2027 UNIFORM STANDARD IDENTIFICATION REQUESTS LOG

This document provides a listing of identification requests submitted for 2027. Each request is assigned a unique identification number for reference. Entries are presented in no particular order and do not indicate prioritization, status, or Commission action.

USIR-2027-001: Deletion of Age-Based Waiver of Premium Provision in Individual Life Waiver of Premium Standards

Name of Person Requesting Change: American Council of Life Insurers (ACLI)

Affiliation: Industry Advisory Committee

Contact Email: waynemehlman@acli.com

Contact Phone Number: 202-624-2135

Request for: Amendment to Existing Standard

Section and subsection(s) of Uniform Standard if applicable: Subsection 3.A.(1)(e) of the Additional Standards for Waiver of Premium Benefits for Total Disability and Other Qualifying Events (IIPRC-L-08-LB-I-WPB), which reads as follows:

(e) The form may base the type of waiver benefit available on the insured's age on the date disability begins, but shall not do so on terms less favorable than the following:

(i) If the insured's total disability begins before the benefit anniversary on which the insured attains age 60, the form shall state that the company shall waive all premiums due for the insured under the policy for the period that the insured continues to be totally disabled. If such period extends to the benefit anniversary on which the insured attains age 65, the form shall state that the company shall waive all further premiums due for the insured under the policy; and

(ii) If the insured's total disability begins after the benefit anniversary on which the insured attains the age specified in item (i) for when total disability begins, the form shall state that the company shall waive all premiums due for the insured under the policy for the period that the insured continues to be totally disabled, but only up to the benefit anniversary on which the insured attains age 65;

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration: We request that Subsection 3.A.(1)(e) be deleted.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States: If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed. Subsection 3.A.(1)(e) should be deleted since it is not included in the uniform standards for either individual or group term disability income insurance policies. The practical effect of this subsection is that the cost to consumers to add a rider for the waiver of premium benefits (especially for term products) is quite high for older issue ages. Presumably, at age 65 many policyholders would begin receiving government benefits that could cover their insurance needs if it still remains. We, therefore, request that this subsection be deleted to allow for the rider to terminate at age 65 regardless of when the disability begins.

Is this change currently accepted in Compact states? Unknown

Would this change conflict with any NAIC Model laws or regulations? Unknown

USIR-2027-003: Establishment of a New Standard for In-Plan Lifetime Income Benefits (GLWB-Type Design)

Name of Person Requesting Change: Kimberly Martin

Affiliation: Other Interested Party

Contact Email: kimberly.martin1@lfg.com

Contact Phone Number: (336) 691-3064

Request for: New Standard

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration: The Company proposes the adoption of a new Uniform Standard to accommodate an innovative in-plan lifetime income benefit available under group fixed and variable annuity contracts.

This benefit is designed to provide lifetime retirement income protection for plan participants through a structured withdrawal and insurance framework. The benefit operates as a guaranteed lifetime withdrawal benefit (GLWB)-type design, with a distinct payment structure in which the source of payments transitions from participant account value to insurer payments upon depletion, rather than initiating annuitization.

Benefit Structure (Three-Phase Design)
The proposed benefit operates through three sequential phases:

Phase 1 – Accumulation Phase (Pre-Retirement)

Participants make contributions through an employer-sponsored retirement plan.
Contributions are invested in:

Fixed options supported by the insurer's general account; and/or
Variable investment options (where applicable).

The participant's account value grows based on contributions and investment performance.
An income base is established and may grow during this phase, in accordance with contract terms.

Key Feature:
Income Base is accumulated and established. No income guarantee or insurance payments are provided during this phase.

Phase 2 – Withdrawal Phase (Participant-Funded Income)

At retirement (or election of income), the participant begins taking withdrawals.
Withdrawals are paid from the participant's account value.
The participant continues withdrawals until their account value is fully exhausted.

Key Features:

The insurance component of the benefit does not provide payments during this phase

Phase 3 – Lifetime Income Phase (Post-Depletion Insurance Payments)

Once the participant's account value reaches zero the insurance guarantee is triggered.
The insurer begins making guaranteed lifetime income payments.

