|  |  |  |
| --- | --- | --- |
| Transaction Type Best Interest and Suitability Apply | Requirements:* Best Interest Training
* Product Training
* Provide Producer Proprietary Disclosure (only need to be provided once per client per producer)
* Keep complete Case Notes in Client Files
 | *Reference Materials* |
| **Illustrations – Best Practices** | * A signed illustration will be needed any time EZ app can be used. Examples (not a complete list) include:
* New Policy
* Term to Perm Conversions
* Owner change if policy is inforce less than 90 days
* The cover page (first page of illustration) must contain the proposed Insured’s full name, nothing generic (Valued Client not acceptable), as well as age, gender and policy type (which should all pre-fill with MassMutual Design)
* The **advisor’s name** must be on the submitted illustration (Lenox Advisors is not acceptable), as well as license number – if required, and business address
* If subsequent illustration is being submitted, the word “revised” should appear along with the policy number
* The full illustration matching the application and signed by the client must be attached upon submission. If it does not match, is not signed, or is not submitted in full (i.e. just the signature page), it will be sent back as NIGO. The illustration must be signed prior to or same day as the application. Illustrations dated after the application date will not be accepted.
 |  |
| **New Policy Applications**  | 1. Obtain detailed information to complete Suitability Questionnaire
2. Consider Suitability
3. Obtain Signed Illustrations
4. Submit EZ App and attach Signed Illustrations
5. Suitability will come up as part of the EZ App reflecting duplicative information

**Wet Signatures**If obtaining wet signatures – be sure to obtain wet signatures on the Suitability Questionnaire (one questionnaire per product)**Replacements**If Policy is a Replacement include the following in addition to the above:1. Inforce illustration for all policies being replaced
2. Side-by-side comparison of the proposed new policy and existing policy/policies with premiums, cash values and death benefits on a non-guaranteed basis over 5, 10, 20 and 30 years. (Side by Side Comparison Worksheet FR 2331)
3. Explanation of basis for the recommended replacement. ([Replacement Producer Explanation Template – FR2332](https://fieldnet.massmutual.com/fldnet/document/display.html?DOCURL=https://fieldnet.massmutual.com/public/life/pdfs/fr2332.pdf&PAGEURL=/mypractice/nyreg187.html&LINKTEXT=Replacement%20Producer%20Explanation%20Template%20-%20FR2332))
 | [New Policy Life Products Suitability Questionnaire – FR2282](https://fieldnet.massmutual.com/fldnet/document/display.html?DOCURL=https://fieldnet.massmutual.com/public/life/pdfs/fr2282.pdf&PAGEURL=/mypractice/nyreg187.html&LINKTEXT=Life%20Products%20Suitability%20Questionnaire%20-%20FR2282)Determining Affordability Resources:* [Producer Pocket Guide to Life Insurance Suitability](http://a1027.g.akamai.net/f/1027/2744/1d/mass.download.akamai.com/2744/mmu_b/reg187/oper197r14_41ny.pdf)
* [Suitability worksheet with effective tax rates](http://a1027.g.akamai.net/f/1027/2744/1d/mass.download.akamai.com/2744/mmu_b/reg187/oper197r23_41ny.xlsx)

Replacements: * [Top Considerations regarding Replacements Guide](https://fieldnet.massmutual.com/fldnet/document/display.html?DOCURL=https://fieldnet.massmutual.com/public/life/pdfs/top-consider-regard-replacements-guide.pdf&PAGEURL=/mypractice/nyreg187.html&LINKTEXT=Top%20Considerations%20Regarding%20Replacements%20Guide)

To be added:* Client Brochure can be found on Warehouse Express

 |
| **New Policy Applications - Business Cases** | Follow New Policy Applications* If business will own the policy (and the insured is not a member/partner of the LLC/Partnership with a primary purpose of personal planning) stop at question B2 on the Suitability Questionnaire and provide:
* [Suitability Disclosures for Business Cases (FR2289)](https://fieldnet.massmutual.com/public/life/pdfs/fr2289.pdf)
* [Business Financial Supplement (FR2074)](https://fieldnet.massmutual.com/fnmmfg/life/pdfs/fr2074.pdf)
 |  |
| **New Policy Applications –** **Corporation Owned for:*** **Buy/Sell Agreements**
* **Key Person Policies**
 | Follow New Policy Applications – Ownership will be “Other Entity” * For Owner (question B2) select Other Entity (note in EZ App under Entity Owner, select non-incorporated entity and type: Other to have the appropriate options appear for suitability)
* Complete the following:
	+ [Suitability Disclosures for Business Cases (FR2289)](https://fieldnet.massmutual.com/public/life/pdfs/fr2289.pdf)
	+ [Business Financial Supplement (FR2074)](https://fieldnet.massmutual.com/fnmmfg/life/pdfs/fr2074.pdf)
 | These processes are being refined – be sure to include a complete description in the rationale. If additional information is needed, you will be contacted. |
| **New Policy Applications - Trusts**  | Follow New Policy Applications. Additional Notes:* For newly created trusts suitability is completed on the Grantor
* For limited situations where a well-established trust will be the owner and will pay the premiums, suitability will be performed on the trust. Complete the [Life Products Suitability Trust Supplemental Questionnaire (FR2281)](https://fieldnet.massmutual.com/public/life/pdfs/fr2281.pdf).
* For any questions regarding trust ownership and trust suitability, consult Advanced Sales.
 | For Certain Trust Cases\*: [Life Products Suitability Trust Supplemental Questionnaire (FR2281)](https://fieldnet.massmutual.com/public/life/pdfs/fr2281.pdf) \*Use the [Life Products Suitability Questionnaire (FR2282)](https://fieldnet.massmutual.com/public/life/pdfs/fr2282.pdf) for most trusts funded by the insured or the insured’s spouse. |
| **Reissues: Issued Other Than Applied For** | 1. Work with your case manager to reach acceptance of product(s)
2. Your Case Manager will notify the Suitability Team of final products accepted
3. Suitability Review Team will send you the corresponding suitability form(s) to be completed reflecting the changes
4. Complete the suitability form(s)
5. Obtain Client Signature:
* Wet signature
* E-Signature (short term: send to the suitability review team and ask them to send to client for e-signature. We are working to provide you the capability to attach DocuSign and send it directly to the client)

