**Section 1410.40 Authority of Insurers**

The following requirements apply to all insurers who have authority to issue MGA contracts in this State.

a) Approval to do Business:

1) No insurer shall deliver or issue for delivery any MGA contracts unless licensed to do life insurance or annuity business in this State.

2) An insurer shall submit to the Director a general description of the kinds of annuities it intends to issue prior to the deliverance or issue of the contracts within this State.

b) Use of Sales Materials:

1) An insurer authorized to sell MGA contracts in this State shall not use any sales material, advertising material, descriptive literature or other materials of any kind in connection with the sale of MGA contracts in this State which are false, misleading, deceptive or inaccurate.

2) Illustrations of benefits payable under any MGA contract shall not include projections of past investment experience into the future or attempted predictions of future investment experience, except that hypothetical assumed interest credits may be used to illustrate possible levels of benefits.

3) Before any insurer shall deliver or issue for delivery any MGA contract in this State, the Director may require the filing of a copy of other sales material to be used in connection with the marketing of the insurer's MGA contract. The sales material must clearly illustrate that there can be both upward and downward adjustments due to the application of the MVA formula in determining nonforfeiture benefits.

c) Reports:

Any insurer authorized to transact the business of MGA contracts in this State shall submit to the Director such additional information concerning its MGA operations as the Director may deem necessary.

d) Authority of Director to Disapprove:

Any material filed with and approved by the Director pursuant to Section 1410.60 of this Part shall be subject to disapproval if it is not in compliance with this Part. The Director must be satisfied that the insurer's condition or method of operation in connection with the issuance of MGA contracts will not render its operation hazardous to the public or its policyholders.