Key Features:

Payments continue for the life of the participant (or joint lives, if applicable)
The amount of lifetime income is based on a percentage of the income base (i.e., a locked-in income base)

4. Distinguishing Characteristics
This benefit includes the following distinguishing features:

A. Not a Traditional Annuitization

- Payments are not initiated through a formal annuitization election
- The guarantee is triggered automatically upon depletion of account value

B. GLWB-Based Structure with Modified Payment Source

Withdrawals can be taken once the guarantee is triggered.
No insurer payments during the withdrawal phase
Insurance payments begins only after depletion

C. Distinct Risk Structure

Participant bears investment risk in phase 1 and income base is established before withdrawal starts in Phase 2
Insurance guarantee starts when withdrawals begin and Insurer assumes longevity risk in Phase 3.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed. This new Uniform Standard is necessary to support modern in-plan retirement income solutions that are increasingly being developed and implemented in the marketplace.

Rationale:

Emerging Product Design

This structure reflects newer in-plan income solutions that:

Provide lifetime income without annuitization
Align with participant demand for liquidity and flexibility

Regulatory Gap

Existing Uniform Standards do not clearly address:

Income-base-driven benefits in group annuities
Payment structures where insurer obligations are contingent on account depletion

Market Adoption

Similar GLWB-type income benefit structures have been:

Filed and approved in multiple states for both individual and group annuities
Used in retirement plan markets as accumulation-to-income solutions

Consumer Benefit

Provides participants with:

Predictable lifetime income
Continued access to account value
Protection against longevity risk

Consistency Across Compact States

Adoption of a Uniform Standard would:

Promote regulatory consistency
Reduce filing complexity
Support innovation in retirement income solutions

Is this change currently accepted in Compact states? Accepted in Most Compact Member States

If accepted in the majority of Compact states, indicate states that do not permit this provision: Variations exist by state, particularly in jurisdictions with more prescriptive requirements (e.g., New

York), though similar structures are generally permitted subject to state-specific filing requirements.

Would this change conflict with any NAIC Model laws or regulations? No

USIR-2027-004: New Standards for Group Variable Annuity Income Protection Benefits

Name of Person Requesting Change: Wayne Mehlman

Affiliation: Industry Advisory Committee

Contact Email: waynemehlman@acli.com

Contact Phone Number: 202-624-2135

Request for: New Standard

Section and subsection(s) of Uniform Standard if applicable. N/A

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration: We are requesting the development of new group variable annuity income standards. Please note that this request is aligned and substantively similar with the request that was submitted by Lincoln Financial to develop a new standard to accommodate an innovative in-plan lifetime income benefit available under group fixed and variable annuity contracts. They are not separate or competing submissions.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed. The justification for our request is that many group variable annuity products currently being developed include income protection features, and the current group variable annuity standards that the Compact is working on now would not be enough to get these types of products approved on its own. This request is similar to the one that was previously submitted for protected income solutions for individual products, but it would be applied in the group context, and would be for in-plan solutions within a group variable annuity. In cases when the account value reaches zero, the insurer would step in and assume responsibility for continuing the lifetime income stream. The idea here is to develop a standard for group variable annuity products that covers both traditional income benefits and benefits like those covered under the proposed protected income solutions standards.

Is this change currently accepted in Compact states? Unknown

Would this change conflict with any NAIC Model laws or regulations? Unknown

USIR-2027-005: Wellness Benefit Standards for Individual and Group Disability Income Products

Name of Person Requesting Change: Wayne Mehlman

Affiliation: Industry Advisory Committee

Contact Email: waynemehlman@acli.com

Contact Phone Number: 202-624-2135

Request for: New Standard

Section and subsection(s) of Uniform Standard if applicable. N/A

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration. We are requesting the development of a new standard that would allow for wellness benefits for individual and group disability income products.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed.
For reference, these wellness benefits would be similar to what carriers currently offer with other HIPAA-excepted benefit products, including a fixed indemnity benefit for a covered event, such as getting an annual physical or a specific test (or category of a test). These benefits are intended to assist those with monetary expenditures such as transportation, missed work and other incidentals. We are currently not requesting new standards for accident, hospital indemnity, critical illness or specified disease products.

Is this change currently accepted in Compact states? Accepted in Most Compact Member States

If accepted in the majority of Compact states, indicate states that do not permit this provision. It is our understanding that 43 states and the District of Columbia have approved short-term disability income products with wellness benefits, and that the states that have not approved such benefits are Colorado, Connecticut, Michigan, Minnesota, New Mexico, New York and Virginia.

