

Department of Consumer & Business Services  
**Oregon Division of Financial Regulation – 5**

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**STANDARDS FOR FLEXIBLE PREMIUM ADJUSTABLE LIFE**

This checklist includes relevant statutes, rules, bulletins, and other documented positions to enforce ORS 731.016. **The standards are summaries. Review of the entire statute or rule may be necessary.** After diligent consideration has been given to each item, mark either the “Yes” or the “N/A” box. Compliance with these provisions must be certified by both the filer and an officer of the company signing the Certificate of Compliance form. These signatures certify the forms being submitted meet the requirements of our checklist and statutes. “Not applicable” can be used only if the item does not apply to the coverage being filed. If the reviewer requests the checklist (product standard), any line left blank may result in the delay or disapproval of the filing (If submitting your filing electronically, please bookmark the provision(s) in the form(s) that satisfy the requirement and identify the page-paragraph on this form).

**Insurer name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**TOI (type of insurance):**  L09I Individual life - Flexible premium adjustable life

**Sub-TOI :**

Flexible premium adjustable life:

L09I.001 Single life

L09I.003 Joint first to die

L09I.002 Joint last survivor

External indexed:

L09I.101 Single life

L09I.102 Joint first to die

L09I.103 Joint last survivor

Review requirements	Reference	Description of review standards requirements	Check answer
<b>GENERAL REQUIREMENTS (FOR ALL FILINGS)</b>			
Submission package requirements	OAR 836-010-0011	<p>Required forms are located on SERFF or on our website: <a href="http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx">http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx</a>. These must be submitted with your filing for it to be accepted as complete:</p> <ol style="list-style-type: none"> <li>1. Third-party filer's letter of authorization.</li> <li>2. Certificate of Compliance form signed by authorized person.</li> <li>3. Readability certification.</li> <li>4. Product standards for form filing</li> <li>5. If filing a rider, endorsement, or amendment, the information listed in the guidelines of Form 440-3602.</li> <li>6. Statement of variability (See description under Variable Text).</li> <li>7. Actuarial memorandum for individual policies with an overview of the contents of the filing and the reasons and procedures used to demonstrate compliance. (See Requirements for Rates section.)</li> <li>8. Forms filed for approval. (If filing revised forms, include a <b>highlighted</b> copy of the revised form to identify the modification, revision, or replacement language.)</li> <li>9. For mailed filings, submit two sets of the complete filing and one large self-addressed, stamped envelope in which the Division of Financial Regulation can return the approved forms.</li> </ol>	<p>Yes N/A</p> <p><input type="checkbox"/> <input type="checkbox"/></p>
Cover letter		<p>The Cover letter description includes the following:</p> <ol style="list-style-type: none"> <li>1. Summary of changes made to prior approved forms or variations from other approved forms.</li> <li>2. Summary of the differences between prior approved like forms and the new form.</li> <li>3. Application form number(s) that have been approved and the approval date(s).</li> <li>4. Description of the target market, e.g., qualified, non-qualified, broker-dealer, financial institution, Internet, etc.</li> <li>5. A statement that the policy will be illustrated for non-guaranteed elements (include illustration) or not. (If not illustrated, the <i>Statement of Policy Cost and Benefit Information</i> must be provided, illustrating policy guarantees.)</li> </ol>	<p>Yes N/A</p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p><input type="checkbox"/></p>
Review requested	ORS 742.003(1), OAR 836-010-0011(3)	<p>The following are submitted in this filing for review:</p> <ol style="list-style-type: none"> <li>1. New policy or revised policies.</li> <li>2. Amendment of an approved form.</li> <li>3. New plan options for a previously approved policy. (<i>Include new specification page for each plan, with a separate form number or revision date.</i>)</li> </ol>	<p>Yes N/A</p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	Check answer
Applicability	OAR 836-010-0011	If filing includes one of the following, an additional product standard is required: 1. Accelerated Death Benefit, Form 440-2453. 2. Equity-indexed Account, Form 2456e. 3. Accident, Accidental Death, or Dismemberment, Form 440-3631	Yes N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
		If filing a current-assumption interest-sensitive whole life policy, use Form 440-2456i.	
		If filing riders for return of premium, accidental death and/or dismemberment, foreign travel, waiver of premium, or other riders that do not cover a substantial risk, the information requested on Form 440-3602 is included. <i>(If filing only such riders, this document is not required; submit Form 440-3602.)</i>	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Advertising material	ORS 742.009,	Advertisements for this policy are not required to be filed unless requested. All advertisements, regardless of format (brochure, website, etc.), must comply with the Advertisement Standards (440-3308) whether or not the advertisement must be filed or self-certified and are subject to audit.	
