

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Subtitle A, Title 7, Insurance Code, is amended by adding Chapter 1116 to read as follows:

CHAPTER 1116. DISCLOSURE OF INFORMATION REGARDING

ANNUITY TRANSACTIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1116.001. PURPOSES. The purpose of this chapter is to:

- (1) protect consumers and foster consumer education by providing standards for the disclosure of certain minimum information about annuity contracts; and
- (2) ensure that purchasers of annuity contracts understand certain basic features of annuity contracts.

Sec. 1116.002. GENERAL DEFINITIONS. In this chapter:

- (1) "Buyer's guide" means a buyer's guide published or adopted by the department under Section 1116.006.
- (2) "Charitable gift annuity" has the meaning assigned by Section 102.001.
- (3) "Contract owner" means the owner named in the annuity contract or, in the case of a group annuity contract, the certificate holder.
- (4) "Funding agreement" means an agreement for an insurer to accept and accumulate funds and to make one or more payments at future dates in amounts that are not based on mortality or morbidity contingencies.
- (5) "Generic name" means a short title descriptive of the annuity contract being illustrated or for which an applicant is applying, such as "single premium deferred

SENATE VERSION

SECTION 1. Subtitle A, Title 7, Insurance Code, is amended by adding Chapter 1116 to read as follows:

CHAPTER 1116. DISCLOSURE OF INFORMATION REGARDING ANNUITY TRANSACTIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1116.001. PURPOSES. The purpose of this chapter is to:

- (1) protect consumers and foster consumer education by providing standards for the disclosure of certain minimum information about annuity contracts; and
- (2) ensure that purchasers of annuity contracts understand certain basic features of annuity contracts.

Sec. 1116.002. GENERAL DEFINITIONS. In this chapter:

- (1) "Buyer's guide" means a buyer's guide published or adopted by the department under Section 1116.006.
- (2) "Charitable gift annuity" has the meaning assigned by Section 102.001.
- (3) "Contract owner" means the owner named in the annuity contract or, in the case of a group annuity contract, the certificate holder.
- (4) "Funding agreement" means an agreement for an insurer to accept and accumulate funds and to make one or more payments at future dates in amounts that are not based on mortality or morbidity contingencies.
- (5) "Generic name" means a short title descriptive of the annuity contract being illustrated or for which an applicant is applying, such as "single premium deferred

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

annuity."

(6) "Structured settlement annuity" means:

(A) a "qualified funding asset," as defined by Section 130(d), Internal Revenue Code of 1986; or

(B) an annuity that would be a qualified funding asset but for the fact that the annuity is not owned by an assignee under a qualified assignment.

Sec. 1116.003. DETERMINABLE ELEMENTS. (a) For purposes of this chapter, "determinable elements" means elements derived from processes or methods that are guaranteed at issue and are not subject to company discretion, but for which the values or amounts cannot be determined until some point after issue. The term includes:

(1) premiums;

(2) credited interest rates, including any bonus;

(3) benefits;

(4) values;

(5) noninterest based credits;

(6) charges; and

(7) elements of formulas used to determine any element described by Subdivisions (1)-(6).

(b) Determinable elements may be described as guaranteed but not determined at issue. An element is considered determinable if the element was computed from only underlying determinable elements, or from both determinable and guaranteed elements.

Sec. 1116.004. GUARANTEED AND NONGUARANTEED ELEMENTS. (a) For purposes

SENATE VERSION

annuity."

(6) "Structured settlement annuity" means:

(A) a "qualified funding asset," as defined by Section 130(d), Internal Revenue Code of 1986; or

(B) an annuity that would be a qualified funding asset but for the fact that the annuity is not owned by an assignee under a qualified assignment.

Sec. 1116.003. DETERMINABLE ELEMENTS. (a) For purposes of this chapter, "determinable elements" means elements derived from processes or methods that are guaranteed at issue and are not subject to company discretion, but for which the values or amounts cannot be determined until some point after issue. The term includes:

(1) premiums;

(2) credited interest rates, including any bonus;

(3) benefits;

(4) values;

(5) noninterest based credits;

(6) charges; and

(7) elements of formulas used to determine any element described by Subdivisions (1)-(6).

