

From: [Schwegler, Bill](#)
To: [Ezalarab, Susan](#)
Cc: [Schutter, Karen](#); [Block, Mary](#); [Wayne Mehlman](#)
Subject: RE: Draft standards for group whole life
Date: Monday, February 13, 2023 7:52:40 PM

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Hi Susan,

Thanks for the opportunity to follow up. I apologize for missing your deadline, but I'm not sure I have anything exciting to add.

- *Retrospective premium-rated products.* We don't sell such products, so we are indifferent regarding any accommodation within the uniform standard.
- *Nonforfeiture provisions.* We design our products to provide at least the SNFL as the minimum cash value, which is requested by some states. Any Compact requirement to follow the SNFL will not cause concerns.

Kind regards,
Bill

From: Ezalarab, Susan <sezalarab@insurancecompact.org>
Sent: Monday, January 30, 2023 3:26 PM
To: Schwegler, Bill <Bill.Schwegler@transamerica.com>
Cc: Schutter, Karen <KSchutter@insurancecompact.org>; Block, Mary <Mary.block@vermont.gov>; Wayne Mehlman <WayneMehlman@acli.com>
Subject: RE: Draft standards for group whole life

Thank you for participating in the public call today. I wanted to follow up with you on a few items. First, I believe you said that you have a current assumption group life product in the market today. It would be helpful if you could have a subject matter expert look at the provisions in the draft standard to see if there are edits needed. There are definitions of account value and current assumption whole life insurance and a section on the Maturity Date extension for a current assumption whole life insurance policy.

A subgroup member also asked if you could have your subject matter experts respond regarding the question on retrospective premium rating and whether it applies to group whole life. The second question was about the actuarial requirements for nonforfeiture values. The subgroup proposal is to state that the values and benefits should be "at least as equitable" as the requirements in NAIC Model 808. The subgroup was looking for feedback on this approach.

Your responses will be valuable to subgroup as they complete work on the first draft of the standard. It would be helpful if you could respond before the next subgroup meeting on Monday, February 6. Please let me know if you have any questions.

Susan Ezalarab
Regulatory Coordinator Consultant
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From: Schwegler, Bill <Bill.Schwegler@transamerica.com>
Sent: Thursday, January 26, 2023 12:11 PM
To: Ezalarab, Susan <sezalarab@insurancecompact.org>
Cc: Schutter, Karen <KSchutter@insurancecompact.org>; Block, Mary <Mary.block@vermont.gov>
Subject: RE: Draft standards for group whole life

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Hi Susan,

I will be on and can summarize our input. However, my “experts” are unable to join, so it’s likely that we’ll need to address follow-up questions offline.

Bill

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From: Ezalarab, Susan <sezalarab@insurancecompact.org>
Sent: Wednesday, January 25, 2023 3:41 PM
To: Schwegler, Bill <Bill.Schwegler@transamerica.com>
Cc: Schutter, Karen <KSchutter@insurancecompact.org>; Block, Mary <Mary.block@vermont.gov>
Subject: RE: Draft standards for group whole life

Good afternoon

I am following up with you to see if you will have a representative on the public call to discuss your responses. The subgroup may have some questions for you. Please let me know. Thank you.

Susan Ezalarab
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From: Schwegler, Bill <Bill.Schwegler@transamerica.com>
Sent: Wednesday, January 18, 2023 10:31 AM
To: IIPRC - Comments Shared Mailbox <comments@insurancecompact.org>
Cc: Schutter, Karen <KSchutter@insurancecompact.org>; Ezalarab, Susan <sezalarab@insurancecompact.org>
Subject: Draft standards for group whole life

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Hello,

Below please find Transamerica's responses to selected questions.

1. Are there are current assumption group whole life products in the marketplace and does the subgroup need to allow for them in the employer group whole life standard such as in the definition of "account value"

"Account value" is the retrospective accumulation of premiums, reduced by specified charges (which include the cost of insurance) and expenses, at no less than a guaranteed minimum interest rate. (COPIED FROM INDIVIDUAL CURRENT ASSUMPTION WHOLE LIFE STANDARD)

Yes, such products are in the marketplace.

2. Is there a need for the definition of Maturity Date?

"Maturity Date" is the date the Certificate Anniversary or Attained Age where the cash surrender value equals the death benefit without consideration to outstanding loans.

The proposed definition is workable for us.

3. Is § 4. Policy and Certificate Benefits, Q (1) referring to paying the life insurance is needed in the

group whole life uniform standard.

§4. Policy and Certificate Provisions Q. MATURITY DATE OF A COVERED PERSON

(1) The certificate shall contain a statement that upon the Maturity Date as shown in the certificate, if still in force and the Covered Person is alive, the company shall pay the life insurance benefit, exclusive of additional benefits and reduced by any loan balance in lieu of portability or conversion coverage.

Yes, this is workable.

4. Is the reference to Maturity Date in §4. Policy and Certificate Provisions, Q (2) for a current assumption whole life policy is needed in the uniform standard.

Q (2) The Maturity Date for a current assumption whole life policy may be extended beyond the terminal age of the applicable valuation mortality table based on the following conditions:

This is not a critical provision from our perspective.

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