From:	Miriam Krol
To:	Comments <comments@insurancecompact.org>
Cc:	"wanderson@naifa.org"; Jason Berkowitz (JBerkowitz@irionline.org); angelashanson@northwesternmutual.com; Joseph F Muratore; Amanda Matthiesen (amatthiesen@ahip.org); "jill.morgan@symetra.com"; "mroche@jhancock.com"; "mary.f.keim.a0eb@statefarm.com"
Subject:	FW: IIPRC Standards: Universal Life Non-Variable
Date:	Monday, July 14, 2014 12:01:26 PM
Importance:	High

With respect to today's deadline for comments, we submit the following:

Member companies have requested a change to item (10) of the Nonforfeiture standards to the following standard, – use this link, click on the 4th standard shown and go to page 23.

http://www.insurancecompact.org/compact_rlmkng_docket.htm

The ***red changes*** are those already proposed by the IIPRC. The ***blue changes*** are today's recommended changes.

(10) A provision that the ~~policyholder~~ owner may surrender the policy for the cash surrender value at any time. The cash surrender value on the date of surrender shall ***~~equal~~ not be less than*** the ~~case~~ cash surrender value on the policy monthly ***~~deductible~~ deduction*** date preceding the date of surrender adjusted for any partial withdrawals, policy loans or repayments or premium payments made since the preceding monthly deduction date. ~~and if surrendered within 30 days following a policy anniversary that the value available shall not be less than the anniversary value.~~

The members advise that with the previous language, if an owner surrendered the policy four months and 20 days after the policy anniversary, they would have to give a surrender value "equal" to the surrender value available on the four month deduction date and could not add the interest that had accrued for the 20 days since that four month deduction date, as that would not be "equal". With the interest, the surrender value would be more than "equal".

We also changed "case" to the intended "cash" and made references to "deduction" consistent.

Let us know if there are any questions.

Miriam Krol
American Council of Life Insurers | Financial Security...for Life.
Vice President, Long-Term Care
(202) 624-2019 t (202) 420-8361 m (866) 953-4083 f
miriamkrol@acli.com
www.acli.com
101 Constitution Ave., NW, Suite 700
Washington, DC 20001-2133

Follow us on Twitter, like us on Facebook!

Circular 230 disclosure: This document was not intended or written to be used, and cannot be used, to: (1) avoid tax penalties, or (2) promote, market or recommend any tax plan or arrangement.

This message, and any attachments to it, are from ACLI and are intended only for the addressee. Information contained herein is confidential, privileged and exempt from disclosure pursuant to applicable federal or state law.

If the reader of this message is not the intended recipient, you are notified that any use, dissemination, distribution, copying or communication of this message is strictly prohibited. If you have received this message in error, please notify the sender immediately by return email and delete the message and any attachments. Thank you.