Would this change conflict with any NAIC Model laws or regulations? Unknown



USIR-2027-006: Amendment to Disability Income Standards for Military Suspension of Coverage Timing

Name of Person Requesting Change: Wayne Mehlman

Affiliation: Industry Advisory Committee

Contact Email: waynemehlman@acli.com

Contact Phone Number: 202-624-2135

Request for: Amendment to Existing Standard

Section and subsection(s) of Uniform Standard if applicable. Subsection 3.C.(18)(b)(ii) of the Standards for Individual Disability Income Insurance Policies

Subsection 3.C.(18)(b)(ii) of the Individual Disability Business Overhead Expense Insurance Policy Standards

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration. We are requesting that above-listed Subsections be amended so that "the earlier of" is replaced with "the later of", as follows:

The company shall suspend the coverage for eligible insureds from [THE EARLIER OF] THE LATER OF the date of receipt of the owner's written request for coverage suspension or the date military service begins (or a later date if requested by the owner) and refund any unearned premiums for the period of suspension.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed.
Both the policyowner and the company would be better served if the language relating to date of suspension of coverage while in military service was changed from "the earlier of" to "the later of".

Suspension of coverage while in active military service is an optional benefit, and should be equitable to both the insured and the company. The application of "the earlier of" language, however, is not be beneficial to the owner if the company receives the owner's request for suspension of coverage before his or her activation date, since the company would then be suspending coverage before military service actually begins.

On the other hand, if the owner chooses to request suspension of coverage at some point after active duty begins, possibly even a year or two after, the company should not be compelled to refund premiums for the valid period of coverage that existed from the date military service began until the owner requested the suspension. Insurance companies are not typically required to refund premiums for periods where coverage had existed under a policy but the owner retrospectively determines that he or she did not need to make use of the coverage. We believe that the most equitable solution for everyone involved is for the suspension of coverage to begin "the later of" (a) the date the company receives the request for suspension, (b) the date active military service begins, or (c) a later date if requested by the owner.

Is this change currently accepted in Compact states? Unknown

Would this change conflict with any NAIC Model laws or regulations? Unknown

USIR-2027-007: Guaranteed Living Benefit Standards for Individual Life Insurance Policies

Name of Person Requesting Change: Michael Hitchcock

Affiliation: Compact Filing Company

Contact Email: michael.hitchcock@pacificlife.com

Contact Phone Number: (949) 420-7321

Request for: New Standard

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration.

Request:
Develop new uniform standards for guaranteed living benefits (GLBs) for non-variable and variable life insurance policies, including:

- Guaranteed Minimum Withdrawal Benefits (GMWB)
- Guaranteed Minimum Income Benefits (GMIB)
- Guaranteed Minimum Accumulation Benefits (GMAB)

Proposed Scope:
Develop new standards for guaranteed living benefits for individual life policies leveraging existing Guaranteed Living Benefits For Individual Deferred Non-Variable Annuities and the Additional Standards For Guaranteed Living Benefits For Individual Deferred Variable Annuities Or Individual Deferred Indexed Linked Variable Annuity Contracts.

Note: If inclusion of any "Qualifying Event" definition could delay or discourage the Compact from pursuing these Standards, we would support modifying or removing such definitions to avoid unnecessary delays or regulatory challenges.

Proposed Approach:
Apply targeted adjustments for differences between annuity and life policy structures, including:

- Interaction with death benefit provisions
- Policy structure and disclosure requirements
- Consumer communication considerations
- Use of core life insurance features, such as use of loans instead of withdrawals for GMWB

- Ensure compliance with Nonforfeiture requirements

This approach mirrors the practical framework used in other 2027 submissions, i.e. extending existing Compact standards to adjacent product types rather than building from scratch.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed.

Reason:
Addresses real and growing consumer needs:

- This product addresses two critical policyholder needs in a single chassis:
  - Early death benefit protection when dependents and obligations are greatest
  - Guaranteed lifetime income once protection needs diminish
- Today, consumers often choose between separate life and annuity products, and buying both can be inefficient and cost prohibitive, this eliminates that trade-off
- See also the Swiss Re article on changing needs and the aging population: https://www.swissre.com/press-release/Silver-economy-ushers-in-a-new-era-of-growth-for-life-insurance/e9eeeaf4-d87d-42f6-81a7-cee60caf05ba

Clear Regulatory Gap:

- GLB standards are well-established for annuities within the Compact
- No corresponding standards exist for life insurance
- This creates:
  - Inconsistent state-by-state treatment
  - Regulatory friction that slows innovation
  - Barriers to scalable, consumer-friendly product design

Aligns with Industry Direction:

- Market demand is moving toward hybrid protection + accumulation + income solutions
- Establishing uniform standards would:
  - Provide a clear regulatory framework for continued innovation
  - Ensure consistent consumer protections across jurisdictions
  - Improve speed-to-market for carriers leveraging the Compact

This is a high-impact extension of proven regulatory frameworks to a product category with clear consumer demand and no existing Compact coverage. The development effort is manageable given the strong foundation of existing annuity GLB standards, and the resulting framework would enable meaningful innovation while maintaining consistent consumer protections.

