

**REPLACEMENT OF ANNUITY CONTRACTS**

The Nevada Division of Insurance issues this Bulletin to remind life insurers and life insurance producers conducting business in the state of Nevada about required compliance with NRS 686A.060 for annuity contracts as well as insurance policies.

The Division of Insurance interprets the replacement requirements of NRS 686A.060 to apply to annuity contracts as well as life insurance policies.

Failure to comply with NRS 686A.060 for annuities will be considered to be in violation of the unfair methods and deceptive acts provisions of NRS 686A.020 and the misrepresentation and false advertising provisions of NRS 686A.030. Compliance with these provisions will be enforced by the Division of Insurance as authorized under NRS 686A.160. Therefore, insurers and producers are expected to ensure that their clients understand the expenses, charges and tax implications associated with replacing their existing life insurance policies or existing annuities with new life insurance policies or annuity contracts. Further, the Division of Insurance interprets the duties of producers and insurers described in NAC 686A.550 through NRS 686A.570, inclusive, to also apply to insurers and producers involved in the sale of annuity contracts.

**ALICE A. MOLASKY-ARMAN**  
Commissioner of Insurance