IIPRC-L-08-MTC

AMENDMENTS TO ADDITIONAL STANDARDS FOR MORTALITY TABLE CHANGE

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.

The Additional Standards for Mortality Table Change specify submission requirements for the filing of replacement pages for individual life insurance forms whose sole purpose is to effectuate a change of a mortality table approved by the NAIC for nonforfeiture purposes. If there are any other changes to be made to the insurance form in addition to the change of mortality table, the entire form must be submitted for approval.

3. Rules Repealed, Amended or Suspended by the Rule: This rule amends the Additional Standards for Mortality Table Change adopted by the IIPRC on March 28, 2008.

4. Statutory Authority: Among the IIPRC’s primary purposes and powers 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:
ADDITIONAL STANDARDS FOR MORTALITY TABLE CHANGE STANDARDS

Scope: These standards apply to the filing of replacement pages for individual life insurance forms whose sole purpose is to effectuate a change of a mortality table approved by the NAIC for nonforfeiture purposes. If there are any other changes in addition to the mortality table, the entire form must be submitted for approval.

For purposes of these standards, “Form” means previously approved policies, riders, endorsements or amendments with which the replacement pages will be used.

The references to “form” 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) A listing by filing jurisdiction of the replacement pages, the corresponding life insurance form numbers with which they will be used, the corresponding approval date for these forms and any filing identification number.

(2) A description of the change.

(3) An actuarial memorandum prepared, dated and signed by the member of the American Academy of Actuaries who provides the information concerning the determination of the nonforfeiture values for the life insurance forms as modified by the replacement pages. This actuarial memorandum should be consistent with the Interstate Insurance Product Regulation Commission product standards for the product or products for which the mortality table change applies and include an updated certification of compliance with minimum nonforfeiture requirements for new issues.

(4) A certification that the replacement pages will be used for new issues only and that no changes have been made to the form other than those required to comply with the mortality table changes or secondary changes necessitated by the mortality table change.

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