



NAIFA-FSP-Life Happens Merger FAQs

as of November 14, 2023

Now that the vote has been approved, when will FSP, Life Happens, and NAIFA merge?

FSP will merge into NAIFA effective January 1, 2024, after which will continue as a division within NAIFA aiding financial professionals in their professional development. Life Happens has already been incorporated into the NAIFA structure as of October 1, 2023.

What is the mission of the expanded organization?

The mission of the expanded organization is "Empowering financial professionals and consumers through world-class advocacy and education."

What will this expanded organization be called and how will it be organized?

The expanded organization will be known as NAIFA but will provide services under a robust professional development wing led by – and branded as – FSP and a consumer-oriented public education wing led by – and branded as – Life Happens. FSP and Life Happens will be integrated into NAIFA's operations, focusing on the core strengths of each organization while finding operational efficiencies by combining the three entities into one integrated, larger, stronger association. The official headquarters of the combined organization will be in Arlington, VA, with field offices and staff located throughout the country.

Who is eligible to join?

Everyone serving in the financial services industry is eligible to join. Licensed professionals will be regular members of NAIFA and others will be eligible to be industry, student, or retired members of the association. As leaders in the insurance and financial services industry, NAIFA, FSP, and Life Happens will continue to partner with companies and other organizations to help more Americans achieve financial security. Effective January 1, 2024, the NAIFA dues structure will be the prevailing rate for all members.

What happens to the foundations of each organization?

NAIFA, FSP, and Life Happens each have affiliated 501(c)(3) charitable foundations. It is envisioned that those three foundations will be combined into one for additional operational and accounting efficiencies.

What added value do I get for my dues payment as a member of FSP and/or NAIFA?

No benefits will be lost with the merger of the two associations. Instead, all members will enjoy the combined benefits of the two organizations as follows:

Membership Benefits of NAIFA:

Membership Benefits of FSP:

<ul style="list-style-type: none"> • Professional lobbyists advocating on your behalf at the state, interstate, and federal levels with grassroots training and opportunities for civic engagement • Printed and digital platform of <i>Advisor Today</i> which includes the magazine, podcast, webinars, and blog • Monthly members-only NAIFA Live webinar program with top speakers providing sales & marketing techniques • Consumer-facing directory of NAIFA advisors located at: www.financialsecurity.org • Centers of Excellence in specialty areas such as long-term care & employee benefits • Volunteer leadership opportunities at the local, state, and national level with award programs • Signature events of Congressional Conference* and Apex* • The LUTCF designation* and LACP certification* • Leadership in Life Institute* • Access to NAIFA’s Membership Marketplace of discount programs for travel, insurance, business software, and lifestyle products • Access to discounted CE courses through WebCE* • Access to an online career center • Specific programs for college students & young advisors • Access to marketing content from Life Happens and a library of marketing videos to build your brand 	<ul style="list-style-type: none"> • Access to expert-led professional development webinars, seminars, and online summits • Access to CE, CLE, PACE, and CFP credits through programming • Specialty newsletters that cover: employee benefits, estate planning, financial and retirement planning, insurance and risk management, practice management • <i>The Journal of the Society of Financial Service Professionals</i> is delivered to members six times per year • On-demand access to webinars and content online • Networking with cross-disciplinary professionals that adhere to the highest ethical standards • Annual meeting of the FSP Institute to provide world-class education* • Member benefits program that includes preferred pricing on insurance and ancillary products • Subscription to FSP NewsBrief that provides curated content <p><i>*denotes additional fees</i></p>
--	--

How will the integrated organization be governed?

The organization will be governed by a Board of Trustees. Duly elected NAIFA officers and trustees for 2024 will continue to be members of this board, joined by three representatives from the 2023-24 FSP executive committee and the 2023 chair of the Life Happens executive committee.

The current FSP Board of Directors will serve as an advisory board for the FSP division of NAIFA, leading the professional development, training, and credentialing offerings of the combined organization. The current Life Happens Executive Committee will lead the consumer-oriented awareness and marketing arm of the association, lending its expertise toward the goal of helping to educate consumers about the need for life insurance and a solid financial plan.

How will NAIFA and FSP Chapters be integrated?

Both FSP and NAIFA have strong chapters nationwide, helping professionals in state and local areas network, learn, and grow together, and helping professionals better serve their clients. An integration committee, consisting of representatives from both FSP and NAIFA, will work with chapters to effectively integrate the chapter structures, helping add more “bench strength” in volunteer leadership and providing a larger membership footprint for networking and education. We will continue to have fifty state chapters to conduct our state legislative work, as well as local chapters in select communities nationwide.

We recognize that no two situations are exactly alike and a “cookie-cutter” approach is not in the best interests of the members of the expanded organization. In some cases, Local Chapters from both organizations will be merged into one. In several instances, FSP Chapters will be chartered as NAIFA Local Chapters. In other cases, FSP Chapters and/or Communities may prefer to take leadership of an existing NAIFA Local Affiliate. The only certainty is that NAIFA and FSP staff are dedicated to working with the leadership of both organizations to determine what is the best result in driving a quality member experience for everyone.

In the event that a FSP Chapter is merged into a NAIFA Chapter or elects to assume leadership of a NAIFA Local Affiliate, their remaining funds will be transferred to the surviving entity and “held in escrow” for the benefit of those members who paid in those funds. For instance, those funds could be restricted for a certain geographical area and/or certain educational purposes. The particular restrictions related to those funds will be decided prior to the integration of the Chapters.

How will membership dues collection and disbursement occur in the lead-up to and following the merger?

The collection and disbursement to the Chapters will remain the same for both organizations through the end of the year. Beginning January 1st, all dues will be collected at the prevailing

NAIFA rates (<https://belong.naifa.org/join>) and remitted to Chapters according to the NAIFA dues-sharing model. NAIFA has a uniform dues structure, regardless of where members are located. 60% of dues collected are retained for headquarters operations, while the remaining 40% is shared to our Chapters. If a member is not in the jurisdiction of a Local Chapter, the entirety of that share goes to the State Chapter that provides programming through its Local Affiliate structure; however, if the member is in the jurisdiction of a Local Chapter, the Chapter portion of dues is split evenly between the State and Local Chapters.

Given the broader legislative areas of interest of the expanded organization, will NAIFA begin advocating for additional priorities?

NAIFA has always examined and selected policy priorities based on what is important to its membership. With the additional membership of the expanded organization, NAIFA will add appropriate representation to its national committees and processes to ensure that all relevant areas of policy priorities are considered.