AMENDMENTS TO CORE STANDARDS FOR
INDIVIDUAL DEFERRED VARIABLE ANNUITY CONTRACTS

1. Date Adopted:

2. Purpose and Scope of the Amendments: The purpose of these amendments is to revise the Uniform Standards effective between January 1, 2008 and June 30, 2008 in accordance with the 5-year Commission Review of Rules required by § 119 of the Rule for the Adoption, Amendment and Repeal of Rules for the Interstate Insurance Product Regulation Commission. The procedures adopted by the Management Committee in March 2012 for implementing the 5-year review process limit the scope of review under Section 119 to identifying “the need for continuation, repeal or amendment of the rule based primarily on whether circumstances or underlying assumptions have changed since the last time the rule was adopted, amended or reviewed.” See the Transmittal Memo for a more detailed description of the proposed amendments. Conforming Amendments are highlighted in blue, clarification changes are highlighted in yellow and technical changes are not highlighted.

These standards apply to annuity contracts that provides for a single premium, modified single premium, fixed or flexible premium payments over the life of a contract or for a limited payment period, and that provides for funds to be held in separate accounts only or in separate and general accounts.

3. Rules Repealed, Amended or Suspended by the Rule: This rule would amend the Individual Deferred Variable Annuity Contract Standards adopted by the IIPRC on March 14, 2009.

4. Statutory Authority: Among the primary purposes and powers of the Interstate Insurance Product Regulation Commission (“IIPRC”) is to establish reasonable uniform standards for the insurance products covered in the Interstate Insurance Product Regulation Compact (“Compact”), specifically pursuant to Article I §2, Article IV §2 and Article VII §1 of the Compact, as enacted into law by each IIPRC member state.

5. Required Findings: None

6. Effective Date:
CORE STANDARDS FOR INDIVIDUAL DEFERRED VARIABLE ANNUITY CONTRACTS

**Scope:** These standards apply to an individual deferred variable annuity contract that provides for a single premium, modified single premium, fixed or flexible premium payments over the life of a contract or for a limited payment period, and that provides for funds to be held in separate accounts only or in separate and general accounts. The standards do not apply to bonuses, although they do apply to contracts with any pattern of non-level interest rate guarantees on the general account portion of the contract that may be similar to but are not specifically referred to as bonuses or additional credits. Additional standards apply to an individual deferred variable annuity contract that provides for bonuses, modified guaranteed/market value adjustments, guaranteed death benefits, guaranteed living benefits, two-tier annuities, enhanced withdrawal benefits, waiver of surrender charge benefits, tax qualified plan provisions, private placement and other minimum guarantees for separate account funds.

**Mix and Match:** These standards are available to be used in combination with State Product Components as described in Section 111(b) of the Operating Procedure for the Filing and Approval of Product Filings.

**Self-Certification:** These standards are not available to be filed on a self-certification basis in accordance with the Rule for the Self-Certification of Products Filed with the Interstate Insurance Product Regulation Commission.

As used in these standards the following definitions apply:

“Account value” is:

(1) For general accounts, the total amount of premium allocated to the general account, adjusted by partial withdrawals, transfers, specified charges and expenses, accumulated at interest periodically credited by the company, but at no less than the guaranteed minimum interest rate. Any fixed interest option is part of the general account.

(2) For separate accounts, the total amount of premium allocated to the separate account, adjusted by partial withdrawals, transfers, specified charges and expenses and the investment results of the separate account. Separate accounts or subaccount assets of the separate account reflect direct allocation of the investment performance of the separate accounts or subaccount assets through the incorporation of unit-linked contract values.

“Annuity value,” also called “maturity value” in the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities, model #805, referred to in these standards, is account value at the time of annuitization.

“Cash surrender value” is the cash value reduced by indebtedness.

“Cash value” is the account value less any surrender charges.

“Modified single premium” means a single premium paid in installments during the first contract year.

© IIPRC
Drafting Notes:

Other terms may be used in the contract provided they are consistent.

Although references to “age” or “annuitant” are being made in these standards, such references do not preclude the contract from having more than one annuitant.

The references to “contract” do not preclude Fraternal Benefit Societies from substituting “certificate” in their forms.

§ 1 ADDITIONAL SUBMISSION REQUIREMENTS

A. GENERAL

The following additional filing submission requirements shall apply:

1. All forms filed for approval shall be included with the filing. Changes to a previously approved form shall be highlighted. The specifications page of a contract shall be completed with hypothetical data that is realistic and consistent with the other contents of the contract and any required actuarial memorandum in support of nonforfeiture values.

2. If a filing is being submitted on behalf of a company, include a letter or other document authorizing the firm to file on behalf of the company shall be included with the filing.

3. If the filing contains an insert page, include an explanation of when the insert page will be used should be included in the filing.

4. If the specifications page of the contract contains variable items, the submission shall include the Statement of Variability. The submission shall also include a certification that any change or modification to a variable item shall be administered in accordance with the requirements in the Variability of Information section, including any requirements for prior approval of a change or modification.

5. If the contract provides for a benefit waiving surrender charges contingent on a declared interest rate, the company shall provide a certification that the owner will be provided a timely notification when the declared interest rate declines to a point at which the waiver of surrender charge benefit is available.

6. Include a statement that the contract is subject to federal jurisdiction and accordingly the Flesch requirements do not apply.

7. Include a certification by a company officer that written request will be made to and written approval received from the chief insurance regulator of the state of domicile of the company prior to the company exercising any contractual right to defer the payment of any general account cash surrender value, partial withdrawal, or loan value for a period of not more than six months.
Where separate accounts and funds available at issue under the contract are described in the application form, a copy of the application form to be used for the contract, if not concurrently submitted for approval, shall be submitted informationally at the time of submission of the individual deferred variable annuity contract.

If the contract is for use with more than one plan, the submission shall include a separate set of uniquely numbered specifications pages for each plan being submitted for approval, along with a separate actuarial memorandum for each plan. The company may not use the same contract form to provide alternate plans by making any features and benefits described in the contract inapplicable by a zero entry or by indicating that the benefit is not applicable on the specifications page or in the contract. For example, the use of one contract with and without surrender charges is unacceptable.

Include an description of any innovative or unique features of each contract form.

