

IRI Guiding Principles and Strategy to Lead Through COVID-19 Crisis

2020

Guiding Principles

During the COVID-19 crisis, IRI is committed to being . . .

1 Open for business

- Seamless continuation of core operations
- Implementation of telework best practices
- Adapting strategies and processes

2 Strategic leaders for the industry

- Abreast of evolving challenges
- Frequent, transparent communication
- Breaking down industry siloes
- Collaboration with sister trade groups

3 A caring employer

- Extension of remote status (as needed)
- Increased cadence of leadership, all-staff, and check-in meetings
- Open dialogue to support employee's needs

Areas of Concern for IRI Members

Market forces



Unforeseen financial pressures as daily operations, shifts in consumer behavior, and economic factors drive down revenue

Strategy shifts



Low interest rate environment's impact on product development, especially with the risk that interest rates decline further



Pressing need for cross-industry collaboration that pulls together the perspectives of stakeholders across the supply chain



Advance the narrative supporting insured retirement strategies while balancing sensitivity to this moment of national and worldwide crisis

Disrupted operations



Social distancing's effect on day-to-day functionality, especially product distribution and regulatory compliance



Ability to hit deadlines for the rollout of new regulations or respond to proposed rules given other pressing priorities

COVID-19 Response Plan in Support of Member Needs

Targeted Resources

- Centralized resource center
- Special webinar series
- Ops & Tech solutions survey
- New topics for annual conference

New Partnerships

- Industry readiness taskforces
- Cross-committee working group
- Collaboration with ALI
- Increased committee meeting frequency

Advocacy Efforts

- Reg BI implementation
- Regulation flexibility
- State-specific issues and asks
- Congressional advocacy pursuits

Deep Dive: Advocacy

- Led efforts to have retirement measures included in CARES Act, balancing immediate financial needs and long-term consequences of plan leakage
- Advocate for additional legislation aligned with IRI Blueprint to help industry and retirement savers through the crisis

COVID-19 – Federal Legislation



- Catalogue and prioritize compliance challenges due to social distancing, and pursue regulatory relief/guidance
- Create and maintain centralized repository of governmental and private sector resources related to COVID-19

COVID-19 – Regulatory Relief



- Launch new working group to support efforts to implement and comply with final state rules (e.g., NAIC and MA)
- Monitor and engage on pending proposal in IA and other federal and state legislative and regulatory activity

Standard of Conduct



- Launch efforts to provide support for IRI member company efforts to implement and comply with SECURE Act

Retirement Security Legislation



- Evaluate final rule, determine whether/when to pursue additional rulemaking or guidance
- Undertake effort to support member work in preparation for implementation

Variable Product Summary Prospectus



Helping Retirement Savers – Regulatory Proposals

Regulatory actions to help consumers and businesses weather the storm

- 1 Allow industry to leverage modern technology to conduct business while social distancing
- 2 Preserve the industry's ability to perform essential functions
- 3 Ease regulatory burdens that divert resources from critical business functions
- 4 Recognize limitations facing third party solution providers
- 5 Adopt a compassionate and lenient enforcement posture

Helping Retirement Savers – Legislative Proposals

Allow retirees to keep tax-deferred retirement savings longer

- 1 Increase required minimum distribution (RMD) age to 75
- 2 Eliminate barriers to allow greater use of lifetime income products

Enhance employees' ability to save more for retirement now

- 3 Allow catch-up retirement contributions for those affected by COVID-19
- 4 Expand retirement saving opportunities for non-profit organization employees
- 5 Clarify start-up tax credit to incentivize small businesses to join MEPs/PEPs

InvestmentNews

IRI wants retirement plans at forefront of COVID-19 legislation

insurance Your Industry. Delivered. newsnet
MAGAZINE

More Legislation Needed To Protect Retirement Savers: IRI

401K Specialist

IRI Issues Retirement Recovery Plan

 **IGNITES**

How Congress Can Help Retirement Savers Hit By Covid-19: Lobbyist

ThinkAdvisor

IRI Unveils 5 Ideas for Curing COVID-19 Nest Egg Blight

An annuity player group has proposals for helping workers save more faster..