(b) Determinable elements may be described as guaranteed but not determined at issue. An element is considered determinable if the element was computed from only underlying determinable elements, or from both determinable and guaranteed elements.

Sec. 1116.004. GUARANTEED AND NONGUARANTEED ELEMENTS. (a) For purposes

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

of this chapter, "guaranteed element" means an element listed in Sections 1116.003(a)(1)-(7) that is guaranteed and determined at issue. An element is considered guaranteed if all of the underlying elements used in its computation are guaranteed.

(b) For purposes of this chapter, "nonguaranteed element" means an element listed in Sections 1116.003(a)(1)-(7) that is subject to the insurer's discretion and is not guaranteed at issue. An element is considered nonguaranteed if any underlying element used in its computation is nonguaranteed.

Sec. 1116.005. APPLICABILITY; SCOPE. (a) Except as provided by Subsection (b), this chapter applies to all group and individual annuity contracts and certificates.

(b) This chapter does not apply to:

(1) registered or nonregistered variable annuities or other registered products;

(2) immediate and deferred annuities that do not contain elements that are nonguaranteed;

(3) annuities used to fund:

(A) an employee pension plan subject to the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.);

(B) a plan described by Section 401(a), 401(k), or 403(b), Internal Revenue Code of 1986, in which the plan, for purposes of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), is established or maintained by an employer;

(C) a governmental or church plan as defined by Section

SENATE VERSION

of this chapter, "guaranteed element" means an element listed in Sections 1116.003(a)(1)-(7) that is guaranteed and determined at issue. An element is considered guaranteed if all of the underlying elements used in its computation are guaranteed.

(b) For purposes of this chapter, "nonguaranteed element" means an element listed in Sections 1116.003(a)(1)-(7) that is subject to the insurer's discretion and is not guaranteed at issue. An element is considered nonguaranteed if any underlying element used in its computation is nonguaranteed.

Sec. 1116.005. APPLICABILITY; SCOPE. (a) Except as provided by Subsection (b), this chapter applies to all group and individual annuity contracts and certificates.

(b) This chapter does not apply to:

(1) immediate and deferred annuities that do not contain elements that are nonguaranteed;

(2) annuities used to fund:

(A) an employee pension plan subject to the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.);

(B) a plan described by Section 401(a), 401(k), or 403(b), Internal Revenue Code of 1986, in which the plan, for purposes of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), is established or maintained by an employer;

(C) a governmental or church plan as defined by Section

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

414, Internal Revenue Code of 1986, or a deferred compensation plan of a state or local government or a tax-exempt organization under Section 457, Internal Revenue Code of 1986; or
(D) a nonqualified deferred compensation arrangement established or maintained by an employer or plan sponsor;
(4) a structured settlement annuity;
(5) a charitable gift annuity qualified under Chapter 102; or (6) a funding agreement.

(c) This chapter applies to an annuity used to fund a plan or arrangement that is funded solely by contributions an employee elects to make, whether on a pretax or after-tax basis, if the insurer has been notified that plan participants may choose from among two or more fixed annuity providers and there is a direct solicitation of an individual employee by a producer for the purchase of an annuity contract. As used in this subsection, "direct solicitation" does not include a meeting held by a producer solely for the purpose of educating or enrolling employees in the plan or arrangement.

Sec. 1116.006. BUYER'S GUIDES. (a) The commissioner by rule shall adopt buyer's guides for consumers who are considering purchasing an annuity contract or certificate, including a guide to fixed deferred annuities and a guide to equity indexed annuities.

SENATE VERSION

414, Internal Revenue Code of 1986, or a deferred compensation plan of a state or local government or a tax-exempt organization under Section 457, Internal Revenue Code of 1986; or
(D) a nonqualified deferred compensation arrangement established or maintained by an employer or plan sponsor;
(3) a structured settlement annuity;
(4) a charitable gift annuity qualified under Chapter 102;
(5) a funding agreement; or
(6) an annuity contract used to fund a contract for prepaid funeral benefits, as defined by Chapter 154, Finance Code.