If the product contains separate accounts, a statement from the company that "The separate accounts underlying the filing comply with or have been authorized by the State of domicile, including Commissioner approval if required."

B. ACTUARIAL MEMORANDUM REQUIREMENTS

For each plan, an actuarial memorandum shall be prepared, dated and signed by the member of the American Academy of Actuaries who provides the following information concerning the calculation of the nonforfeiture values, including both cash surrender values and nonforfeiture values:

(a) A description of the contract and contract provisions that affect nonforfeiture values;
(b) All maximum benefit, surrender and expense charges (e.g. mortality and expense risk charge);
(c) The range of issue ages;
(d) A description of the basis used in the establishment of the initial nonforfeiture rate applicable to any general account values under the contract. “Basis” in this context means the specified period over which an average is computed that produces the value of the 5 Year Constant Maturity Treasury (CMT) Rate and also the period for which the initial nonforfeiture rate so determined will apply. (If there is no redetermination of the nonforfeiture rate under the contract, the period the initial nonforfeiture rate will apply may be the entire duration of the contract). As defined in these standards, pursuant to the NAIC Annuity Nonforfeiture Model Regulation, model #806, “nonforfeiture rate” is the interest rate used in determining the minimum nonforfeiture amount. This will be determined at issue (initial nonforfeiture rate) and, if applicable, for each subsequent redetermination period (redetermination nonforfeiture rate).
(e) A description of the redetermination method, if any, under the contract, including the redetermination date, basis, and period of applicability for all future redetermination nonforfeiture rates applicable to any general account values under the contract.

(f) A nonforfeiture demonstration that the values of the contract comply with Section 7 of the NAIC Model Variable Annuity Regulation, model #250. The free partial withdrawal provision of the contract may be used in the demonstration of compliance, if applicable. Any general account nonforfeiture calculations shall be presented in the format prescribed in Appendix A of these standards. For the purpose of the nonforfeiture demonstration, notwithstanding the language of the contract, the maturity date shall be the later of the tenth contract anniversary or the contract anniversary following the annuitant’s 70th birthday, except as provided for by Items 3 and 7 of the Guidelines to Appendix A. Maturity value used to demonstrate compliance with the prospective test shall be the contract account value. No surrender charge is permitted on or past the maturity date;

(g) Sample calculations of any general account nonforfeiture values for representative issue ages including issue age 60 if within the issue age range. The calculations shall properly reflect partial withdrawal amounts made during the surrender charge period that are not subject to any surrender charge;

(h) Certification as to the compliance with Section 7 of the NAIC Model Variable Annuity Regulation, model #250, as modified by Section 1B of these standards; and

(i) Certification that the procedures used in the determination and, if applicable, redetermination of the contract nonforfeiture rate or rates applicable to any general account values under the contract are in compliance with the NAIC Annuity Nonforfeiture Model Regulation, model # 806.

**BC. VARIABILITY OF INFORMATION**

(1) The company may identify items that will be considered variable only in the specifications page. The items shall be bracketed or otherwise marked to denote variability. The submission shall include a Statement of Variability that will discuss the conditions under which each variable item may change.

(2) Any change or modification shall be limited to only new issues of the contract and shall not apply to in force contracts.

(3) The following items shall only be changed upon prior approval:

(a) Guaranteed minimum interest rates unless:

(i) The guaranteed minimum interest rate is equal to or greater than the nonforfeiture rate;
(ii) The lower end of the range of the guaranteed minimum interest rate is not less than 3%; or

(iii) The lower end of the range of the guaranteed minimum interest rate is less than 3% and the minimum nonforfeiture value parameters are disclosed in the contract as required in Item (5) under NONFORFEITURE VALUES;

(b) Nonforfeiture rate redetermination method;

(c) Guaranteed maximum expense charges;

(d) Guaranteed maximum surrender charges;

(e) Guaranteed maximum partial withdrawal charges;

(f) Guaranteed annuity purchase rates;

(g) Separate account valuation periods;

(h) Death benefit available under the contract; and

(i) Minimum premium amounts for any contract with a flat contract fee.

(4) In addition to the items listed in Paragraph (3) above, a change or modification to any other item not specifically listed that may affect the derivation and compliance of contract values with any required minimum nonforfeiture values shall also be subject to prior approval. All submissions for approval of a change shall be accompanied by a demonstration, if applicable, signed by a member of the American Academy of Actuaries, that the contract continues to comply with Section 7 of the NAIC Model Variable Annuity Regulation, model #250, as modified by Section 1B of these standards.

(5) The company may also identify product specifications that may be changed without prior notice or approval, as long as the Statement of Variability presents reasonable and realistic ranges for the item. These items include interest rate guarantee periods, any redetermined nonforfeiture rate, persistency of anniversary interest rates or credits, tiering levels, expense charges, minimum premium amount for any contract that does not provide for a flat contract fee, maximum premium amount, minimum partial withdrawal amounts, minimum loan amounts, amounts available for any penalty free partial withdrawals, charges for supplemental benefits and options, any ages assumed in the calculations of benefits and options, and the number of funds available for allocation. A zero entry in a range of values on the specifications page for tiering levels, expense charges, or other fees applicable under the contract is acceptable. A zero entry in a range of values on the specifications page for any benefit or credit provided for in the language of the contract is unacceptable. Any change to a range requires a refiling for prior approval and shall be accompanied by a demonstration, if applicable, signed by a member of the American Academy of Actuaries, that the contract continues to comply with Section 7 of the NAIC Model Variable Annuity Regulation, model #250, as modified by Section 1B of these standards.
Core Standards for Individual Deferred Variable Annuity Contracts

(6) Items such as Separate Account and funds available under the contract may be identified as a variable item and may be changed without notice or prior approval, as long as the new account or funds do not significantly alter the underlying structure of the contract. The Statement of Variability shall include a statement to that effect. An example of an unacceptable change would be the introduction of a Separate Account or fund with investment performance guarantees.

(7) Notwithstanding Paragraph (1) above, items such as the insurance department address and telephone number, company address and telephone number, officer titles, and signatures of officers located in other areas of the contract may be denoted as variable and changed without notice or prior approval.