Application	Form 440-2442, ORS 743.027	1. If filing includes an application form, the product standard for life, AD&D, and annuity applications, 440-2442, is included. 2. If the policy issued requires consent, the consent form is made a part of the policy and is included.	Yes N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Backdating	ORS 743.225(2)	No policies are issued that take effect more than six months prior to the original application date.	Confirm <input type="checkbox"/>
Beneficiaries Protection	ORS 743.046	Marketing practices encourage the lawful designation of a beneficiary for the protection under the exemption. Any life policy issued with a lawful beneficiary is exempt from execution issued from any court in this state and from any legal proceedings in the event of bankruptcy.	Confirm <input type="checkbox"/>
Bonus ORS	746.015 OAR 836-080-0050	A bonus is consistent for a class of insured and fund sources. Bonuses may be given for savings in administration costs and/or economies of scales.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Clarity/legibility/readability	ORS 742.005(2)	Forms are clear and understandable in their presentation of premiums, labels, description of contents, title, headings, backing, and other indications (including restrictions) in the provisions. The information is clear and understandable to the consumer and is not unintelligible, uncertain, inconsistent, unintelligible, ambiguous, abstruse, or likely to mislead.	Confirm <input type="checkbox"/>
Combined plans	ORS 742.041(5)	The classes of life and health insurance may be combined. No other class is combined in which the liability of the company for unearned premiums or the reserve for unpaid, deferred, or undetermined-loss claims is estimated in a different manner.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 743.041(8)	Insurance under more than one class may be effected in one policy if the director finds it in the public's best interest.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Credibility	ORS 742.005(2)	The policy does not contain unintelligible, uncertain, ambiguous, abstruse, or misleading clauses or exceptions and conditions that unreasonably affect the risk purported to be assumed in the general coverage of the policy.	Confirm <input type="checkbox"/>
	ORS 731.260	The actuarial memorandum, demonstration, and application are consistent with the policy, and demonstrations illustrate the John Doe form.	Confirm <input type="checkbox"/>
Discrimination	ORS 746.015, OAR 836-080-0050, OAR 836-080-0055	A statement is included in the filing that no assumptions or provisions unfairly discriminate in availability, rates, benefits, or any other way for individuals of the same class, equal expectation of life, and degree of risk or hazard. ( <i>For example, sources of funds going into the policy and funds being withdrawn are treated alike.</i> ) Distinction between man and women. Married and unmarried are considered discriminatory with respect to the kinds of policy and amount.	Confirm <input type="checkbox"/>
Domestic partners	ORS106.305(3 - 7)	Policy forms should reference Oregon's domestic partnership laws if the form makes references to spouse, marriage, husband and wife. There are several exceptions to this and they involve language that specifically limits the definition of spouse to only those relationships that comply with the Federal Defense of Marriage Act (DOMA). (January 2009 e-notify has further information about domestic partnerships.)	Confirm <input type="checkbox"/>
Form numbers	ORS 742.003(1), ORS 743.106, ORS 742.023	The policy is filed under one form number which provides core coverage including all basic requirements. The form number is in the lower left corner of the policy and appears on each page. Additional benefits, optional to the policyholder, are filed under separate form numbers. Basic policy requirements are not bracketed unless an alternative selection is included. (See guidelines on our website: <a href="http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx">http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx</a> .)	Confirm <input type="checkbox"/>
Insurable interest	ORS 743.024, ORS 743.027,  ORS 743.030	<ol style="list-style-type: none"> <li>1. This policy provides benefit payments to the insured, insured's personal beneficiary, or the insured's estate.</li> <li>2. If a consent form is required, an explanation is included as to how the policy will meet the insurable interest and consent requirements in ORS 743.024 and 743.027.</li> <li>3. The consent form is limited to providing information regarding the coverage and requesting consent. A copy of the consent form is included with this filing.</li> <li>4. An exception in the case of insurance for the benefit of charity is the absence of insurable interest.</li> </ol>	Yes <input type="checkbox"/> Yes N/A <input type="checkbox"/> <input type="checkbox"/> Yes N/A <input type="checkbox"/> <input type="checkbox"/> Yes N/A <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Legal Action	ORS 743.225(1)	The policy shall not contain a provision with the time within which any action at law or suit in equity may commence to less than three years after the cause of action or suit accrues	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 743.225(3)	The policy shall not contain a provision for forfeiture of the policy for failure to repay any loan on the policy or any interest on such loan while the total indebtedness on the policy is less than the loan value itself.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Jurisdiction	ORS 743.187(2)(a), ORS 743.207(1)(f)(A),(C) ORS 743.278(d)	The jurisdiction for the policy is where the policy is delivered.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Non-English policy	ORS 743.106, ORS 743.104(2)	If filing includes forms in a language other than English, readability requirements do not apply if the forms are direct translations of approved policies that meet product standards. Filing includes certification that it is a direct translation of an approved form.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Table of contents	ORS 743.106(1)(d), ORS 743.103	Policy contains a table of contents or index of the principal sections, if longer than three pages or 3,000 words.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Unilateral amendments	ORS 742.003(1)(3)	The policy does not provide for unilateral amendments that reduce or eliminate benefits or coverage or impair or invalidate any right granted to the policy owner under the policy. All amendments to approved forms are subject to prior approval.	Confirm <input type="checkbox"/>