(c) This chapter applies to an annuity used to fund a plan or arrangement that is funded solely by contributions an employee elects to make, whether on a pretax or after-tax basis, if the insurer has been notified that plan participants may choose from among two or more fixed annuity providers and there is a direct solicitation of an individual employee by a producer for the purchase of an annuity contract. As used in this subsection, "direct solicitation" does not include a meeting held by a producer solely for the purpose of educating or enrolling employees in the plan or arrangement.

Sec. 1116.006. BUYER'S GUIDES. (a) The commissioner by rule shall adopt buyer's guides for consumers who are considering purchasing an annuity contract or certificate.

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

(b) In adopting buyer's guides under this section, the commissioner may adopt the Buyer's Guide for Fixed Deferred Annuities or the Buyer's Guide for Equity-Indexed Annuities published by the National Association of Insurance Commissioners, or similar comprehensive guides produced by the department or published by another national insurance organization recognized by the commissioner.

Sec. 1116.007. EFFECT ON OTHER LAW. Compliance with this chapter or rules implementing this chapter is not an affirmative defense in any action brought by or for the department alleging a violation of Chapter 541, 1114, or 1115.

[Sections 1116.008-1116.050 reserved for expansion]

SUBCHAPTER B. DISCLOSURES AND DISCLOSURE STANDARDS

Sec. 1116.051. STANDARDS FOR DISCLOSURE DOCUMENT AND BUYER'S GUIDE. (a) If an application for an annuity contract or certificate is taken in a face-to-face meeting, the applicant shall be given, at or before the time of application, both the disclosure document described by Section 1116.052 and the appropriate buyer's guide.

(b) If the application is taken by means other than in a face-to-face meeting, the applicant shall be sent both the disclosure document and the appropriate buyer's guide not later than the fifth business day after the date on

SENATE VERSION

(b) In adopting buyer's guides under this section, the commissioner may adopt the buyer's guides

published by the National Association of Insurance Commissioners or similar comprehensive guides produced by the department or published by national insurance organizations recognized by the commissioner. If a buyer's guide to a particular type of annuity has not been adopted nationally, the commissioner may not adopt a buyer's guide for that type of annuity.

Sec. 1116.007. EFFECT ON OTHER LAW. Compliance with this chapter or rules implementing this chapter is not an affirmative defense in any action brought by or for the department alleging a violation of Chapter 541, 1114, or 1115.

[Sections 1116.008-1116.050 reserved for expansion]

SUBCHAPTER B. DISCLOSURES AND DISCLOSURE STANDARDS

Sec. 1116.051. STANDARDS FOR DISCLOSURE DOCUMENT AND BUYER'S GUIDE. (a) If an application for an annuity contract or certificate is taken in a face-to-face meeting, the applicant shall be given, at or before the time of application, both the disclosure document described by Section 1116.052 and the appropriate buyer's guide.

(b) If the application is taken by means other than in a face-to-face meeting, the applicant shall be sent both the disclosure document and the appropriate buyer's guide not later than the fifth business day after the date on

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

which the completed application is received by the insurer.

(c) If the application is received as a result of a direct solicitation through the mail, providing the appropriate buyer's guide and the disclosure document in a mailing inviting prospective applicants to apply for an annuity contract or certificate is considered to satisfy the requirement that the appropriate buyer's guide and the disclosure document be provided not later than the fifth business day after the date of receipt of the application.

(d) If the application is received through the Internet, taking reasonable steps to ensure that the appropriate buyer's guide and the disclosure document are available for viewing and printing on the insurer's website is considered to satisfy the requirement that the appropriate buyer's guide and the disclosure document be provided not later than the fifth business day after the date of receipt of the application.

