



FOR IMMEDIATE RELEASE

NAVA's STP Standards Initiative Receives Positive State Recognition

Regulatory Response in Arizona, Indiana, Iowa, Kansas, Michigan, Nebraska, South Dakota, and Virginia Paves the Way for Implementation of STP Standards in All 50 States

Reston, VA, [Oct. 15, 2007] – NAVA, the Association for Insured Retirement Solutions, today announced a milestone in its Straight-through Processing (STP) Standards Initiative: written recognition of the STP standards by insurance regulators in Arizona, Indiana, Iowa, Kansas, Michigan, Nebraska, South Dakota, and Virginia. STP establishes a comprehensive set of standards for managing new annuity business processes electronically, which greatly benefits consumers, insurers, distributors, and regulators. It is NAVA's goal to receive acknowledgement that the STP standards are in compliance with state regulations from all 50 states.

State insurance regulator understanding and acceptance is critical to clear the way for insurance companies and annuity distributors to adopt the STP standards throughout their operations nationwide. To this end, NAVA delegations, consisting of representatives of three to four insurance companies, the local trade association in each state, NAVA, and the ACLI (the American Council of Life Insurers), are in the process of visiting insurance departments across the country. The goal of this effort is to obtain written acknowledgement from all 50 states that NAVA's STP standards are in compliance with all relevant annuity regulations and statutes with respect to e-commerce activities – including electronic signatures, record retention, and, document delivery, as well as any state-specific disclosures that may be required.

As of October 12, 2007, the NAVA delegations have met with regulators in 24 states and have secured eight bulletins/letters of acknowledgement. NAVA plans to meet with six more state insurance departments by the end of the year, and the remaining 20 in 2008.

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NAVA's ongoing effort to generate widespread awareness and adoption of its STP standards is driven by the expected exponential growth in the annuity market as the baby boomer generation enters retirement. It is also in response to the broad recognition that current manually-intensive and inefficient paper-constrained processes, in conjunction with variations in interpretations of state regulations by insurance carriers, will hinder the industry's ability to effectively address this growth.

"As millions of baby boomers approach and enter retirement, many will consider purchasing an annuity for a variety of reasons, including the need for guaranteed lifetime retirement income and to enable them to confidently invest in the stock market with the protection of annuity insurance guarantees," said Mark Mackey, president and CEO of NAVA. "NAVA's goal is to continue aggressively securing acceptance for the STP standards with regulators across the nation so that carriers and annuity distributors can begin deploying STP-compliant processes as soon as possible to meet the significant consumer demand ahead."

The STP standards were developed by NAVA and its STP Executive Council, a coalition of representatives from more than 30 leading insurance companies and distributors from the NAVA membership. There are 24 sets of STP standards addressing a number of key areas, including suitability, electronic forms, privacy, and records management. In agreeing with these uniform processes and procedures, the industry intends to establish a means for enhancing the clarity of information about annuities to better inform consumers and streamline annuity sales processes.

An STP-compliant annuity sales process will provide consumers with an increased level of service, fewer errors, clearer disclosures, ease of access to relevant information, and faster transaction time. The use of the electronic annuity sales process as defined by NAVA's STP standards is voluntary on the part of the insurer and distributors, as well as the consumer, who can opt out of the process at any time.

About NAVA

NAVA, Inc., the Association for Insured Retirement Solutions, is a non-profit trade association located in suburban Washington, D.C. NAVA provides a variety of services to the industry

including educational forums, research, and conferences aimed at furthering the development and understanding of fixed and variable annuities, income annuities, and variable life insurance. NAVA also maintains and supports an educational website for consumers at www.RetireOnYourTerms.com.

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STP Standards: [Click Here](#)

State Bulletins/Letters: [Click Here](#)

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