(8) If the contract is for use with more than one plan, the variable item(s) for each plan shall be identified on the specifications page. The company may not use the same contract form to provide alternate plans by making any features and benefits described in the contract as inapplicable by zero entry or by indicating that the benefit is not applicable on the specifications page or in the contract. For example, the use of one contract with and without surrender charges is unacceptable. Examples of acceptable plans would include various surrender charge periods or initial guarantee periods (such as 3 year, 5-year, 7-year).

CD. READABILITY REQUIREMENTS

(1) The contract shall be presented, except for specifications pages, schedules and tables, in not less than ten point type, one point leaded.

(2) The style, arrangement and overall appearance of the contract shall give no undue prominence to any portion of the text of the contract or to any endorsements or riders.

(3) The contract shall contain a table of contents or an index of the principal sections of the contract, if the contract has more than 3,000 words printed on three or fewer pages of text or if the contract has more than three pages regardless of the number of words.

§ 2 GENERAL FORM REQUIREMENTS

A. COVER PAGE

(1) The full corporate name, including city and state, of the company shall appear in prominent print on the cover page of the contract. Examples of prominent print include print that is in all capital letters, contrasting color, underlined or otherwise differentiated from the other type in the form.

(2) A marketing name or logo may be also used on the contract provided that the marketing name or logo does not mislead as to the identity of the company.

(3) The company’s complete mailing address for the home office or the office that will administer the contract shall appear on the cover page of the contract. The cover page of the contract shall include a telephone number of the company and, if available, some method of Internet communication. The telephone number of the insurance department where the contract is delivered or issued for delivery is also required on either the cover page or the first specifications page.
(4) Two signatures of company officers shall appear on the cover page of the contract.

(5) The contract shall contain a right to examine provision that shall appear on the cover page of the contract or be visible without opening the contract.

(6) A form identification number shall appear at the bottom of the form in the lower left hand corner of the form. The form number shall be adequate to distinguish the form from all others used by the company. The form number shall include a prefix of ICCxx (where xx represents the year the form was submitted for filing).

(7) The contract shall contain a brief description that shall appear in prominent print on the cover page of the contract or is visible without opening the contract. The brief description shall contain at least the following information:

(a) A caption of the type of annuity coverage provided; for example, flexible premium deferred variable annuity contract, fixed premium deferred variable annuity contract, single premium deferred variable annuity contract, modified single premium deferred variable annuity contract, or limited payment period flexible premium deferred variable annuity contract.

(b) An indication as to whether the contract is participating or nonparticipating.

(c) An indication that the contract contains a benefit waiving surrender charges, if applicable.

(8) The contract shall contain a statement, to the effect that contract values and benefits based on separate account assets are not guaranteed and will decrease or increase with investment experience, and the statement shall appear in prominent print on the cover page of the contract.

B. SPECIFICATIONS PAGE

(1) The specifications page shall include the amount of the single or initial premium to be paid; the date, schedule and mode of premiums (if applicable); and any limitations on premium amounts and/or time frames applicable to the payment of premiums.

(2) The specifications page shall disclose all charges used in determination of the account value, cash value, cash surrender value, annuity value and death benefit.

(3) The specifications page shall include any guaranteed minimum interest rates and their duration. In the situation where the guaranteed minimum interest rate applicable to any general account values under the contract is tied to the nonforfeiture rate and the nonforfeiture rate is subject to redetermination, the guaranteed minimum interest rate shown on the specifications page shall be the initial guaranteed minimum interest rate.

(4) If the nonforfeiture rate applicable to any general account value under the contract is to be redetermined, the specifications page shall disclose the initial nonforfeiture rate and the period of redetermination. If the guaranteed minimum interest rate is tied to the nonforfeiture rate, a
statement in prominent print shall be included to the effect that the guaranteed minimum interest
rate under the contract may change after the indicated period of redetermination.

(5) The specifications page shall include the date annuity payments are scheduled to begin under the
contract i.e. the maturity date.

(6) If the contract does not provide any cash surrender value benefits or death benefits prior to
annuitization, a statement to that effect shall be included in prominent print on the cover page or
the first specifications page.

(7) If in any year the death benefit is less than the account value, a statement to that effect shall be
included in prominent print on the cover page or the first specifications page.

(8) If the contract utilizes the minimum nonforfeiture values under the Standard Nonforfeiture Law
for Individual Deferred Annuities, model #805, in the determination of the minimum contract
values applicable under the contract, the minimum nonforfeiture value parameters (expense loads
and initial nonforfeiture rate) shall be disclosed on the specifications page.

C. FAIRNESS

(1) The contract shall not contain inconsistent, ambiguous, unfair, inequitable or misleading clauses,
not contain provisions that are against public policy as determined by the Interstate Insurance
Product Regulation Commission, not contain exceptions and conditions that unreasonably affect
the risk purported to be assumed in the general coverage of the contract.

§ 3 CONTRACT PROVISIONS

A. AMENDMENTS

(1) The contract shall not provide for unilateral amendments that reduce or eliminate benefits or
coverage, or impair or invalidate any right granted to the owner under the contract, except as
stated in Paragraph (2) below and for amendments to conform to changes in any applicable
provisions or requirements of the Internal Revenue Code.

(2) The contract may permit the company to make unilateral changes in the contract for guaranteed
annuity purchase rates for any new premiums received and account transfers made after issue
and any interest credited to and investment earnings on those amounts. For contracts that reserve
the right to make such unilateral changes, the contract and any tables of guaranteed annuity
purchase rates shall clearly indicate that any new premiums received and account transfers made
may be subject to different guarantees and shall provide for advance notification of the change.
The contract also shall provide that the change shall apply only to any new premiums received
and account transfers made, and any interest credited to and investment earnings on those
amounts, and that any more favorable prior guarantees then applicable associated with amounts
transferred to a general account for the purpose of immediate annuitization will not be affected
by the change. The change shall be made by the use of an endorsement subject to the applicable
prior approval requirement.
Drafting Note: These standards are modified, as required or permitted by law, to enable fraternals to implement their respective articles and bylaws. See Appendix B.

B. ARBITRATION

(1) Only arbitration provisions that permit voluntary post-dispute binding arbitration shall be allowed in contract forms. With respect to such a provision, the following guidelines apply:

(a) Arbitration shall be conducted in accordance with the rules of the American Arbitration Association ("AAA"), before a panel of 3 neutral arbitrators who are knowledgeable in the field of life insurance and appointed from a panel list provided by the AAA.

