RIA and bill on the management of those underlying investments.

Should RetireOne become AOR and the advisor not be able to be added as a third party or interested party on the account, the client can sign an "Authorization to Share" document which allows the policy information to be shared with the advisor.

# Are advisors required to have an insurance license?<sup>1</sup>

The main advantage to having an insurance license is that it grants the advisor the liberty to discuss insurance and fixed products with the client. If the advisor sold a fixed annuity through their own agency, being insurance licensed would still allow them to continue to manage the account on behalf of the client.

However, if the policy was sold through their broker-dealer, once they leave the firm, that annuity is likely to be reassigned.

## How do I assign RetireOne "Agent of Record" on a client's annuity?

1. RetireOne will need to determine if our broker-dealer has a selling agreement with the issuing insurance company.
  - a. If we have an agreement, move on to Step 2.
  - b. If we do not have an agreement, we'll work with the advisor to determine how to obtain one on a case-by-case basis.
2. RetireOne will check to see if we have an appointed representative with that carrier in the state for which the application is filed. If we do, we will obtain a "Change of Agent" form from the insurance company. If we do not, we will appoint a licensed representative in that state.
  - a. Our licensed representative may have to complete NAIC-required product training.
3. RetireOne will learn if the advisor can be added as a third party. If so, we will request that document from the carrier. Depending on the carrier, this normally gives the advisor online access and other capabilities. RetireOne should be able to tell the advisor if they are able to receive downloads via aggregators such as DST (see "Appendix A" for DST-compatible carriers).
  - a. DST FAN Mail would enable the insurance company to send annuity information to the RIA's portfolio management system.
4. After verification of appointment, RetireOne will send a "Change of Agent" form and a "Third-Party Authorization" form to the advisor to obtain client signatures. All forms should be returned to RetireOne.
5. RetireOne will submit forms to the issuing insurance company.
6. Once RetireOne is verified as agent of record we will notify the advisor.
7. If the advisor has been added as third party, they should be able to set up online access and look to retrieve data feeds on the account, if available.
  - a. If the advisor has been added as third party but cannot access account data, RetireOne may be able to supply account information to the RIA firm. This would need to be coordinated and tested between RetireOne and the RIA Firm.
  - b. If the "Authorization to Share" form has been signed by the client and advisor, RetireOne can share policy information with the advisor even if they are not listed as a third party on the account at the insurance carrier.



# Appendix

## Insurance Carriers Eligible for Agent of Record Changes:

AIG	Global Atlantic	Pacific Life
Allianz	Great American	Protective
Allstate	Guardian	Prudential
Ameritas	John Hancock	Security Benefit
AXA/Equitable	VOYA/Venerable	Symetra
Brighthouse	Jackson National	Talcott/Hartford
Delaware Life	Lincoln National	TIAA
Midland National	Mass Mutual	Transamerica
Genworth	Nationwide	

1 Insurance laws and regulations vary from state to state. If you do not have an insurance license, you should be aware of the specific rules that apply in your state. Please consult with an attorney in your state for guidance.

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Non-registered insurance products are sold by RetireOne, Inc. (RetireOne), a licensed insurance agency (resident KY license no. DOI-778494). In CA and AR, RetireOne is doing business as R1 Insurance Solutions, Inc., (nonresident license no. 0H44773 and 100107906, respectively).

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