		A rider or endorsement may exclude death due to a specific avocation, occupation, or hazardous aviation activity based on representations about activities or occupations made by the proposed insured at the time of application, if the decision by the company is based on established, not unfairly discriminatory, underwriting standards in place for the company at the time of application.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Variable text	ORS 742.023, ORS 742.003(1), ORS 742.005(2)	1. The company identifies items considered variable only on the specification page. Such items are bracketed or otherwise marked to denote variability. The submission includes a statement of variability (SOV) as a form for approval that discusses the conditions under which each variable item may change with specific alternate language that will be used and the relationship between items. ( <i>Only the policy owner information, current initial declared rates, and sub-accounts may be bracketed as variable and changed in accordance with state regulations without explanation.</i> )	Confirm <input type="checkbox"/>
		2. The SOV contains language that any change or modification is limited to new issues of the policy and does not apply to in-force policies.	Confirm <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Variable text	ORS 742.023, ORS 742.003(1), ORS 742.005(2)	<p>3. The company may also identify ranges for 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 changes for illustrative reports in excess of one per year, minimum specified amounts following a decrease, minimum increase and decrease amounts, number of partial withdrawals, conversion periods, conversion credits, minimum partial withdrawal, minimum cash value after withdrawal, minimum loan amounts, current charges for supplemental benefits and options, any ages assumed in the calculation of benefits and options, policy loan interest rates, and various no lapse periods. A zero entry for a range of values on the specification page for any benefit or credit provided for in the language of the policy is unacceptable. While the numerical amount of the bonus may be bracketed, the bonus itself may not be.</p> <p>The following items are not variable and may only be changed upon prior approval. The submission includes a statement of variability as a filed form that discusses the conditions under which each variable may be changed with specific alternative language that will be used.</p> <p>4. Items such as the company phone number, address, officer titles, and signatures of officers located in other areas of the policy are denoted as variable and may be changed without notice or prior approval.</p> <p>5. Any change to a range requires a re-filing for prior approval and shall be accompanied by a demonstration. (Open-ended provisions do not meet the requirements of ORS 742.005(2) and 742.023(1)(f) and changes require prior approval under ORS 742.003(1).)</p> <p>6. The marketing name and logo may be bracketed.</p>	<p>Confirm <input type="checkbox"/></p> <p>Confirm <input type="checkbox"/></p> <p>Confirm <input type="checkbox"/></p> <p>Confirm <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	Check answer
Variable text	ORS 742.023, ORS 742.003(1), ORS 742.005(2)	<p>7. The following items are not bracketed and will only be changed upon prior approval. The change shall be submitted in a replacement page or a new policy:</p> <ul style="list-style-type: none"> <li>a. Guaranteed maximum cost of insurance rates and the mortality tables on which they are based.</li> <li>b. Interest rate for cash value and nonforfeiture benefit.</li> <li>c. Guaranteed maximum surrender charges.</li> <li>d. Guaranteed maximum expense charges.</li> <li>e. Guarantee periods for current premiums.</li> <li>f. Various no lapse periods.</li> <li>g. Settlement option tables.</li> <li>h. Minimum premium amounts for any policy with a flat policy fee.</li> <li>i. The free look period or examination period</li> <li>j. The Oregon Fraud Warning or in the absence of an Oregon specific warning, a general fraud warning.</li> <li>k. Withdrawal Charges <ul style="list-style-type: none"> <li>l. The name of the insurer</li> </ul> </li> <li>m. Any other item that may affect the derivation of and compliance of policy values with any required minimum nonforfeiture values.</li> <li>n. Free look</li> <li>o. Oregon Fraud Warning</li> <li>p. The product</li> <li>q. The name of the insurer</li> <li>r. guarantee partial withdrawal charge</li> </ul>	Confirm <input type="checkbox"/>
		<p>8. The following items are variable and may be changed to the degree of variability(the range within the brackets):</p> <ul style="list-style-type: none"> <li>a. Marketing name and logo</li> <li>b. Fixed charges and fees</li> <li>c. Guaranteed minimums and maximums</li> <li>d. Interest rates</li> <li>e. No lapse periods</li> <li>f. Grace periods</li> <li>g. Minimum and maximum cost of insurance rates</li> </ul>	Confirm <input type="checkbox"/>