**Note:** If adding a new product such as Term or Whole Life, and a signed illustration be needed to attach to the new app, the full suitability for the new product will need to be completed. | [Life Products Suitability Trust Supplemental Questionnaire (FR2281)](https://fieldnet.massmutual.com/public/life/pdfs/fr2281.pdf) |
| **Conversions:*** **LISR to Whole Life**
* **Term to Perm**
* **VUL to Whole Life**
 | A signed illustration is needed for the new product.Suitability is required and based on length the policy is inforce.* Less than one year inforce use: [Life Products Suitability Questionnaire (FR2282)](https://fieldnet.massmutual.com/public/life/pdfs/fr2282.pdf)
* More than one year inforce use: [Life Suitability Acknowledgement Certification (FR2284)](https://fieldnet.massmutual.com/public/life/pdfs/fr2284.pdf)

The client can exercise their contractual right regardless of the suitability outcome. * If the case is determined “Not Suitable” and has been inforce less than one year, also complete: [Life Suitability Acknowledgement Certification (FR2284)](https://fieldnet.massmutual.com/public/life/pdfs/fr2284.pdf) (this is the form for policies inforce more than one year)
* Indicate if it is recommended to convert OR if the client is choosing to exercise the contractual right.

IF the conversion is **owned** by a **business** or a **trust**:* Obtained a signed illustration
* Use the following suitability form:
 |  |
| **Option Exercises:*** **Addition of Insurability Rider**
* **Exercise Policy Split Option**
* **Exercise of Guaranteed Insurability Rider**
* **Transfer / Substitute Insured**
 | Modified suitability will be required: [Life Suitability Acknowledgement Certification (FR2284)](https://fieldnet.massmutual.com/public/life/pdfs/fr2284.pdf)The client can exercise their contractual right regardless of the suitability outcome. * If the case is determined “Not Suitable” indicate if it is recommended to convert OR if the client is choosing to exercise the contractual right.
 |  |
| **Changes to an Existing Policy inforce more than 90 days** | Complete [Life Products Post Issue Full Suitability Questionnaire (FR2291)](https://fieldnet.massmutual.com/public/life/pdfs/fr2291.pdf) for the following changes to an existing policy:* Face increase to an existing policy
* Addition of a new unscheduled ALIR
* Term or VUL conversion in the first year
 | [A producer guide to the Life Products Post Issue Full Suitability Questionnaire (FR2291)](http://a1027.g.akamai.net/f/1027/2744/1d/mass.download.akamai.com/2744/mmu_b/reg187/oper197r20_41ny.pdf) |
| **Rider Additions:*** **Add Waiver of Premium / Waiver of Specified Premium Rider**
* **ALIR:**
	+ **Increase existing ALIR**
	+ **Add Scheduled ALIR**
 | Modified suitability will be required for all changes listed to left: [Life Suitability Acknowledgement Certification (FR2284)](https://fieldnet.massmutual.com/public/life/pdfs/fr2284.pdf)For a new Unscheduled ALIR : * Signed Illustrations must be attached to the application
* Use  [Life Products Post Issue Full Suitability Questionnaire (FR2282)](https://fieldnet.massmutual.com/public/life/pdfs/fr2291.pdf)
 |  |
| **Best Interest – Recommendations vs non-recommendation** | Keep complete file notes when a recommendation is made for all scenarios. While not all recommendations are subject to suitability (only transactions with new coverage and FYC are subject to suitability), all recommendations are subject to best interest. What’s the difference between a recommendation and a client exercising options?* If a client calls and asks you to review their policy, wanting to know which policy to take a loan out to pay for a child’s education and the producer provides feedback – that is a recommendation. Basis of the recommendation should be noted in the client file notes along with summary of conversation and decision(s) client makes.
* If a client calls and requests a loan of $10,000 on a policy – that is not a recommendation and is not subject to best interest. Recommended practice is to note the request in the client file.
 |  [New York (NY) Regulation 187: Suitability and Best Interest in Life Insurance and Annuity Transaction](https://massmutuallms.pinpointglobal.com/Portal/GlobalActions/RedirectToContentUrl?LearningContentId=2619)[Best Interest for New Sales Transactions Job Aid](http://a1027.g.akamai.net/f/1027/2744/1d/mass.download.akamai.com/2744/mmu_b/reg187/OPER196r1_43NY_Reg_187_New_Sales_Best_Interest_RS.pdf)[Life Insurance: Needs Assessment Questionnaire](http://a1027.g.akamai.net/f/1027/2744/1d/mass.download.akamai.com/2744/mmu_b/reg187/OPER197r17_41NY_Life_Needs_Assessment_JA.docx)  |

Full Reference to above and more:

* [NY Reg 187: Sales Process Guide for Career Agents](http://a1027.g.akamai.net/f/1027/2744/1d/mass.download.akamai.com/2744/mmu_b/reg187/oper197r13_41ny.pdf)
* [New York Regulation 187 Fiedlnet Page](https://fieldnet.massmutual.com/fldnet/mypractice/nyreg187.html)