Additional Support:

- Comparable to the gap identified in the disability income / wellness benefits submission.

- At least two carriers offer this type of benefit with life insurance products in a majority of states based on state-based product filing and approvals. Additional details can be provided upon request.

Is this change currently accepted in Compact states? Accepted in Most Compact Member States

If accepted in the majority of Compact states, indicate states that do not permit this provision. No evidence has been found that any specific states have objected to issuance of these riders.

Would this change conflict with any NAIC Model laws or regulations? No

USIR-2027-008: Group Term Life Waiver of Premium Request

Name of Person Requesting Change: Compact Office

Affiliation: Compact Office

Contact Email: comments@insurancecompact.org

Contact Phone Number: (202) 471-3962

Request for: Amendment to Existing Standard

Section and subsection(s) of Uniform Standard if applicable.

- Additional Standards for Waiver of Premium Benefits for Total Disability and Other Qualifying Events for Group Term Life Insurance Policies and Certificates (IIPRC-L-04-G-WOP-2); adopted August 8, 2025
- Group Term Life Insurance Uniform Standards for Waiver of Premium While the Certificateholder is Totally Disabled (IIPRC-L-04-G-WOP); adopted May 20, 2013; September 4, 2013; February 10, 2025

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration. The request is to reduce two separate sets of standards for a waiver of premium benefit to one consolidated set of requirements that include the original benefit trigger of total disability, and the defined qualifying events such as terminal illness, "disability other than total disability," inability to perform up to two Activities of Daily Living and unemployment. Expanding the benefit triggers beyond those adopted in the existing Uniform Standards is not part of the request.

Consolidating the requirements across the existing Uniform Standards would also require harmonizing benefit provisions such as the definition of total disability, permitted exclusions and required coverage around the total disability beginning at different ages, proof requirements for total disability and other benefit triggers, and other aspects of the waiver benefit.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an

amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed. The reason for the amendment is to address an oversight in the standards development process for the identification and prioritization of new and amended Uniform Standards that led to the adoption of two versions of Uniform Standards for essentially the same benefit. Waiver of premium standards for group term life insurance were first adopted in 2013 with the full suite of group term life insurance product requirements. The suite of group term life insurance Uniform Standards underwent amendment in 2025 for purposes of expanding their scope to include non-employer groups. The non-employer group amendments for group term and whole life insurance were developed under a separate workstream from the Annual Prioritization System.

Concurrently, the 2025 Annual Prioritization System included a request applicable to the existing waiver of premium standards. The request was to expand the benefit triggers for waiver of premium for group term insurance to be consistent with the qualifying events beyond total disability that were adopted for waiver of premium with group whole life insurance. Due to an oversight in the standards development process, the qualifying events beyond total disability were not written into the existing waiver of premium standards for group term life insurance. Instead, a separate set of waiver of premium standards were created for group term directly from the group whole life version. The two versions of group term life insurance waiver of premium standards were not detected until early 2026 based on pre-filing questions from a Compact filing company.

As a result of the disconnected development process, there are inconsistencies in the two versions, particularly with regard to the permitted exclusions and required coverage under total disability. For example, in the original 2013 version, total disability shall be defined as unable to perform the material duties of the Certificateholder's own occupation and any other occupation for which the Certificateholder is qualified, but in the 2025 version, the Certificateholder may be totally disabled on an "own occupation" basis only, with an "any occupation" basis applying only after the first 24 months of total disability. Further, the 2025 version expressly allows the definition to be expanded to cover presumptive total disability and partial disability.

Under the status quo, the impact of having two separate Uniform Standards for essentially the same benefit is confusion for Compact filers and stakeholders, as well as the potential for inconsistent review and extended review time.