## GENERAL POLICY REQUIREMENTS

Review requirements	Reference	Description of review standards requirements	Check answer
Cover page	ORS 743.198, ORS742.023(1)(d) and (f)	<ol style="list-style-type: none"> <li>1. The full corporate name of the insuring company appears prominently on the first page of the policy and is not bracketed.</li> <li>2. A marketing name or company logo, if used on the policy, does not mislead as to the identity of the insuring company.</li> <li>3. Policy title and subtitles are generic and clearly describe the guaranteed elements; policy contains no marketing or agency/broker names.</li> <li>4. The insuring company's address, consisting of at least a city and state, and company telephone number for policyholder inquiries appear on the first page of the policy.</li> <li>5. The signatures of at least two company officers appear on the cover page. The signatures may be blank for filing purposes only if the SOV includes a statement that the issued contract will contain the signatures.</li> <li>6. The individual policy or certificate includes a right-to-examine provision that appears on the cover page of the policy. Replacement of the policy requires at least a 30-day free-look period. OAR 836-080-0029(1)(d). The free look must either be on the cover page or in an amendment or endorsement.</li> <li>7. A form-identification number appears in the lower left-hand corner of the forms. The form number is adequate to distinguish the form from all others used by the company.</li> <li>8. The policy contains a brief caption that appears prominently on the cover page and describes the type of benefits.</li> <li>9. An indication of any war-risk exclusion.</li> </ol>	Yes N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Confirm <input type="checkbox"/> Confirm <input type="checkbox"/>
Specification page	ORS 742.023, ORS 743.156	<p>The specification page of the policy is completed with hypothetical data that is realistic and consistent with the contents and other documents of the policy and any required actuarial memorandum in support of nonforfeiture values.</p> <p>The specification page includes the benefits, amounts, durations, premium information, and any other benefit information applicable to the insured(s).</p> <p>The specifications page includes statements regarding guaranteed benefit periods, including restrictions or changes.</p> <p>The specification page lists the age(s) of insured(s), and, if applicable, the joint equal issue age as well as the date on coverage amount, any minimum policy premium requirements, and any supplemental benefits provided</p>	Confirm <input type="checkbox"/> Confirm <input type="checkbox"/> Confirm <input type="checkbox"/> Confirm <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Specification page, continued	ORS 742.023, ORS 743.156	The minimum guaranteed interest rate is set forth on the specification page, along with the guaranteed expense charges and loads that may be deducted from the premiums paid or from the account value. No figures based on nonguarantees are included in the policy.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		Any limitation on the crediting of additional interest on a portion of the policy value or cash surrender value is described.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		The specification page includes a table of guaranteed maximum mortality charges for all attained ages of the insured based on the mortality basis of the insured's risk class at issue. If the policy is filed as unisex, it describes the mortality table used, including the percentage of the blend for male and female that makes up the table.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		The planned premium amount and payment intervals are disclosed and planned premium defined in the policy, if the planned premium is used by the company to determine the extent to which future premium payments may be flexible in either timing or amount.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		All surrender charges applicable to the policy holder are disclosed on the policy specifications page. Any changes to surrender charges are filed for approval.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		Any initial interest bonus included in the policy is disclosed separately on the specifications page and includes a statement that the offer is an inducement to purchase.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		Any surrender charges and partial-withdrawal fees are listed. The surrender charge scale filed for the policy is disclosed on the specification page along with any additional reduction by a market-value adjustment. Any changes to surrender charges are filed for approval.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		The specification page includes a table of factors for the federal Cash Value Accumulation Test or the Guidelines Premium Test with an explanation of its significance in determining the death benefit.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		The maturity date is listed and discloses that the policy might not mature even if planned premiums are paid, due to the crediting of current cost of insurance, current interest rates, policy loans and withdrawals, and policy changes. If the policy states that the cash-surrender value will be paid on the maturity date, it discloses in the policy in close proximity to the maturity date that even if coverage continues to the maturity date, there may be little or no cash-surrender value.