(b) Arbitration shall be held in the city or county where the contract owner or beneficiary lives.

(c) The cost of arbitration shall be paid by the company, to include any deposits or administrative fee required to commence a dispute in arbitration, as well as any other fee including the arbitrator’s fee.

(d) Where there is any inconsistency between these guidelines and AAA rules, these guidelines control.

Drafting Note: These standards are modified, as required or permitted by law, to enable fraternals to implement their respective articles and bylaws. See Appendix B.

C. ASSIGNMENT

(1) The contract shall contain an assignment provision. The contract shall not include any restrictions on the availability of contract assignments, except in situations where restrictions are required for purposes of satisfying applicable laws or regulations.

(2) The contract shall describe procedures for assignments and shall state that assignments, unless otherwise specified by the owner, shall take effect on the date the notice of assignment is signed, subject to any payments made or actions taken by the company prior to receipt of this notice.

(3) The contract may state that the company shall not be liable for the validity of the assignment.

Drafting Note: Restrictions on assignment in contracts such as right of first refusal or first offer provisions are prohibited by Item (1).

D. BENEFICIARY

(1) The contract shall contain a beneficiary provision. The provision shall describe the procedures for designating or changing the beneficiaries, or for selecting default beneficiaries as may be necessary, and indicating when such designation is effective. The contract shall not include any restriction on change of beneficiary other than for purposes of satisfying applicable laws or regulations.
The contract shall state that changes in beneficiary, unless otherwise specified by the owner, shall take effect on the date the notice of change is signed by the owner, subject to any payments made or actions taken by the company prior to receipt of this notice.

If irrevocable beneficiaries are referenced in the contract, the contract shall explain that such a beneficiary cannot be changed without the consent of the irrevocable beneficiary.

E. CASH VALUE TABLE

(1) If the contract contains a general account cash value table based on the net premiums (gross premiums minus a contract expense charge), both the gross and the net premiums shall be disclosed on the page showing the cash value table and the table should be labeled as applying to general accounts only. Cash value tables are not required to be included, however, if included in the contract, only guaranteed cash values shall be shown.

F. CONFORMITY WITH INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION STANDARDS

(1) The contract shall state that it was approved under the authority of the Interstate Insurance Product Regulation Commission and issued under the Commission standards. The contract shall also state that any provision of the contract that on the provision’s effective date is in conflict with the applicable Interstate Insurance Product Regulation Commission standards for this product type is hereby amended to conform to the Interstate Insurance Product Regulation Commission standards in effect as of the provision’s effective date of Commission contract approval for this product type as of the provision’s effective date.

G. CONTRACT GUARANTEES

(1) If a contract contains a general account, values of any interest rate used in the determination of the account value, cash value, cash surrender value, annuity value and death benefit, and stated in the contract shall be guaranteed. Values of nonguaranteed interest rates shall not be included in the contract.

(2) For a contract that contains a general account and a separate account, values of any expense charges, surrender charges and partial withdrawal charges used in determination of the account value, cash value, cash surrender value, annuity value and death benefit, and stated in the contract shall be guaranteed. Values of nonguaranteed expense charges, surrender charges, and partial withdrawal charges shall not be included in the contract.

(3) The contract shall indicate which items are guaranteed and which may be changed at the discretion of the company. The right to change any of these items is subject to any guarantees with respect to the item and any change shall be based on future anticipated experience.
H. CONTRACT VALUES

(1) The contract shall define and describe the method of calculating all values and benefits provided under the contract including, but not limited to, values payable upon death, surrender of the contract for cash, partial withdrawal, and election of an income option. The contract shall also include a complete description of all fees, charges and credits used to determine these values.

(2) The contract shall stipulate the investment increment factors to be used in computing the dollar amount of variable benefits or other variable contractual payments or values, and shall guarantee that expense and mortality results shall not adversely affect the dollar amounts. Guaranteeing a range of values for expense and/or mortality factors shall satisfy this requirement. If a company reserves the right to change the expense and/or mortality factors after annuity payments have begun, the initial variable annuity payment shall be calculated using both the current expense and/or mortality factors and the guaranteed maximum expense and/or mortality factors. “Expense” as used in this paragraph may exclude some or all taxes, as stipulated in the contract.

(3) In computing the dollar amount of variable benefits or other contractual payments or values under the contract, the annual net investment increment assumption shall not exceed 5% except with the approval of the Interstate Insurance Product Regulation Commission.

(4) In computing the dollar amount of variable benefits or other contractual payments or values under the contract, to the extent that the level of benefits may be affected by future mortality results after annuity payments have begun, the minimum standard for the mortality factor shall be determined from the Annuity 2000 Mortality Table, or any modification of that table not having a lower life expectancy at any age, or any annuity mortality table approved for use for this purpose by the National Association of Insurance Commissioners.

I. DEFERRAL AND VALUATION OF PAYMENTS

(1) The contract shall describe any conditions and/or limitations on the deferral of any amounts payable upon surrender, partial withdrawal, election of a loan, transfer of funds, or death.

(2) For values in a general account, the company may reserve the right to defer payment of surrenders, partial withdrawals and loans for a period of six months. If a company elects to exercise deferment, the company shall make a written request and receive written approval of the chief insurance regulator of the state of domicile of the company. There shall be no deferral of payment of any portion of the death benefit derived from the general account.

(3) For variable benefits or contractual payments, the contract may provide that the company reserves the right, at its option, to defer the determination and payment of all benefits for any period during which the New York Stock Exchange is closed for trading (except for normal holiday closing) or when the Securities and Exchange Commission has determined that a state of emergency exists that may make determination and payment impractical.

(4) The contract may also include a provision to defer a transfer from the general account for a period of up to six months. The contract shall state that the company will disclose to the owner...
the specific date on which the transfer will be effective, the reason for the delay, and the value of the transfer as of the date the request is received by the company.

J. ENTIRE CONTRACT

(1) The contract shall contain a provision regarding what constitutes the entire contract between the company and the owner. No document may be included by reference.

(2) If the application is to be a part of the contract, the entire contract provision shall state that the application is a part of the contract. All statements made by the applicant for the issuance of the contract shall, in the absence of fraud, be deemed representations and not warranties.

(3) The “entire contract” provision shall not include any reference to the prospectus.

