

# Insurance Regulators Protect Seniors From Abusive Sales, Marketing

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**SAN FRANCISCO (June 2, 2008)** — The National Association of Insurance Commissioners (NAIC) today adopted a model bulletin and Consumer Alert to help protect seniors from unscrupulous, abusive sales practices and fraud.

“Americans work hard to create a nest egg. They should be able to trust the people who handle their money,” said NAIC President and Kansas Insurance Commissioner Sandy Praeger. “We cannot allow seniors to be misled into thinking a title like ‘retirement planner’ represents special expertise when, in fact, no such expertise exists. Agents and brokers with well-earned, legitimate titles such as chartered financial consultant or certified life underwriter get shortchanged, as well.”

The model bulletin cautions insurers and producers against the improper use of senior designations, stating:

- Producers who misrepresent their level of expertise in marketing and sales activities will be subject to penalties under state law.
- Insurers that allow their producers to use misleading designations will also be subject to penalty under state law.

“There is no doubt that abuses exist. State officials entrusted to protect consumers must remain vigilant in their oversight,” Praeger said. “At the same time, we need to keep reminding seniors to be cautious and to evaluate all options before making important financial decisions.”

Specifically, the Consumer Alert offers the following tips:

- Question the credentials of “experts.”
- Beware of “free lunch” investment seminars.
- Ask yourself: Does this product make sense for me?
- Never make a final decision at a seminar.
- Report scams.
- Contact your state insurance department for more information.

“Seniors are uniquely vulnerable and deserve special protection,” Praeger said. “This is a first and critical step in protecting them from those in this industry who would exploit them.”

## About the NAIC

Headquartered in Kansas City, Mo., the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and five U.S. territories. The NAIC’s overriding objective is to assist state insurance regulators in protecting consumers and helping maintain the financial stability of the insurance industry by offering financial, actuarial, legal, computer, research, market conduct and economic expertise. Formed in 1871, the NAIC is the oldest association of state officials. For more than 135 years, state-based insurance supervision has served the needs of consumers, industry and the business of insurance at-large by ensuring hands-on, frontline protection for consumers, while providing insurers the uniform platforms and coordinated systems they need to compete effectively in an ever-changing marketplace. For more information, visit [www.naic.org/press\\_home.htm](http://www.naic.org/press_home.htm).

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