(e) A solicitation for an annuity contract that is provided in a manner other than a face-to-face meeting must include a statement that the proposed applicant may contact the department for a free annuity buyer's guide or that the prospective applicant may contact the insurer for a free annuity buyer's guide.

(f) If the appropriate buyer's guide and the disclosure document are not provided at or before the time of application, a free look period of at least 15 days must be provided during which the applicant may return the annuity contract without penalty. This period shall run

SENATE VERSION

which the completed application is received by the insurer.

(c) If the application is received as a result of a direct solicitation through the mail, providing the appropriate buyer's guide and the disclosure document in a mailing inviting prospective applicants to apply for an annuity contract or certificate is considered to satisfy the requirement that the appropriate buyer's guide and the disclosure document be provided not later than the fifth business day after the date of receipt of the application.

(d) If the application is received through the Internet, taking reasonable steps to ensure that the appropriate buyer's guide and the disclosure document are available for viewing and printing on the insurer's website is considered to satisfy the requirement that the appropriate buyer's guide and the disclosure document be provided not later than the fifth business day after the date of receipt of the application.

(e) A solicitation for an annuity contract that is provided in a manner other than a face-to-face meeting must include a statement that the proposed applicant may contact the department for a free annuity buyer's guide or that the prospective applicant may contact the insurer for a free annuity buyer's guide.

(f) If the appropriate buyer's guide and the disclosure document are not provided at or before the time of application, a free look period of at least 15 days must be provided during which the applicant may return the annuity contract without penalty. This period shall run

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

concurrently with any other free look period required under this code or another law of this state.

Sec. 1116.052. DISCLOSURE DOCUMENT. (a) At a minimum, the following information must be included in the disclosure document required to be provided under this chapter:

- (1) the generic name of the contract, the insurer product name, if different from the generic name, the insurer's form number, and a statement of the fact that the contract is an annuity;
- (2) the insurer's name and address;
- (3) a description of the contract and the benefits provided under the contract, emphasizing the contract's long-term nature, and including examples as appropriate;
- (4) the guaranteed, nonguaranteed, and determinable elements of the contract, any limitations of those elements, and an explanation of how those elements operate;
- (5) an explanation of the initial crediting rate, specifying

SENATE VERSION

concurrently with any other free look period required under this code or another law of this state. An unconditional refund without penalty for purposes of this subsection for variable or modified guaranteed annuity contracts shall mean a refund equal to the cash surrender value provided in the annuity contract, plus any fees or charges deducted from the premiums or imposed under the contract. The refund and free look period in this subsection do not apply if the prospective owner is an accredited investor, as defined in Regulation D as adopted by the United States Securities and Exchange Commission.

Sec. 1116.052. DISCLOSURE DOCUMENT. (a) At a minimum, the following information must be included in the disclosure document required to be provided under this chapter:

- (1) the generic name of the contract, the insurer product name, if different from the generic name, the insurer's form number, and a statement of the fact that the contract is an annuity;
- (2) the insurer's name and address;
- (3) a description of the contract and the benefits provided under the contract, emphasizing the contract's long-term nature, and including examples as appropriate;
- (4) the guaranteed, nonguaranteed, and determinable elements of the contract, any limitations of those elements, and an explanation of how those elements operate;
- (5) an explanation of the initial crediting rate, specifying

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

any bonus or introductory portion, the duration of the initial crediting rate, and the fact that rates may change from time to time and are not guaranteed;
(6) periodic income options, both on a guaranteed and nonguaranteed basis;
(7) any value reductions caused by withdrawals from or surrender of the contract;
(8) how values in the contract can be accessed;
(9) the death benefit, if available, and how the death benefit is computed;
(10) a summary of:
(A) the federal tax status of the contract; and
(B) any penalties applicable on withdrawal of values from the contract;
(11) the impact of any rider, such as a long-term care rider;
(12) a list of the specific dollar amount or percentage charges and fees, with an explanation of how those charges and fees apply; and
(13) information about the current guaranteed rate for new contracts that contains a clear notice that the rate is subject to change.
(b) An insurer shall define terms used in the disclosure **statement** in language that facilitates the understanding by a typical person within the segment of the public to which the disclosure **statement** is directed.