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Specification page, continued	ORS 742.023 ORS 743.156	At least one of the following is included: (a) A statement on the specification page that identifies the date or age on which coverage will terminate based on guarantees (minimum interest and maximum mortality expenses) and the scheduled planned premium. (b) If the policy is illustrated, a statement that current policy values are mailed in a free annual report that includes a current illustration. OAR 836-051-0580	Yes N/A <input type="checkbox"/> <input type="checkbox"/>  Yes N/A <input type="checkbox"/> <input type="checkbox"/>
		If the policy is participating, the specification page indicates that the dividends are not guaranteed. In addition, if the company does not intend to credit dividends, the specification page states that dividends are not expected or anticipated to be paid.	Confirm <input type="checkbox"/>
		The policy specifications page included the address and phone number of the Oregon Division of Financial Regulation.	Confirm <input type="checkbox"/>
	ORS 743.156	The specification page states policy premium requirements. Policy premiums are disclosed for each benefit, and policy fees and charges are disclosed separately on the specification page.	Confirm <input type="checkbox"/>
	ORS 742.023	For any policy that is convertible, the specification page includes the conversion period unless it is shown on the cover page.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
ORS 742.003(1)	If more than one "plan" (any option that provides for a variety of uses of one policy, such as markets with different criteria for variable items) is an option under the policy, each option has a separate schedule or data page with a distinguishing form number for that plan.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>	
<b>POLICY PROVISIONS</b>			Page & paragraph or "N/A"
Application	ORS743.318	The policy contains a provision that a copy of the application, if any, is attached to the contract when issued and all statements made by the policy owner or persons insured are representations and not warranties.	
Arbitration	ORS 36.600-36.740	Voluntary arbitration is permitted by the Oregon Constitution and statutes, after the claimant has exhausted all internal appeals and can be binding by consent of the covered participant. <i>(If the policy provides for arbitration when claim settlement cannot be reached, the policy owner may elect arbitration at the time of the dispute. Arbitration takes place under the laws of Oregon held in the insured's county or any other county in this state agreed upon.)</i>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Assignment of policy	ORS 743.043	<ol style="list-style-type: none"> <li>1. A policy may be assignable or not assignable, as provided by its terms and subject to the terms of the policy or agreement of the insured and/or the beneficiary.</li> <li>2. An assignment is not allowed if there is an irrevocable beneficiary.</li> <li>3. A policy providing assignments does not include any restrictions on the availability of policy assignments other than for tax-qualification purposes or for purposes of satisfying applicable laws or regulations. Any restrictions do not prohibit exchanges allowed under Section 1035 of the Internal Revenue Code.</li> <li>4. The beneficiary may be changed upon the sole request of the insured or owner and may be assigned either by pledge or transfer of title, by an assignment executed by the insured or owner alone and delivered to the insurer.</li> <li>5. The policy may state that the company is not liable for the validity of the assignment.</li> </ol>	
Beneficiaries	ORS 742.023(1)(f)	<ol style="list-style-type: none"> <li>1. The policy contains a provision that describes the terms and conditions for designating or changing beneficiaries and for selecting default beneficiaries if necessary and the effective date of such designation.</li> <li>2. The policy states that changes in beneficiary, unless otherwise specified by the owner, 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 such notice.</li> <li>3. If irrevocable beneficiaries are referenced in the policy, the policy explains that such a beneficiary cannot be changed without the consent of the irrevocable beneficiary.</li> </ol>	
Claim Payment	OAR836-080-0235	The provision describes the insurer's response practice in handling a claim, where the response time is within 30 days.	
Claim settlements	ORS 742.023, ORS743.153, ORS743.195	<p><b>Settlement Options</b></p> <ol style="list-style-type: none"> <li>1. The policy includes a provision stating the amount of benefits payable and the description and procedures used to determine the amount payable, the manner of payment, and the premium.</li> </ol>	Confirm <input type="checkbox"/>