Drafting Note: These standards are modified, as required or permitted by law, to enable fraternals to implement their respective articles and bylaws. See Appendix B.

K. GRACE PERIOD

(1) Fixed premium contracts shall contain a provision providing a grace period of at least 31 days.

(2) For fixed premium contracts, the grace period provision shall describe what happens upon the failure to make premium payments during the grace period.

L. INCONTESTABILITY

(1) The contract shall contain an incontestability provision and include the conditions of the provision.

(2) Coverage may be contested on a statement contained in an application made a part of the contract except on the basis of age and sex. If the company expects to rely on an application to contest the contract, the company shall attach the application as a part of the contract. The statement on which the contest is based shall be material to the risk accepted or the hazard assumed by the company.

(3) The contestable period shall be no greater than two years from the date of issue of the contract during the lifetime of the person, or each of the persons, as to whom the application statements are required.

(4) The contract may allow a separate contestable period no greater than two years after the date of any change requiring underwriting. The contest shall be limited to the change and the statements provided for the change.

(5) The contract may only include the following exceptions to the incontestability provision:

(a) At the option of the company, provisions related to benefits in the event of total and permanent disability; and
(b) Fraud in the procurement of the contract, when permitted by applicable law in the state where the contract is delivered or issued for delivery.

M. LEGAL ACTION

(1) A contract may include a legal action provision. If included, the provision shall state that a legal cause of action related to the contract shall comply with the laws of the state where the contract was delivered or issued for delivery.

N. LOANS

(1) A contract that develops cash value may provide for a loan provision.

(2) The contract shall contain the conditions of a loan, if loans are available, including the following:

(a) The contract shall contain a statement that the contract shall be the sole security for the loan.

(b) The maximum loan amount shall never be greater than the cash surrender value of the contract, including the cash surrender value of any paid up additions. The contract shall indicate any maximum loan amount required under federal law, either as a dollar amount, a percentage of the cash surrender value, or a combination of both.

(c) The contract shall describe the loan interest rate. The loan interest rate plus any added administrative fees shall be at a maximum fixed rate of 8% in arrears or a variable rate determined in accordance with the NAIC Model Policy Loan Interest Rate Bill, model #590. The company may not charge any additional fees or expenses for the loan.

(d) The contract may provide that if interest on any indebtedness is not paid when due it shall be added to the existing indebtedness and shall bear interest at a rate no greater than the loan rate.

(e) The contract may provide that existing indebtedness, including any due and accrued interest, may be deducted from the loan value or the proceeds of the loan. The contract may also provide that interest will be collected in advance to the end of the current contract year.

(f) The contract shall permit repayment of the loan and describe any conditions related thereto.

(g) The contract shall describe the effect of outstanding loans on the death benefit, cash surrender value and annuity value.

(h) The contract may provide that if and when the total indebtedness including interest due and accrued equals or exceeds the cash value then the contract shall terminate, but not
until at least 30 days’ advance notice of termination shall have been mailed to the owner and any assignee of record.

(i) The contract shall indicate the maximum number of loans allowed at any time, if any.

(j) A description of how the interest rate credited to the portion of the account value equal to the indebtedness is determined shall be included.

N. MATURITY DATE

(1) The contract may provide the owner with the right to change the maturity date. If the contract includes such a right and is intended to be tax qualified, the provision shall contain sufficient latitude to allow the contract to continue to be tax qualified.

(2) The latest maturity date, if any, shall be defined in the contract.

Drafting Note: For the purpose of the nonforfeiture demonstration, notwithstanding the language of the contract, the maturity date shall be the later of the tenth contract anniversary or the contract anniversary following the annuitant’s 70th birthday, except as provided for by Items 3 and 7 of the Guidelines to Appendix A.

O. MINIMUM PREMIUM/MAXIMUM PREMIUM

(1) The contract shall state the dollar amount of any minimum or maximum contract premium requirements.

P. MISSTATEMENT OF AGE OR SEX

(1) The contract shall contain a misstatement of age provision or, if the contract is written on a sex distinct basis a misstatement of age or sex provision, providing that the amount payable shall be such as the premium payments to the company would have purchased at the correct age or the correct age and sex.

(2) Any overpayments/underpayments by the company on account of misstatement of age or sex shall, with interest at a rate specified in the contract but not exceeding 6%, be charged/credited against the current or next succeeding payments to be made by the company.

(3) If there is more than one annuitant, the misstatement provision may provide that the amount payable may be adjusted due to the misstatement in the age or the age or sex, as appropriate, of any annuitant.

Q. NONFORFEITURE VALUES

(1) If the contract contains a general account, the contract shall contain provisions applicable to the general account at least as favorable to the owner as the following:
A provision that upon cessation of payment of premiums under the contract, the company will grant a paid-up annuity benefit as specified in the contract. For single premium or modified single premium contracts, the company will grant a paid-up annuity benefit as specified in the contract.

If the contract provides for a lump sum settlement at maturity or at any other time, a provision that upon surrender of the contract at or prior to the commencement of any annuity payments, the company will pay in lieu of a paid-up annuity benefit a cash surrender value benefit.

A statement of the mortality table, if any, and interest rates used in calculating any minimum paid-up annuity, cash surrender value or death benefits that are guaranteed under the contract, together with sufficient information to determine the amounts of such benefits. The sufficient information includes all expense, partial withdrawal and surrender charges.

A statement that any paid-up annuity, cash surrender value or death benefits that may be available under the contract are not less than the minimum benefits required by Section 7B of the Model Variable Annuity Regulation, model #250.

An explanation of the manner in which the paid-up annuity, cash surrender value or death benefits are altered by the existence of any additional amounts credited by the company to the contract, any indebtedness to the company on the contract or any prior partial withdrawals from the contract.

With respect to separate accounts, the contract shall contain in substance the following provisions, or provisions at least as favorable to the owner upon cessation of payment of premiums under the contract:

Drafting Note: (a), (b) and (c) were taken from Section 7C(1), (2), and (3) of the Model Variable Annuity Regulation, model #250.

That the company will grant a paid-up annuity benefit on a plan described in the contract that complies with Section 7G of the Model Variable Annuity Regulation, model #250. The description shall include a statement of the mortality table, if any, and guaranteed or assumed interest rates used in calculating annuity payments.

