We appreciate the opportunity to participate in the review of the Individual Disability Income Products standard.

Upon review of the proposed changes to the standard we offer the following comments for consideration:

Given that one stated intent in this updating of the standard is to allow the addition of a disability income benefit (such as a rider) to a life insurance policy, we wonder if the proposed revisions sufficiently address that intent and whether certain sections of the standard need to be revised to address differences that would be inherent between a disability income policy and a disability rider. For example:

- Within the Required Provisions section, certain provisions would be contained within the base life policy and should not be required in a rider, especially if they would conflict with the language contained in the base policy’s provision in such a way as to make it nonsensical. Suggest that the Required Provisions section caveat the “shall contain” requirement for riders such that if the base policy contains a similar provision the rider doesn’t need to. For example requiring a Grace Period, Legal Action, Right to Examine or Conformity with Interstate Insurance Product Regulation Commission Standards provision within a rider, when the policy already contains such provision doesn’t make much sense and is inconsistent with other rider standard requirements.

- We note that the IAC previously made a comment regarding the Reinstatement requirements that touched on the sort of issue we are concerned with, but we are not sure how those comments (considering the use of life standards for reinstatement to allow for consistency when sold in combination) have been addressed in the latest updates. When sold as a rider attached to a life policy, a disability income rider like any other rider cannot exist without the policy being in force; it only lapses when the base policy lapses and can only be reinstated when the base policy is reinstated. The inclusion in the rider of reinstatement requirements, especially requirements different that those contained within the base policy, would erroneously give the impression that the rider coverage can be reinstated without reinstatement of the base life policy. We suggest that the reinstatement requirements of a disability income rider should be similar to the reinstatement requirements for other riders that can be attached to a life insurance policy where the standards use "The form shall include a reinstatement provision on the same, or more favorable, terms as contained in the policy."

- Within the suggested new Date Policy Ends provision (or Date Rider Ends as applicable), additional scenarios would need to be allowed for riders, similar to what the standards for other riders added to life polices allow, including the date the policy ends as described in the policy and the date the policy becomes reduced paid-up or extended term insurance.

Our current product lines related to disability income are limited to riders attached to individual life insurance base products and therefore were not fillable under the current IIPRC standard (they are state filed and we use the mix and match rules) so we look forward to being able to file our riders under this updated standard in the future.

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