SENATE VERSION

any bonus or introductory portion, the duration of the initial crediting rate, and the fact that rates may change from time to time and are not guaranteed;
(6) periodic income options, both on a guaranteed and nonguaranteed basis;
(7) any value reductions caused by withdrawals from or surrender of the contract;
(8) how values in the contract can be accessed;
(9) the death benefit, if available, and how the death benefit is computed;
(10) a summary of:
(A) the federal tax status of the contract; and
(B) any penalties applicable on withdrawal of values from the contract;
(11) the impact of any rider, such as a long-term care rider;
(12) a list of the specific dollar amount or percentage charges and fees, with an explanation of how those charges and fees apply; and
(13) information about the current guaranteed rate for new contracts that contains a clear notice that the rate is subject to change.
(b) An insurer shall define terms used in the disclosure **document** in language that facilitates the understanding by a typical person within the segment of the public to which the disclosure **document** is directed.
(c) A disclosure document that complies with the Financial Industry Regulatory Authority (FINRA) Conduct Rules and Securities and Exchange Commission

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

Sec. 1116.053. REPORT TO CONTRACT OWNERS.

(a) For annuities in the payout period with changes in nonguaranteed elements and for the accumulation period of a deferred annuity, the insurer shall provide each contract owner with a report, at least annually, on the status of the contract.

(b) The report must contain at least the following information:

(1) the beginning and ending date of the current reporting period;

(2) the accumulation and cash surrender value, if any, at the end of:

(A) the previous reporting period; and

(B) the current reporting period;

(3) the total amounts, if any, that have been credited, charged to the contract or certificate value, or paid during the current reporting period; and

(4) the amount of any outstanding loans as of the end of the current reporting period.

[Sections 1116.054-1116.100 reserved for expansion]

prospectus requirements satisfies the requirements of this section for disclosure documents. This subsection does not limit the commissioner's ability to enforce the provisions of this section or require the use of a FINRA-approved disclosure document. This subsection is intended to grant a safe harbor under this chapter for an annuity contract that is regulated by, and complies with, the FINRA Conduct Rules and the SEC prospectus requirements pertaining to disclosure.

Sec. 1116.053. REPORT TO CONTRACT OWNERS.

(a) For annuities in the payout period with changes in nonguaranteed elements and for the accumulation period of a deferred annuity, the insurer shall provide each contract owner with a report, at least annually, on the status of the contract.

(b) The report must contain at least the following information:

(1) the beginning and ending date of the current reporting period;

(2) the accumulation and cash surrender value, if any, at the end of:

(A) the previous reporting period; and

(B) the current reporting period;

(3) the total amounts, if any, that have been credited, charged to the contract or certificate value, or paid during the current reporting period; and

(4) the amount of any outstanding loans as of the end of the current reporting period.

[Sections 1116.054-1116.100 reserved for expansion]

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SUBCHAPTER C. ENFORCEMENT

Sec. 1116.101. VIOLATION. A violation of a requirement of this chapter by an insurer or agent constitutes an unfair or deceptive act or practice in the business of insurance for purposes of Chapter 541.

No equivalent provision.

SENATE VERSION

SUBCHAPTER C. ENFORCEMENT

Sec. 1116.101. VIOLATION. A violation of a requirement of this chapter by an insurer or agent constitutes an unfair or deceptive act or practice in the business of insurance for purposes of Chapter 541.