If the contract provides for a lump sum settlement at maturity or at any other time, that upon surrender of the contract at or prior to the commencement of annuity payments, the company will pay in lieu of a paid-up annuity benefit a cash surrender benefit described in the contract that complies with Section 7 of the Model Variable Annuity Regulation, model #250.

A statement that a paid-up annuity, cash surrender value or death benefits that may be available under the contract are not less than the minimum benefits required by Section 7 of the NAIC Model Variable Annuity Regulation, model #250 and an explanation of the manner in which benefits are altered by the existence of any additional amounts credited.
by the company to the contract, any indebtedness to the company on the contract or any prior partial withdrawals from the contract.

3. A contract may provide the following:

(a) If no premiums have been received under a contract for a period of two full years and the portion of the paid-up annuity benefit at maturity on the plan stipulated in the contract arising from premiums paid prior to such period would be less than $20 monthly, the company may, at its option, terminate the contract by payment in cash of the present value of such portion of the paid-up annuity benefit, calculated on the basis of the mortality table, if any, and interest rate specified in the contract for determining the paid-up annuity benefit, and by that payment shall be relieved of any further obligation under such contract.

(b) For single and modified single premium contracts, if the paid-up annuity benefit at maturity on the plan stipulated in the contract arising from premiums paid prior to such period would be less than $20 monthly, the company may, at its option, terminate the contract by payment in cash of the present value of such portion of the paid-up annuity benefit, calculated on the basis of the mortality table, if any, and interest rate specified in the contract for determining the paid-up annuity benefit, and by that payment shall be relieved of any further obligation under such contract.

4. If the contract provides for the redetermination of the nonforfeiture rate applicable to any general account under the contract, the contract shall include a description of the redetermination method to be used, including the redetermination date, basis, and period of applicability for all future redetermination nonforfeiture rates.

5. If the contract utilizes the minimum nonforfeiture values under Section 7B of the NAIC Model Variable Annuity Regulation, model #250, in the determination of the minimum contract values applicable to any general account under the contract, the minimum nonforfeiture value parameters (expense loads and initial nonforfeiture rate) shall be disclosed on the specifications page.

R. OWNERSHIP

1. The contract shall contain an ownership provision. The provision shall describe the procedures for designating or changing the owner and indicating when the designation is effective. The contract shall not include any restriction on change of owner other than for purposes of satisfying applicable laws or regulations.

2. The contract shall state that changes in owner designation, unless otherwise specified by the owner, shall take effect on the date the notice of change is signed by the owner, subject to any payments made or actions taken by the company prior to receipt of this notice.

3. The contract shall state what happens on the death of the owner.
Drafting Note: Restrictions on change of owner in contracts such as right of first refusal or first offer provisions are prohibited by Item (1).

S. PARTIAL WITHDRAWAL
(1) A contract that develops cash values may provide for a partial withdrawal provision.
(2) A contract shall contain the conditions applicable to a partial withdrawal.

T. PARTICIPATING CONTRACT
A contract may be non-participating; however, if the contract is participating in the divisible surplus of the company, then the following shall apply:
(1) The conditions of the participation shall be stated in the contract.
(2) The contract shall provide that the company shall annually ascertain and apportion any divisible surplus.
(3) The contract shall provide that the owner may receive any dividend paid in cash, unless the contract is intended to qualify under the Internal Revenue Code.
(4) The contract shall describe the available dividend options. If the contract provides for more than one dividend option, the contract shall identify the automatic option.

U. REINSTATEMENT
(1) Fixed Premium contracts shall contain a reinstatement of the contract provision with respect to contracts for which the grace period has expired for nonpayment of premiums if the contract has not been surrendered and include the conditions of the reinstatement. The provision shall state that any other benefits provided by rider, amendment or endorsement terminating due to the lapse of the contract are covered under this provision.
(2) The period of reinstatement may not be less than three years from the date of lapse.
(3) Payment of overdue premiums may be required. Interest may be charged on overdue premiums at a rate not exceeding 6%.

V. REPORT
(1) The contract shall provide for the delivery, at least annually and without charge, of a report to the owner that serves to keep the owner advised as to the status of the contract and that provides any other information required under state or federal law, including the requirements of Items (2), (3) and (4) below.
(2) The status report of the contract shall provide current information as of a date not more than four months prior to the date of mailing.
(3) The contract shall provide for additional status reports to be made available to the owner upon request. The contract shall disclose the maximum charge for the report.

(4) The contract shall state that the report shall contain at least the following information:

(a) The beginning and end dates of the current report period;

(b) The account value, if any, at the beginning of the current report period and at the end of the current report period;

(c) The amounts that have been credited or debited to the account value during the current report period. The credited and debited amounts must be identified by type; for example, premium payments, interest credits, persistency credits, expense charges, partial withdrawal amounts, withdrawal charges and cost of rider(s);

(d) The cash surrender value, if any, at the end of the current report period; and

(e) The amount of outstanding loans, if any, at the end of the current report period.

W. RIGHT TO EXAMINE CONTRACT

(1) The Right to Examine Contract provision appearing on the cover page or that is visible without opening the contract shall include the following:

(a) (i) If the contract is not a replacement contract, a period of ten days beginning on the date the contract is received by the owner, and at the discretion of the company a longer period may be filed; or

(ii) If the contract is a replacement contract, a minimum of thirty days beginning on the date the contract is received by the owner, or any longer period as may be required by applicable law in the state where the contract is delivered or issued for delivery;

(b) A requirement for the return of the contract to the company or the agent of the company;

(c) For the refund of any premiums paid to the general account if the contract is returned;

(d) For premiums paid to any separate account, if the contract is returned, either a refund of:

(i) The premiums paid; or

(ii) The separate account value plus any amount deducted from the portion of the premium applied to the account.
X. SEPARATE ACCOUNTS

(1) The contract shall explain the allocation to separate account funds and any restrictions (e.g. limitations on transfers between/among separate account funds and between the separate account and the general account).

(2) The contract may contain a provision stating that the portion of assets of a separate account equal to the reserves and other contract liabilities with respect to the account shall not be charged with liabilities arising out of any other business the company may conduct. If the company’s domiciliary state requires separate accounts to be insulated, the contract shall include this provision.

