

**Provision of Annuities Electronically and
NAVA Straight-Through Processing (STP) Standards**

This Bulletin is directed to all insurers and producers that electronically process annuities. The Department recognizes that conducting business electronically can provide benefits for consumers and the annuity industry, but all provisions of Indiana law must be followed, whether a transaction is processed electronically or traditionally.

NAVA, Inc. (NAVA) has issued a comprehensive set of standards – known as the Straight-Through Processing (STP) Standards – establishing an industry accepted process for doing electronic new business submission for annuities. The Department has reviewed the STP Standards and is issuing this Bulletin to provide guidance on the STP Standards' compliance with Indiana law.

Indiana's Uniform Electronic Transactions Act, IC 26-2-8-1, *et seq.* (UETA), provides for recognition of electronic records, signatures, and contracts, to facilitate the use of electronic transactions consistent with other applicable law. Annuity transactions may be processed electronically so long as other provisions of Indiana law are followed. Electronic recordkeeping is generally subject to the same timelines and other standards as recordkeeping in other media.

For purposes of delivery and other communications required or permitted by Indiana law, delivery and communication by electronic or other verifiable means is not precluded where agreed to by the parties involved. If a record, notice, or document is required to be attached to or enclosed with other records, documents, or notices, the notice requirement can be satisfied in the electronic environment so long as it is clear that the attached or enclosed record, document, or notice is logically associated with or linked to the same electronic record as the principal record, document, or notice.

Records of disclosures and communications between a consumer and an insurance company, required to be maintained by IC 27-8-8-18, may be delivered, acknowledged and maintained in paper, photographic, microprocess, magnetic, mechanical or electronic media or by any process that complies with the UETA.

The Department has determined that the NAVA STP Standards comply with the electronic signature, record retention, and delivery requirements discussed above.

Indiana has further rules that address the delivery of the ILHIGA Summary Document, the replacement of life insurance policies and annuities, and the suitability of recommendations by insurers and producers regarding purchase or exchange of annuities. The NAVA STP Standards and processes may be employed to deliver the ILHIGA Summary Document required by IC 27-8-8-18, provide the Important Notice Regarding Replacement of Life Insurance required by 760 IAC 1-16.1-6(c), and meet the recordkeeping requirements of 760 IAC 1-72.



James Atterholt, Commissioner