



**TO:** Interested Parties

**FROM:** Product Standards Committee

**DATE:** March 31, 2026

**SUBJECT:** Amendments to the Individual Immediate Non-Variable Annuity Contract Standards  
Amendments to the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards

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### **Amendments to the Individual Immediate Non-Variable Annuity Contract Standards**

As part of the Uniform Standards Development identification and prioritization process, the ACLI suggested amendments to the Individual Immediate Non-Variable Annuity Contract Standards so that it would be consistent with the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards. Some of the ACLI members currently use the purchase rates that are described in Section 3.T.(4)(b) of the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards in their administrative systems and pricing models for Individual Immediate Non-Variable Annuities.

The request is to amend Section 3.R.(4) to specifically refer to "the company's then current annuity purchase rates" and to allow for the additional purchase rate option. The Product Standards Committee has no objections to the suggested amendment.

### **Amendments to the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards**

As part of the Uniform Standards Development identification and prioritization process, the ACLI suggested amendments to the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards Product Standards. The ACLI asked that these standards be amended to add the participating/non-participating distinction to the actuarial certification described in Section 1.B.1.(g) and the statement in Section 3.B.(1)(c)(i). To be meaningful, the division of annuitants into participating and non-participating classes should apply to both the initial premium requirements in Section 1.B.(1)(g) and the additional premium requirements in Section 3.B.(1) (c) (i).

The PSC suggested moving the sentence in parentheses in the ACLI draft to a separate sentence in two places and the sample actuarial certification in Appendix A. The PSC also suggested deleting "not expected to pay dividends" and "expected to pay dividends" with "participating" and nonparticipating" so the sentence would read:

Annuitants of participating annuity contracts shall be considered a separate class from annuitants of nonparticipating annuity contracts.

PSC members discussed whether the sentence was necessary in the Appendix A Actuarial Certification. The Compact Office noted that Actuarial Certification in Appendix A is a sample format. The actuarial certification requirements are listed in the Actuarial Memorandum Requirements, Section 1.B.(1)(g). The PSC requests comments on removing the sentence from the Appendix A Actuarial Certification sample format.