

Agenda item 2. Individual Deferred Paid-Up Non-Variable Annuity Contract Standards. Review edits discussed on the 11/18 call to add participating/nonparticipating distinctions to apply to initial premium requirements. Discuss suggested changes and consider public call to receive comments.

The committee reviewed a draft containing the proposed edits, removing “expected to pay dividends” and “not expected to pay dividends” and replacing with “participating” and “non-participating,” as indicated. There were no comments. The committee agreed this item is ready for a public call.

Agenda item 3. Review 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 and finalize.

During the last call, the Compact Office was asked to draft language to address the ACLI’s request to clarify that the ratio is not applied during the graded period for graded death benefit policies. The Compact Office suggested adding (a):

§ 2 BENEFIT PROVISIONS

A. BENEFIT

(5) The proportion of the accidental death benefit amount shall not exceed more than three times the life insurance death benefit amount that the accidental death benefit is attached to within the policy or by rider or endorsement.

(a) For a life insurance policy with early duration reduced death benefits, the life insurance death benefit amount limitation in Section 2A(5) applies to the ultimate face amount.

A committee member suggested the use of “non-reduced death benefit” instead of “ultimate benefit amount” but the Compact Office noted that to be consistent the amendment should use “ultimate benefit amount” as this term is used in the graded death benefit uniform standard. There were no further comments, and the committee agreed to the suggested amendment.

Agenda item 4. Finalize decision to close out the request to amend the Additional Standards for Waiver of Surrender Charge Benefit to allow for additional qualifying events such as home displacement, financial hardship, and catastrophic events.

Andria Seip asked the Compact Office to comment on research to identify state-filed forms for additional qualifying events. The Compact Office was not able to find examples in state-filed forms to support the need to add additional qualifying events to the uniform standards. Several states

Product Standards Committee (PSC)

Regulator-only

December 2, 2025

commented about the use of property and casualty triggers in life and annuity products. There was only one state that had received a filing permitting a waiver for financial hardship, but the company did not respond when the state asked for a definition of financial hardship. The Compact Office reviewed the timeline of the PSC calls during which qualifying events for waiver of surrender charges were discussed. Andria Seip suggested that the Committee recommend that the request be closed out without further action as this time. There were no objections.

Agenda item 5. Any Other Matters

The committee agreed to cancel the December 16, 2025, call due to conflicts for the Chair and ViceChair. The chair thanked the members for their contributions during the year.

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