



NATIONAL ASSOCIATION OF INDEPENDENT LIFE BROKERAGE AGENCY

FOR IMMEDIATE RELEASE

September 5, 2006

Contact:

Joe Normandy
(703) 383-3081
jnormandy@nailba.org

NAILBA TO STOP PURSUING PAPER VERSION OF COMMON PART ONE APPLICATION

(Fairfax, Va.) Through the recommendation of its Application Part A Project Team, NAILBA has determined that at this stage, due to both the advancement of technology and diverse insurance carrier compliance concerns, the development of a paper version of a common part one application is not a practical use of NAILBA resources.

“The Project Team communicated to the NAILBA Board of Directors that there would not be strong adoption of the application by the carrier community due to a multitude of extremely valid reasons,” stated NAILBA Chairman Matthew J. McAvoy. “This decision in no way reflects NAILBA’s commitment to providing leadership in the development of an industry market solution. We will continue to work with the industry to develop technology-driven solutions to this challenge.”

Cost effective speed to business should be the cornerstone to business—not voluminous paper applications, such as the recent release of a 60-page life insurance application by a national carrier. Applications such as these only slow down the process, keeping the consumer from being insured on a timelier basis.

“NAILBA feels stronger than ever that a broad and uniform approach to the life insurance application process is both needed and necessary for the life insurance industry to serve the protection needs of the consumer,” continued McAvoy. “Finding ways to take advantage of technology can greatly increase both speed to market and accuracy to the process, as well as reduce the potential number of errors due to incomplete or incorrectly completed applications. We must somehow make the life insurance application process efficient and easy for consumers. If we are able to accomplish this, we expect all consumers to benefit.”

###

The National Association of Independent Life Brokerage Agencies (NAILBA) is a nonprofit trade association with 351 member agencies in the U.S. and Canada, representing 100,000 producers who deliver more than one billion dollars in first year life insurance premiums annually. NAILBA is dedicated to fostering the growth of its member agencies by providing educational resources, industry standards and a collective voice for legislative and regulatory efforts. Each of NAILBA's members commits to a statement of responsibilities to ethically and responsibly serve their clients' best interests. For more information, visit www.nailba.org.