Product Standards Committee (PSC)
Regulator-only call summary
October 21, 2025

**Agenda item 2. Review comments from the public call on the draft Uniform Standards Identification List for 2026 including carryover requests from 2025. Consider the two additional requests from ACLI. Finalize the draft list for referral to the Management Committee.**

The PSC discussed the ACLI requests to change the priority for Contingent Deferred Annuities from Low to Remove to Medium. The Compact Office noted there are three companies with products, and these products are filed in the states as group annuities. Several members said they do not allow these products in their states. The PSC members decided to leave the priority as Low to Remove and to add a statement that several member states would consider opting out if the standard were adopted. The PSC discussed the ACLI request to raise the priority for the Registered Indexed-Linked Variable Life and Adjustable Variable Life standards from Medium to Very High. PSC members questioned whether there are actuarial guidelines for the product. PSC members asked if the product has been filed in the states. The ACLI noted in its July 9, 2025, comment letter that there were three companies with products approved in most states. The Compact Office said the request would be referred to the Actuarial Working Group for further review. The PSC decided to leave the priority as Medium.

Andria Seip asked PSC members about the two additional requests submitted by the ACLI. These two requests were submitted after the July 1, 2025, deadline to submit requests. Each year, the PSC reviews the requests and holds two public calls to receive comments. PSC members expressed concern that they did not have sufficient time to review the requests along with the other requests because they were submitted after the deadline. Several PSC members said there was no compelling reason to add them to the 2026 list. PSC members said the requests will be held for consideration to be added to the 2027 request list.

**Agenda item 3. Discuss ACLI proposed amendments to Section 1.B.(1)(g) and Appendix A (Actuarial Certification) of the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards**

The PSC reviewed the proposed amendments. The ACLI asked that these standards be amended to add the par/non-par distinction to the actuarial certification. To be meaningful, the division of annuitants into participating and non-participating classes should apply to both the initial premium requirements (Section 1.B.(1)(g)) and the additional premium requirements (Section 3.B.(1)( c) (i)).

PSC members had questions about the reference to classes and whether this term was defined in the contract. There were also questions about the reason for the provision in Section 3.B(1)( c)(i) The Compact Office will provide the PSC with background on the provision for the next call.

Andria Seip suggested moving the sentence in parentheses in the ACLI draft to a separate sentence.

(g) In lieu of a nonforfeiture demonstration, certification that the income benefit provided under this contract is greater than that guaranteed at issue for the same premium under any non-variable deferred annuity contract offered by the company to the same class of annuitants that provides cash surrender values during the deferral period or on the income commencement date. Annuitants of annuity contracts that are not expected to pay dividends shall be considered a separate class from annuitants of annuity contracts that are expected to pay dividends. A sample format for such certification is shown in Appendix A; and

**Agenda Item 4. Discuss ACLI comments on the draft to amend the uniform standard regarding the proportion of Accidental Death Benefit in Relation to All Cause Death Benefit for Individual Life Insurance Forms Submitted to the Interstate Insurance Product Regulation Commission**

The Compact Office provided background on the proposed amendment as described in the Cover memo. The scope of the Additional Standards for Accidental Death Benefits and Additional Standards For Accidental Death And Dismemberment Benefits require accidental death benefits to be in addition to, and not in lieu of, a death benefit payable if death occurs due to any cause. The Compact Office issued a Filing Information Notice on June 15, 2023, explaining the Compact Office approach on the acceptable ratio of the amount of an accidental death benefit in relation to an individual life insurance policy's all-cause death benefit. The Compact Office submitted a request to amend the Uniform Standards in order to codify this established practice. The amendment was discussed during the August 5, 2025, public call. The ACLI requested additional time to respond and submitted suggested language on October 1, 2025.

The ACLI amendment proposed targeting the proposed 300% limit on ADB and AD&D benefits to those policies where the face amount of the life insurance death benefit is less than $5,000 at the time of issue and explicitly exempting graded death benefit products from the 300% limit on ADB and AD&D benefits during the early duration period.

PSC members asked for an explanation about restricting the ratio to policies with a death benefit of less than $5000 and exempting graded death benefit products. The Compact Office will contact the ACLI for further clarification.

**Agenda Item #5. Any Other Matters**

The next meeting will be a regulator-only call on November 18, 2025.