(3) The contract shall provide that income, gains, and losses, whether or not realized, from assets allocated to a separate account shall be credited to or charged against such account without regard to other income, gains or losses of the company.

(4) The contract shall identify or describe the separate accounts and funds available under the contract, either within the contract itself or on the specifications page.

(5) The contract shall specify the dates on which the assets of a separate account will be valued and provide that assets allocated to a separate account shall be valued at their market value on those dates. If there is no readily available market for assets in the separate account, then the contract shall specify how the assets would be valued.

Y. SETTLEMENT

(1) The contract shall specify a default settlement option at maturity. The default option shall be a life annuity with a period certain of at least five years unless otherwise provided under the Internal Revenue Code.

(2) Whenever a death benefit is available under the contract, the contract shall contain a provision that settlement of the death benefit proceeds shall be made to the beneficiary upon receipt of due proof of death.

Z. SETTLEMENT OPTIONS

(1) The contract shall contain a description of each type(s) and form(s) of settlement option provided in the contract. The guaranteed interest rate and mortality table, if applicable, being utilized for a designated settlement option shall be identified in the contract. In lieu of the interest rate and mortality table disclosure, complete tables of guaranteed settlement option amounts may be included in the contract. If the company retains the right to change the guaranteed annuity purchase rates for any new premiums and account transfers made or varies guaranteed purchase rates between the general account (if available) and any separate accounts or funds available under the contract, this requirement shall apply to each set of guaranteed purchase rates used by the company under the contract. The effective date that applies to each set of purchase rates also shall be indicated.
(2) For variable annuity payment options, the contract shall contain a description of how annuity payments are determined.

(3) If the contract provides for variable annuity payment options, provide a statement on the smallest annual rate of investment return that would have to be earned on the assets of a separate account so that the dollar amount of variable annuity payments will not decrease; or a statement on the conditions under which the dollar amount of variable annuity payments will not decrease.

(4) The contract shall contain a provision stating that the annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the cash surrender value to purchase a single premium immediate annuity contract at purchase rates offered by the company at the time to the same class of annuitants if the company offers a single consideration annuity contract at the time to the same class of annuitants.

§ 4 ADDITIONAL STANDARDS FOR FRATERNAL BENEFIT SOCIETIES

The contract may include the following provisions:

A. MEMBERSHIP

(1) The certificate may include a provision stating that the annuitant and/or owner is a member and that the form that has been issued to evidence coverage is a certificate of membership and insurance.

B. MAINTENANCE OF SOLVENCY

(1) The certificate may include a provision setting forth the legal rights and obligations in the case of a fraternal’s financial impairment.
GUIDANCE FOR COMPLETING APPENDICES A-1 AND A-2 FOR ANNUITY
NONFORFEITURE MINIMUM VALUE COMPLIANCE

For Use With
GENERAL ACCOUNTS OF INDIVIDUAL DEFERRED
VARIABLE ANNUITY CONTRACTS

(No Bonus Features, No Modified Guaranteed/Market Value Adjustments, No Guaranteed Death Benefits, No Guaranteed Living Benefits, No Two-Tier Annuities, No Enhanced Withdrawal Benefits or other minimum guarantees for separate account funds.)

1. Compliance with minimum nonforfeiture requirements shall be demonstrated by comparing the guaranteed cash values based on the contract guaranteed interest rates and maximum expense loads to the greater of:
   i. For the retrospective test, minimum nonforfeiture values based on a perpetual nonforfeiture rate of 3% per annum.
   ii. For the prospective test, minimum nonforfeiture values using the contract guarantees assuming the minimum nonforfeiture interest rate is 3%.

   If the contract utilizes the minimum nonforfeiture values in the determination of the minimum contract values applicable under the contract, the minimum nonforfeiture value parameters (expense loads and initial nonforfeiture rate) shall be disclosed on the specifications page.

Drafting Note: It is recognized that the actual minimum nonforfeiture interest rate could be between 1% and 3%. The 3% minimum nonforfeiture interest rate was chosen for the compliance demonstration because 3% would be the most stringent compliance scenario. If the contract guaranteed interest rate is linked to the minimum nonforfeiture interest rate, minimum nonforfeiture values will be at their highest levels when the minimum nonforfeiture interest rate is 3%. If the contract guaranteed interest rate is not linked to the minimum nonforfeiture interest rate, the effect of the minimum nonforfeiture interest rate on minimum nonforfeiture values would be most significant at 3%.

2. If the contract has non-level interest rate guarantees over the period of time for which interest rates are guaranteed, then, for purposes of the prospective test, the maturity value shall be discounted at an interest rate not to exceed one percent (1%) higher than the level imputed interest rate that produces a maturity value equal to that produced by the interest rates specified in the contract. The level imputed interest rate shall be derived such that gross considerations, net of any expense loads specified in the contract, accumulated at such level imputed interest rate equals gross consideration, net of any expense loads specified in the contract accumulated at the rate or rates specified in the contract.

Drafting Note: This requirement is intended to produce comparable prospective test results for comparable maturity values and is considered appropriate in the context of all requirements in this standard, in particular the maturity date restrictions for purposes of the nonforfeiture demonstration.

3. For contracts where surrender charge scales are measured from the date of each premium payment (i.e. rolling surrender charges), minimum value compliance may be demonstrated assuming each premium payment is treated as a separate single premium contract. For purposes
of determining the maturity date for each single premium, that date shall be the later of the tenth anniversary of the payment or the annuitant’s 70th birthday. If minimum value compliance is to be demonstrated in this fashion, the retrospective test minimum values shall be the greater of those based on the contract being treated either as a single contract providing for flexible premiums or as a single contract with each premium being considered a single premium contract.

4. For surrender charges measured from premium payment dates, the surrender charge percentages shown in Appendixes A-1 and A-2 for a contract year correspond to years measured from the date of each premium payment, not from the contract issue date.

5. The company must submit retrospective and prospective data, in the format prescribed in Appendixes A-1 and A-2, for whatever issue ages and premium payment patterns affect minimum value compliance.

6. Free partial withdrawal “window” periods shall be ignored for purposes of determining retrospective test compliance.

7. For purposes of demonstrating compliance with the prospective test and the maturity date used for that test, the “10th contract anniversary” or “the contract anniversary following the annuitant’s 70th birthday” should be considered as the first day of the year following the contract anniversary (not including any premium payments for that year) and the discounting process should be determined on a curtate (full integral year) basis.