Deep Dive: Communications

- Make IRI a go-to resource for media inquires about the pandemic's impact on the industry
- Promote IRI advocacy objectives for COVID-19 legislation
- Maintain pace of press releases, newsletters and other IRI communication tools
- Coordinate with other industry groups to ensure consistency of messaging

Position IRI as crisis leader within the industry



Key Wins: IRI 5-Point Plan & CARES Act Coverage Highlights IRI's Thought Leadership

- »»» Ahead of the industry in communicating the importance of enacting the CARES Act to address the COVID-19 crisis
- »»» **Quoted in at least five trade press stories**
- »»» **Among the only retirement industry groups to issue a statement or be quoted by media outlets**
- »»» Hosted media teleconference to announce 5-Point Plan. Attended by 8 trade and DC political outlets.
- »»» **Media conference generated 5 stories - all positive.**



Op-Ed: Here's a game plan to help create retirement security for millions of Americans

COVID-19 OPS/TECH RESPONSE PLAN

4 Guiding Principles for the Industry

1

Utilize e-Signature solution capabilities on all possible transactions

2

Move to a risk-based transaction supervision model in absence of an e-signature solution

3

Suspend Medallion Signature Guarantee (MSG) requirements

4

Adopt alternative means of delivery for policy and supporting documents

Deep Dive: Member Affairs

- Investigating virtual conference and distance learning platforms
- Exploring virtual sponsorship opportunities
- Review of established conference programs to determine subject matter relevance and make adjustments accordingly

Alternative Conference Design Planning



- Developing vehicles for COVID-19 thought leadership opportunities
- Pushing out COVID-19 webinar series and resource center
- Creation of COVID-19 cross-committee working group to facilitate discussion across stakeholders; information gathered will be shared through IRI's committee structure

Member engagement drivers



Deep Dive: Research

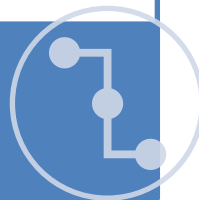
- Collecting member COVID-19 resources to distill findings into guides for advisors
- Retirement Research Committee focused on product impact and evaluating implications to membership
- Feeding best practices generated in bi-weekly committee meetings back to other IRI working groups who are developing solutions to specific issues arising from remote work postures and social distancing

Member
engagement and
collaboration



- Leadership for Oliver Wyman/LL Global low interest rate taskforce
- Collaboration with ALI on resource development for financial advisors and dissemination as well as review/enhancement of annuity glossary
- Financial advisor survey exploring adaptation to COVID-19 environment, product and support needs, and market/business outlook; built with input from IRI committees and fielded in partnership with Cerulli

External
partnerships



- IRI Retirement Fact Book production proceeding on schedule
- Demographic research (Boomer, GenX, Retirees) – surveys complete, hold on publication pending normalization of environment
- Webinar development, e.g. “interview with successful financial advisors,” and structured annuities in a high volatility market

Webinars and
research projects



New IRI Staff Members



Christina Brady
VICE PRESIDENT,
STRATEGY & OPERATIONS



Christine Leonhardt-Kimm
MANAGER,
HUMAN RESOURCES



Emily Micale
DIRECTOR,
FEDERAL REGULATORY AFFAIRS



Liz Pujolas
DIRECTOR,
STATE AFFAIRS



Insured Retirement Institute

**Convention/Meetings
Marketing
2019 Annual Conference**

Questions?

Thank You for Participating!

Coming up at IRI:

- Webinars
 - Dr. David Kelly, Chief Global Strategist & Head of the Global Market Insights Strategy Team for J.P. Morgan Asset Management presents, "The Investment Implications of COVID-19: A Guide to the Markets." - **April 23, 2020** at 2:00 pm ET.
 - Global Atlantic Financial Group sponsors "Virtual Advisor Crash Course." - **April 29, 2020** at 2:00 pm ET.
- Next Town Hall – **July 21, 2020** at 4:00 pm ET
- IRI Annual Conference – **September 9-11, 2020** in Chicago, IL

Questions? Email: Communications@irionline.org