

**LIFE INSURANCE  
ASSOCIATION OF  
MASSACHUSETTS**

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April 24, 2007

The Honorable William F.  
Galvin Secretary of the  
Commonwealth State House  
Room 337  
Boston, MA 02133

**RE:** *Proposed Amendments to 950 CMR 12.200 - Senior Financial Designations*

Dear Secretary Galvin:

I am writing on behalf of the Life Insurance Association of Massachusetts regarding proposed regulations 950 CMR 12.204(2)(i) and 950 CMR 12.205(9)(c) (15), dealing with designations used in advising senior investors. LIAM is a trade association representing 14 of the nation's leading life, health, disability income and long term care insurance carriers.

We applaud your efforts to protect consumers from the dishonest or unethical use of a purported credential implying a special expertise in advising or servicing senior citizens. LIAM and its member companies are committed to the highest standards in the marketing of quality financial products and services to all customers.

We have reviewed the proposed regulations and have several comments on them.

The word "retirement" is not synonymous with "senior citizens."

With the evolution of employer sponsored retirement plans, from traditional pension plans to defined contribution plans such as 401k arrangements, retirement planning has become a necessity for working Americans of all ages. Retirement planning is something that people can and should begin early in their working life and then continue throughout their lifetime. Turning to a financial professional for help with retirement planning is something a great many people do well before the age of 60.

We believe that it is important for the regulations to recognize this. The regulation should not apply to designations or credentials used by those whose business targets

a customer base with a wide age range that is not focused on "seniors." We suggest that

designations or credentials used where the primary focus of the designation or credential is retirement planning that is *not* targeted to customers over the age of 60 be exempt. In addition, we suggest that the word "retirement" in subsection (i)2 and (15)b be changed to "retiree."

In determining whether a purported credential or professional designation indicates or implies that an investment adviser representative has special expertise, certification, or training in advising or servicing senior citizens, the primary factor shall be use of one or more words such as "senior," "retirement," "retiree," "elder," or like words combined with one or more words such as "certified," "adviser," "specialist," or like words in the name of the credential or professional designation, except as to credentials or designations where the primary focus of the credential or designation is retirement planning that is not targeted to "senior citizens."

### **Retirement planning is often undertaken with the help of an employer.**

Much of today's retirement planning is facilitated either directly or indirectly by a person's employer or former employer. Having an employer or former employer provide or sponsor retirement advice helps ensure both its legitimacy and its quality. We believe that the regulation should not apply to the use of credentials or designations in the context of retirement planning provided or sponsored by an individual's current or former employer. We propose a new subsection (i)(3) and 15 (c) to that effect.

**This subsection shall not apply to the use of credentials or designations in the context of retirement planning provided or sponsored by an individual's current or former employer.**

### **The use of the word "senior" is very often used to connote seniority rather than age.**

It is commonplace for designations or credentials to use the word "senior" in a manner which has nothing to do with age -- a "Senior Vice President," a "Senior Counsel," or a "Senior Advisor," for example. We believe the regulation should not apply to circumstances where the word "senior" is used to connote seniority in terms of stature or length of service within an organization.

In determining whether a purported credential or professional designation indicates or implies that an investment adviser representative has special expertise, certification, or training in advising or servicing senior citizens, the primary factor shall be use of one or more words such as "senior," "retirement," "retiree," "elder," or like words combined with one or more words such as "certified," "adviser,"

"specialist," or like words in the name of the credential or professional designation, except as to credentials or designations where the primary focus of the credential or designation is retirement planning that is not targeted to "senior citizens." This subsection shall not apply to the use of the word "senior" when used to connote seniority in terms of stature or length of service within an organization.

We hope you find these comments useful as you consider these proposed regulations. Please let me know if LIAM can provide any other information that might be of assistance to you.

Sincerely,

A handwritten signature in black ink that reads "Andrew J. Calamara". The signature is fluid and cursive, with the first name being the most prominent.

Andrew J. Calamara  
President and Chief Executive  
Officer