Edits to GIC Uniform Standard Requested by Minnesota

1. Edit to the section “DISTRIBUTIONS”

Request: Add item (2) as follows:

(2) The contract shall describe the terms of withdrawals that are triggered by a downgrade of the company’s rating, if the terms of such withdrawal differ from the terms of all other withdrawals.

2. Carve-outs: items requiring MN approval

(a) Separate Accounts – similar to Single Premium Group Fixed Annuity

Text: Same as was used for Single Premium Group Annuity.

(b) Any provision covered by item I (2) described above;

[Issue: Bulletin 99-4 prohibits bailout provisions.]

Proposed Text:

Bailout provisions: Approval by the Interstate Insurance Product Regulation Commission of an insurance product filing in compliance with this Uniform Standard shall not be deemed as regulatory approval of the company’s use of a bailout provision, that is, a provision whereby, in the event that the insurer is downgraded, the contractholder is permitted to terminate the contract without a surrender charge that would otherwise be applicable. Action from the Member State, both domiciliary state and if applicable, state of issue, may be required before an insurer may use an Interstate Insurance Product Regulation Commission approved policy or other product component that includes such a provision. If the product contains such a provision, all aspects of the distributions permitted in the contract will be governed by applicable state law (both domiciliary and if applicable, state of issue).

(c) Benefit responsive withdrawals.

[Issue: MN Statute 61A.276 prohibits withdrawals based on mortality or morbidity contingencies.]

Proposed Text:

Benefit responsive withdrawal provisions: Approval by the Interstate Insurance Product Regulation Commission of an insurance product filing in compliance with this Uniform Standard shall not be
deemed as regulatory approval of the company’s use of benefit responsive withdrawal provisions. Action from the Member State, both domiciliary state and if applicable, state of issue, may be required before an insurer may use an Interstate Insurance Product Regulation Commission approved policy or other product component that includes such provisions. If the product contains such provisions, all aspects of the distributions permitted in the contract will be governed by applicable state law (both domiciliary and if applicable, state of issue).

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