8. CD annuity products, defined as those with surrender charges that periodically renew and credited interest rate guarantee periods that periodically renew, are compliant with the individual deferred annuity SNL tests provided:
   
i. The contract provides for a time period of at least 30 days at each renewal, during which the contract may be surrendered without surrender charges or other penalties.
   
ii. For prospective test compliance, testing should be performed only once at issue and the surrender charge should be set equal to zero (0) at every duration beyond the expiration of the initial interest guarantee period.
   
iii. In demonstrating prospective test compliance, for any period after the expiration of the first interest guarantee period, the guaranteed credited rate assumed should be the minimum rate guaranteed in the contract.
   
iv. For a given interest guarantee period, the surrender charge percentage applicable at any renewal duration of that guarantee period should not exceed that for the comparable initial guarantee period duration.
**APPENDIX A-1**

General Account of Deferred Variable Annuity  
Demonstration of Nonforfeiture Law Compliance – Retrospective Test

### Contract Form Specifications

<table>
<thead>
<tr>
<th>Issue Age:</th>
<th>60</th>
<th>Minimum Nonforfeiture Interest Rate:</th>
<th>3.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Minimum Contract Guaranteed Interest Rate(s):</td>
<td>4.00%</td>
</tr>
<tr>
<td>Surrender Charge Type:</td>
<td>% Contract Value</td>
<td>Measure Surrender Charges From:</td>
<td>Issue Date</td>
</tr>
<tr>
<td></td>
<td>% Premium</td>
<td>None</td>
<td>Premium Payment Date</td>
</tr>
<tr>
<td>Free Withdrawal Type:</td>
<td>Contract Value</td>
<td>Free Withdrawal %:</td>
<td>10.00%</td>
</tr>
<tr>
<td></td>
<td>Accumulated Interest Premiums Paid</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Contract Loads—–→</td>
<td>% Premium:</td>
<td>5.00%</td>
<td>Per Contract: $30.00</td>
</tr>
<tr>
<td>Contract Year</td>
<td>Premium *</td>
<td>Guaranteed Account Value EOY</td>
<td>Surrender Charge</td>
</tr>
<tr>
<td>1</td>
<td>•</td>
<td>•</td>
<td>•</td>
</tr>
</tbody>
</table>

* For a modified single premium contract, all first contract year's planned premium payments shall be included as part of the initial premium.
APPENDIX A-2
General Account of Deferred Variable Annuity
Demonstration of Nonforfeiture Law Compliance –Prospective Test

Contract Form Specifications

<table>
<thead>
<tr>
<th>Issue Age:</th>
<th>60</th>
<th>Minimum Nonforfeiture Interest Rate:</th>
<th>3.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Minimum Contract Guaranteed Interest Rate(s):</td>
<td>4.00%</td>
</tr>
<tr>
<td>Surrender Charge Type:</td>
<td>% Contract Value</td>
<td>Measure Surrender Charges From:</td>
<td>Issue Date</td>
</tr>
<tr>
<td></td>
<td>% Premium</td>
<td>Premium Payment Date</td>
<td></td>
</tr>
<tr>
<td>Free Withdrawal Type:</td>
<td>Contract Value Accumulated Interest Premiums Paid</td>
<td>Free Withdrawal %:</td>
<td>10.00%</td>
</tr>
<tr>
<td>Contract Loads——&gt;</td>
<td>% Premium:</td>
<td>5.00%</td>
<td>Per Contract:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Year</th>
<th>Premium **</th>
<th>Guaranteed Account Value BOY</th>
<th>Surrender Charge Percent</th>
<th>Surrender Charge</th>
<th>Guaranteed Cash Value BOY</th>
<th>Prems to Date</th>
<th>Excess (A) (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Each Maturity Value is defined as the Guaranteed Account Value on the later of (1) the 10th contract anniversary, or (2) the contract anniversary following the annuitant’s 70th birthday. Each Maturity Value is discounted to the beginning of the contract year (BOY) shown.

** For a modified single premium contract, all first contract year’s planned premium payments shall be included as part of the initial premium.
Fraternal Benefit Societies

Fraternal Benefit Societies ("fraternals") are subject to separate fraternal codes in all jurisdictions due to their unique structure, operations and legal obligations. The Drafting Notes included under the Scope, AMENDMENTS, ARBITRATION and ENTIRE CONTRACT standards, the section entitled ADDITIONAL STANDARDS FOR FRATERNAL BENEFIT SOCIETIES, and Appendix B are included in the standards to allow fraternals to experience the benefits of participating in the single point of filing and review process that the Interstate Insurance Product Regulation Commission offers, without jeopardizing their ability to meet their unique obligations and to operate as required or permitted by law.

By law, a fraternal is defined by five basic elements:

1. One without capital stock;
2. One conducted solely for the benefit of its members and their beneficiaries by providing life, health and annuity benefits and by operating one or more social, educational, charitable, patriotic, or religious purposes for the benefit of members and others;
3. One that is a benevolent and charitable institution and not for profit;
4. One operated on a lodge system that may carry out charitable and other activities; and
5. One that has a representative form of government with a governing body and direct election of its members.

The laws governing fraternals impact the standards in several ways. Fraternals are required by law to issue insurance contracts that incorporate the laws of the Society and the application for membership. Thus, the contract must consist not only of the contract or certificate issued, and the application for insurance, but also the application for membership and the articles and bylaws. Further, the laws governing fraternals require or permit that the articles and bylaws address the structure of lodges, membership requirements, form of governance, grievance procedures, and eligible beneficiaries. Any amendments to the articles or bylaws made after issuance of a certificate must be applied consistently to all members retroactively. However, no amendment shall eliminate or reduce contractual benefits.

By law, fraternals are membership organizations. Because of this, the law refers to the insurance forms issued to members of a fraternal as "certificates" or "certificates of membership and insurance". Further, due to the membership requirements, fraternal certificates often include a provision stating that the annuitant and/or owner is a member and that the form that has been issued to evidence coverage is a certificate of membership and insurance. In addition, fraternal certificates may include a Maintenance of Solvency provision setting forth the legal rights and obligations in the case of a fraternal’s financial impairment.

© IIPRC