SECTION 2. Section 1114.004(a), Insurance Code, is amended to read as follows:

(a) Except as otherwise specifically provided by this chapter, this chapter does not apply to transactions involving:

- (1) credit life insurance;
- (2) group life insurance or group annuities for which there is no direct solicitation of individuals by an agent;
- (3) [~~group~~] life insurance and annuities used to fund prepaid funeral benefits contracts, as defined by Chapter 154, Finance Code;
- (4) an application to:
 - (A) exercise a contractual change or a conversion privilege made to the insurer that issued the existing policy or contract;
 - (B) replace an existing policy or contract by the insurer that issued the existing policy or contract under a program filed with and approved by the commissioner; or
 - (C) exercise a term conversion privilege among corporate affiliates;
- (5) life insurance proposed to replace life insurance under a binding or conditional receipt issued by the same

CONFERENCE

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

insurer;

(6) a policy or contract used to fund:

(A) an employee pension benefit plan or employee welfare benefit plan that is covered by the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.);

(B) a plan described by Section 401(a), 401(k), or 403(b), Internal Revenue Code of 1986, if established or maintained by an employer;

(C) a government or church plan, as defined by Section 414, Internal Revenue Code of 1986, a government or church welfare benefit plan, or a deferred compensation plan of a state or local government or tax exempt organization described under Section 457, Internal Revenue Code of 1986; or

(D) a nonqualified deferred compensation arrangement established or maintained by an employer or plan sponsor;

(7) new coverage provided under a life insurance policy or contract if the cost is borne wholly by the insured's employer or by an association of which the insured is a member;

(8) an existing life insurance policy that is a nonconvertible term life insurance policy scheduled to expire in five years or less and that cannot be renewed;

(9) immediate annuities purchased with proceeds from an existing contract; or

(10) structured settlements.

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

SENATE VERSION

CONFERENCE

SECTION 3. Section 541.058(b), Insurance Code, is amended to read as follows:

(b) It is not a rebate or discrimination prohibited by Section 541.056(a) or 541.057:

(1) for a life insurance or life annuity contract, to pay a bonus to a policyholder or otherwise abate the policyholder's premiums in whole or in part out of surplus accumulated from nonparticipating insurance policies if the bonus or abatement:

(A) is fair and equitable to policyholders; and

(B) is in the best interests of the insurer and its policyholders;

(2) for a life insurance policy issued on the industrial debit plan, to make to a policyholder who has continuously for a specified period made premium payments directly to the insurer's office an allowance in an amount that fairly represents the saving in collection expenses;

(3) for a group insurance policy, to readjust the rate of premium based on the loss or expense experience under the policy at the end of a policy year if the adjustment is retroactive for only that policy year;

(4) for a life annuity contract, to waive surrender charges under the contract when the contract holder exchanges that contract for another annuity contract issued by the same insurer or an affiliate of the same insurer that is part of the same holding company group if:

(A) the waiver and the exchange are fully, fairly, and

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

accurately explained to the contract holder in a manner that is not deceptive or misleading; and

(B) the contract holder is given credit for the time that the prior contract was held when determining any surrender charges under the new contract;

(5) in connection with an accident and health insurance policy, to provide to policy or certificate holders, in addition to benefits under the terms of the insurance contract, health-related services or health-related information, or to disclose the availability of those additional services and information to prospective policy or certificate holders; or

(6) in connection with a health maintenance organization evidence of coverage, to provide to enrollees, in addition to benefits under the evidence of coverage, health-related services or health-related information, or to disclose the availability of those additional services and information to prospective enrollees or contract holders.

SECTION 4. Subchapter B, Chapter 1114, Insurance Code, is amended by adding Section 1114.057 to read as follows:

Sec. 1114.057. DISCLOSURE OF AVAILABILITY OF WAIVER OF SURRENDER CHARGES. An insurer that offers to waiver surrender charges consistent with Section 541.058(b)(4) of this code shall provide reasonable notice of such offer to its prospective or current contract holders. Such notice may be included

No equivalent provision.

House Bill 1293
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 2. The change in law made by this Act applies only to an application for an annuity contract or certificate, or a solicitation for an annuity contract, made on or after January 1, 2010. An application for an annuity contract or certificate, or a solicitation for an annuity contract, made before January 1, 2010, is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2009.

SENATE VERSION

through any available means, including a disclosure document or displayed on a link that is prominently placed on the insurer's web page.

SECTION 5. Same as House version.

SECTION 6. Same as House version.

CONFERENCE