		<ol style="list-style-type: none"> <li>2. The policy contains a description of each type and form of settlement option provided in the policy. The guaranteed interest rate and mortality table, if applicable, used to determine the settlement options and complete tables of guaranteed settlement option amounts are included in the policy.</li> </ol>	Confirm <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Claim settlements	ORS 742.023, ORS743.153, ORS743.195	<p>3. Policies offering only lump-sum payout prominently state this limitation.</p> <p>4. The policy contains a provision stating that the annuity benefits at the time of their commencement will not be less than those provided by the application of the cash- surrender value to purchase a single-consideration-immediate-annuity contract at purchase rates offered by the company at the time to the same class of annuitants, whether the annuity benefits are payable in fixed or variable amounts or both.</p> <p>5. If this policy is filed as unisex, the annuitization provision includes a description of the mortality table uses in the policy, the interest rate, and the percentage for the blend of male and female mortality data used to develop the settlement rates.</p> <p>6. Policies that provide installments may provide the owner the right to commute the installments. If commutation is permitted, the commutation basis is defined as calculated using the same interest and mortality as used to determine the installment payments.</p> <p>7. The settlement provision describes any limitations to options for non-human beneficiaries.</p>	<p>Confirm <input type="checkbox"/></p>
	ORS 743.041	The payment-of-proceeds provision includes a notice that full payment of policy proceeds to the person designated as entitled discharges the company from all claims.	
Claims of creditors	ORS 743.047	If the policy and certificate include a provision for "claims of creditor," the language prohibits the insured's creditors from claims to policy proceeds that go to a lawful beneficiary and exempts policy proceeds from court claims in this state and from any legal proceedings in the event of bankruptcy.	
Convertibility	ORS 742.023(1)(f)	A policy that is convertible contains a provision describing the conditions of the conversion privilege. The conversion period is shown on the cover page or specification page.	
		<p>The conversion provision describes the following as applicable:</p> <p>1. When the first premium is due.</p> <p>2. What supplemental benefits included in the policy may be converted.</p> <p>3. The type or types of policies to which a conversion may be made.</p> <p>4. The minimum and maximum amount of coverage available for conversion.</p> <p>5. The criteria used to determine the premiums at the point of conversion.</p> <p>6. Any evidence of insurability requirements. Such evidence is limited to amounts in excess of the amount of life insurance in effect at the time of conversion and any supplemental benefits unrelated to the life risk.</p>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Convertibility	ORS 742.023(1)(f)	7. The policy may provide that a discount is applied to the conversion policy total premium in the year of conversion. The discount or the method by which the discount is calculated shall be described in the policy.	
		8. The policy provides that the incontestability and suicide provisions attributable to the coverage converted will run from the date of the original policy. If the new policy includes additional coverage for which evidence of insurability is required, new incontestability and suicide provision may apply to that coverage.	
Death benefits	ORS 742.023(1)(f), ORS 743.192	<ol style="list-style-type: none"> <li>1. The policy describes how the death benefit is determined and describes all death-benefit options available under the policy. The description contains sufficient information for the death benefit amount to be determined at any time, including the applicable table of factors demonstrating compliance at the time of issue with the federal qualification for life insurance based on the Cash Value Accumulation Test or the Guideline Premium Test. In the determination of any federal qualification based on factors applied to a policy value, the actual cash value is used. The death-benefit amount shall be determined as of the date of death.</li> <li>2. The policy contains a provision that settlement of the death benefit is made promptly to the beneficiary upon receipt of due proof of death.</li> <li>3. The death-benefit provision specifies that which satisfies proof of death and includes a standard proof (certified death certificate or finding from a court of competent jurisdiction) and other proof satisfactory to the company.</li> <li>4. The policy contains a provision that if the death benefit is not paid within 30 days, interest is paid on the death benefit from the date of death to the date of payment at the current loan rate for life policies issued by the company.</li> <li>5. Death proceeds are available as a lump sum whether or not settlement options are available.</li> <li>6. If irrevocable beneficiaries or assignees are referenced in the policy, the policy explains that such beneficiaries cannot be changed without the consent of the irrevocable beneficiaries or assignees</li> <li>7. A joint last-survivor policy may require due proof of death of any insured within 90 days of the end of the contestable period.