Is this change currently accepted in Compact states? Accepted in All Compact Member States

Would this change conflict with any NAIC Model laws or regulations? No

USIR-2027-009: Incidental Guaranteed Minimum Death Benefits Request

Name of Person Requesting Change: Compact Office

Affiliation: Compact Office

Contact Email: comments@insurancecompact.org

Contact Phone Number: (202) 471-3962

Request for: Amendment to Existing Standard

Section and subsection(s) of Uniform Standard if applicable. Additional Standards for Incidental Guaranteed Minimum Death Benefits for Individual Deferred Non-Variable Annuities (IIPRC-AB-02-I-GMDB):

Scope section, definition of Incidental GMDB
Section 1B, Actuarial Memorandum

Detailed description of the request, including the scope if a new Uniform Standard, and if appropriate also include proposed language for consideration. The request is to amend the existing Incidental GMDB Uniform Standards to clarify the impact of withdrawals on the calculation of the death benefit to meet the definition of incidental GMDB, specifically option (1) of the definition. The request includes an amendment to expand on the Actuarial Memorandum submission requirements when option (1) is used. See attachment for the proposed language for consideration.

Detailed explanation of the reason for the request. If a new Uniform Standard, please provide support that this type of product has been filed and approved in Compacting States. If an amendment to an existing Uniform Standards, please provide support for how circumstances or underlying assumptions (whether in regulation, in the marketplace or otherwise) have changed. The reason for the request is to improve understanding and compliance of Compact filing submissions when the option (1) definition is used. As background, these Uniform Standards were created specifically to ensure that a guaranteed death benefit for a fixed annuity remains incidental to avoid the potential for the death benefit to blur the line between the annuity and a life insurance policy. The regulatory concern of blurring the lines between annuities and life insurance is to avoid the regulatory, tax, solvency, and consumer-protection issues that arise if the guaranteed death benefit is effectively a disguised life-insurance guarantee.

As support for how circumstances or underlying assumptions have changed, the Compact Office has observed a distinct variance among Incidental GMDB filing submissions with regard to how the existing language applies to withdrawals from the account value. Approaches taken in filings are inconsistent with respect to both (1) how withdrawals play into the death benefit calculation and (2) whether and how withdrawals are addressed in the demonstration under Section 1B(1)(b) that the design of the GMDB feature meets the definition of incidental GMDB.

There have been prior attempts to clarify the treatment of withdrawals by changing the language of option 1(b)(ii):

- “premiums (reduced by withdrawals)”

  2013 draft considered by Actuarial Working Group

- “premiums (adjusted for withdrawals)”

  2013 Product Standards Committee recommendation and Commission adoption

- “premiums less withdrawals”

  2022 amendment in five-year review

These attempts have not achieved consistency across filing submissions. The request expands on the current standards language to add specificity and ensure that all of the necessary elements for the Section 1B(1)(b) demonstration are presented within the standards themselves, avoiding follow-up correspondence.

The treatment of withdrawals is significant due to the impact on the maximum permitted GMDB. Specifically, deducting withdrawals from 250% of premium results in significantly higher permitted GMDBs than 250% of premiums net of withdrawals. For example, assume $100,000 of premium and free withdrawals of $10,000 taken each year for 5 years. At the end of 5 years 250% of premiums net of withdrawals results in an incidental death benefit maximum of $125,000 and deducting withdrawals from 250% of premium results in an incidental death benefit maximum of $200,000. Deducting withdrawals from 250% of premium can result in a large death benefit even when the account value and cash value is reduced to $0.

There is a specific basis under the Standard Nonforfeiture Law for Life Insurance for limiting the guaranteed death benefit. As provided in connection with the 2022 amendment in five-year review:

> Under Section 11, any amount of death benefit that exceeds the greater of the cash value or premiums with interest, no matter how small, requires providing the life nonforfeiture amounts that develop under Model 808. The incidental death benefit requirement in the Compact GMDB standard provides an exception to the requirement in Section 11. It was designed to set a limitation on the death benefit such that any life nonforfeiture amount that may develop is small enough (incidental) to justify not requiring compliance with the life nonforfeiture requirement under Section 11.

In summary, the reason the death benefit is limited by the standards is because the regulatory priority in developing the Additional Standards for Incidental Guaranteed Minimum Death Benefits was to create a path for the benefit in line with nonforfeiture regulation while maintaining the underlying annuity contract.

Is this change currently accepted in Compact states? Unknown

Would this change conflict with any NAIC Model laws or regulations? No