

APPENDIX A

**PROPOSED CHANGES TO THE RELEVANT PROVISIONS
IN THE UNIFORM STANDARDS**

For Term Life, Whole Life and Endowment Insurance Policy Standards

§3. POLICY PROVISIONS

T. REINSTATEMENT

(6) With respect to any reinstated policy, the following applies:

- (a) With respect to statements made in an application for reinstatement, the policy is incontestable after it has been in force during the insured's lifetime for two years beginning with the day of reinstatement. The contestable period is based only on statements in the reinstatement application unless the original contestable period has not yet expired. The reinstated policy may include an exception to the incontestability provision for fraud in the procurement of the reinstated policy when permitted by applicable law in the state where the policy is delivered or issued for delivery.
- (b) The suicide exclusion shall not exceed two years from the day of reinstatement, **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery.**
- (c) If a policy contains a reinstatement provision or other policy provision that references the subject matter of Paragraph (6)(a) and/or (6)(b), the policy references shall be consistent with (6)(a) and/or (6)(b).

W. SUICIDE

- (1) The policy may provide for a suicide exclusion, which may include the phrase "sane or insane."
- (2) The suicide exclusion shall include the conditions of the provision.
- (3) The suicide exclusion period shall not exceed two years from the date of issue of the policy **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery.**
- (4) At a minimum, a refund of all premiums paid, less dividends paid and any indebtedness, shall be paid by the company in the event of death by suicide during the suicide exclusion period.

APPENDIX A, Continued

**PROPOSED CHANGES TO THE RELEVANT PROVISIONS
IN THE UNIFORM STANDARDS**

For Non-Variable Adjustable and Variable Adjustable Life Insurance Policy Standards

§3. POLICY PROVISIONS

Y. REINSTATEMENT

(8) With respect to any reinstated policy, the following applies:

- (a) With respect to statements made in an application for reinstatement, the policy is incontestable after it has been in force during the insured's lifetime for two years beginning with the day of reinstatement. The contestable period is based only on statements in the reinstatement application, unless the original contestable period has not yet expired. The reinstated policy may include an exception to the incontestability provision for fraud in the procurement of the reinstated policy when permitted by applicable law in the state where the policy is delivered or issued for delivery.
- (b) The suicide exclusion shall not exceed two years from the day of reinstatement **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery.**
- (c) If a policy contains a reinstatement provision or other policy provision that references the subject matter of Paragraph (8)(a) and/or (8)(b), the policy references shall be consistent with (8)(a) and/or (8)(b).

CC. SUICIDE

- (1) The policy may provide for a suicide exclusion, which may include the phrase "sane or insane."
- (2) The suicide exclusion shall include the conditions of the provision.
- (3) The suicide exclusion period for the initial coverage shall not exceed two years from the date of issue of the policy **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery.** The policy may allow a separate suicide period, no greater than two years from the date of any increase, **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery,** for any increase in specified amount that was requested by the owner and subject to evidence of insurability. The suicide limitation shall be limited to the amount of the increase.
- (4) At a minimum, a refund of all premiums paid, less dividends paid, any indebtedness and any partial withdrawals, shall be paid by the company in the event of death by suicide during the initial suicide exclusion period. For increases in specified amount, the settlement for suicide shall be at least as favorable as the return of the monthly deductions, including all expenses, for the increase.

APPENDIX A, Continued

**PROPOSED CHANGES TO THE RELEVANT PROVISIONS
IN THE UNIFORM STANDARDS**

**For Additional Standards for Private Placement Plans for Individual Variable Adjustable
Life Insurance Policies**

§3. POLICY PROVISIONS

I. POLICY EXCHANGE

(2) With respect to the new policy, the following applies:

- (a) A policy exchange shall not trigger a new contestable period, unless the net amount at risk is increased. If the net amount at risk is increased, contestability may apply to the increased amount for up to two years beginning with the date of issue of the new policy. The new policy may include an exception to the incontestability provision for fraud in the procurement of the new policy when permitted by applicable law in the state where the policy is delivered or issued for delivery.
- (b) A policy exchange shall not trigger a new suicide exclusion period, unless the net amount at risk is increased. If the net amount at risk is increased, a suicide exclusion may apply to the increased amount for up to two years, **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery**, beginning with the date of issue of the new policy.
- (c) If a policy contains a reinstatement provision or other policy provision that references the subject matter of Paragraph (2)(a) and/or (2)(b) of this section, the policy references shall be consistent with such Paragraphs.

APPENDIX A, Continued

**PROPOSED CHANGES TO THE RELEVANT PROVISIONS
IN THE UNIFORM STANDARDS**

**For Additional Standards for Private Placement Plans for Individual Variable Adjustable
Life Insurance Policies**

§4 POLICY AND CERTIFICATE PROVISIONS

W. SUICIDE

(1) The policy may include a suicide provision. If a suicide provision is included, the provisions describing the effect of suicide may be included in the policy but shall be included in the certificate. The provision shall describe the effect of a suicide on the payment of life insurance benefits under the policy.

- (a) The provision may include the phrase “sane or insane”;
- (b) The provision shall state that the suicide exclusion period shall not apply to life insurance on a Covered Person that has remained in effect for a continuous period of two or more years, **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery** during the Covered Person’s lifetime under the policyholder’s Employee benefits plan including this policy and any predecessor policy;
- (c) The provision shall state that the insurance company’s liability will be limited to a return to the Beneficiary of all Premiums paid by the Employee and a return to the policyholder of all Premiums paid by the policyholder; and
- (d) The provision shall state that if a Covered Person commits suicide within two years, **or any shorter period as may be required by applicable law in the state where the policy is delivered or issued for delivery**, from the date an increase in life insurance (other than a scheduled or automatic increase) took effect, the insurance company will pay to the Beneficiary the amount of insurance that was in effect before the increase. Any premium paid by the Employee for the increase will be returned to the Beneficiary, and any premium paid by the policyholder will be returned to the policyholder.