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Death benefits	ORS 742.023(1)(f), ORS 743.192	<p><b>Policy Adjustments</b></p> <ol style="list-style-type: none"> <li>1. The policy may contain a provision allowing the owner to increase or decrease the specified amount or change death-benefit options. If the policy permits the company to require evidence of insurability if at the time of policy adjustment, the net amount at risk is increased. Otherwise, an adjustment is not subject to evidence of insurability.</li> <li>2. Automatic increases in the specified amount (i.e., increases that occur by operation of the policy and not by owner request) are not subject to evidence of insurability.</li> <li>3. If the owner has the right to change the basic coverage, any limitation on the amount or timing (including age or frequency limits) of such change is disclosed in the policy. If the owner has the right to increase the basic coverage, the policy discloses whether a new period of contestability (if evidence of insurability was required for the increased coverage), or a suicide exclusion, or both, are applicable to the additional coverage. If a minimum specified amount is necessary to maintain the policy in force, then that amount is defined in the policy.</li> <li>4. The maximum surrender charges and the maximum age for increases are described in the form at issue.</li> <li>5. The guaranteed maximum cost of insurance rates for increased amounts do not change unless evidence of insurability indicates the insured's risk class has changed.</li> <li>6. If the death-benefit option can be changed, any limitations on the changes (including age and frequency limits) and how changes affect the account values and surrender values are described in the policy.</li> <li>7. If a portion of the surrender charge is collected for a decrease in specified amount, the policy discloses how this charge is calculated and that a corresponding reduction will be made in subsequent surrender charges.</li> <li>8. For a policy adjustment requested by the owner (includes payment of additional premium or an increase in the planned premium that results in an increase in the net amount at risk), the company may reserve the right to request evidence of insurability and/or reserve the right to refuse the premium.</li> <li>9. The policy provides that it will refund the excess of any premium payment that exceeds the maximum amount that could be paid without disqualifying the policy as life insurance under Section 7702 of the Internal Revenue Code. However, such premium shall not be refunded if it is necessary to continue coverage.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Death benefits, continued	ORS 742.023(1)(f), ORS 743.192	<p>10. If there are two or more rate classes applicable to the specified amount due to adjustments, the policy form describes how a decrease in specified amount would be allocated to those classes. The policy defines the order in which any decrease in specified amount would apply to any increases in specified amount and to the initial specified amount. <i>(Note that decreases should first be applied to the most recent increase, then to each prior increase on a last-in first-out basis, and then to the original specified amount. Alternatively, the decreases may be allocated proportionately if (1) the policy states that, for the purposes of administering the incontestable provision, the portion of the death benefit subject to the longest period of contestability (the last increase) will be considered decreased first, and (2) increases are not assigned a less favorable rating class than that assigned to the original coverage at issue.)</i></p>	
		<p>11. The policy states that the policy will be amended or endorsed to reflect the adjustment and its effect upon policy features, including any increase, decrease or other adjustment to the amount or type of coverage, expense charges, surrender charges and/or cost of insurance rates, if applicable.</p>	
Domestic partners	ORS 746.015(1) ORS 106.305(3-7)	<p>Policy forms should reference Oregon's domestic partnership law if the form reference to spouse, marriage, husband, and wife. There are several exceptions to this and they involve language that specifically limits the definition of spouse to only those relationships that comply with the Federal Defense of Marriage Act (DOMA). (January 2009 E-notify has further information about domestic partnership.)</p> <p>The policy may provide that domestic partners and children of domestic partners are eligible for coverage as dependents.</p>	
Entire policy provision	ORS 743.174	<ol style="list-style-type: none"> <li>1. The policy contains a provision that the policy constitutes the entire policy between the company and the policyholder and does not reference other documents or agreements as a way to incorporate additional terms to the policy.</li> <li>2. If the application is to be part of the policy, the entire policy provision states that the application is part of the policy.</li> <li>3. References to federal requirements clearly describe the requirement and the effect on policy provisions. Inclusion of federal requirements does not include limitations that are not part of the federal regulation.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Examination of policy	ORS 742.023, OAR 836-080-0029(1)(d)	<p><b>Right to examine policy</b></p> <ol style="list-style-type: none"> <li>1. The right-to-examine-policy provision appears on the cover, allowing the policy owner a minimum of 10 days in which to examine the policy. The 10 days begin on the date the policy is received by the owner. Replacement policies provide at least a 30-day free-look period.</li> <li>2. A provision includes the requirements and instructions for the return of the policy to the company or the producer of the company.</li> <li>3. A policy provision states that premiums paid, including any fees or charges, will be refunded if the policy is returned.</li> </ol>	
Exclusions	ORS 742.005(2)	The policy may not exclude from coverage death due to any specific medical condition.	
	ORS 742.023, ORS742.005(3) and (4)	<p>The policy may provide for an exclusion only when death occurs by the following conditions: <i>(If not included in the policy, mark "N/A")</i></p> <ol style="list-style-type: none"> <li>1. During declared or undeclared war while the insured is serving in the military, naval or air forces of any country, combination of countries, or international organization or within six months of termination of service in such forces whether inside or outside of the home area. <i>(War means military activity by one or more national governments and does not include terrorist acts, other random acts of violence not perpetrated by the insured, or civil war or a local or community faction.)</i></li> <li>2. While the insured is a non-combatant civilian as a result of war or an act of war while the insured is serving in any civilian non-combatant unit serving with armed forces, provided death occurs as a result of serving in such units or within six months after termination of service whether inside or outside of the home area.</li> </ol>	
		The death-benefit amount payable as a result of death from an excluded act is at least equal to the greater of the gross premium for the policy or the reserve, each adjusted for dividend values, loans, partial withdrawals, and surrenders.	
Fraternal societies	ORS 748.211	<p>Policies issued by fraternal organizations may be referred to as certificates. In addition to the requirements for all policies, the fraternal certificate includes the following:</p> <ol style="list-style-type: none"> <li>1. A provision that states any changes to the laws of the society subsequent to the issuance of the certificate are binding on the owner and the beneficiaries.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Fraternal societies	ORS 748.211	<ol style="list-style-type: none"> <li>2. A provision that sets forth the substance of any sections of the society's laws or rules in force at the time of issuance of the certificate which, if violated, will result in the termination or reduction of benefits payable under the certificate.</li> <li>3. If the laws of the society provide for expulsion or suspension of a member, a provision that any member so expelled or suspended, except for nonpayment of a premium or material misrepresentation in the application within the contestable period, is allowed to maintain the certificate in force by continuing payment of the required premium.</li> <li>4. In the event the society becomes impaired and the certificate owner is to be assessed, the certificate includes a provision that the certificate owner is assessed the equitable proportion of the deficiency as ascertained by its board, and that if the payment is not made, it stands as an indebtedness against the certificate and draws interest not to exceed the loan interest rate, or, at the owner's option, may elect a proportionate reduction in benefits.</li> </ol>	
Grace period	ORS 743.165	<ol style="list-style-type: none"> <li>1. The policy contains a provision for a grace period of not less than 30 days during which the policy stays in force to allow for the payment of any premium after the first payment.</li> <li>2. The policy provides that the policyholder is liable to the insurer for the payment of a pro-rata premium for the time the policy was in force during the grace period in the case of death. <i>(The policyholder shall have the entire grace period to remit payment.)</i></li> <li>3. The premium due and interest may be deducted from any claims proceeds.</li> <li>4. The policy provides that the policyholder is liable to the insurer for the payment of a pro rata premium for the time the policy was in force during the grace period.</li> </ol>	
Incontestability	ORS 743.168, ORS 743.258	<ol style="list-style-type: none"> <li>1. The policy shall contain an incontestability provision and its conditions.</li> <li>2. The contestable period does not exceed two years from the date of issue or date of reinstatement during the lifetime of the insured.</li> <li>3. Coverage may be contested based only on a material statement contained in an application when made part of the policy, except on the basis of age and sex. If the company expects to rely on an application to contest the policy, the company must attach to or endorse the application as a part of the policy.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Incontestability ORS	743.168, ORS 743.258	<p>4. The only exception to the incontestability provision is for non-payment of a stipulated payment to the company, or, at the option of the company, provisions related to benefits in the event of total and permanent disability and provisions that grant accidental-death benefit coverage.</p> <p>5. The policy may include <i>only</i> the following exceptions to the incontestability provision:</p> <ul style="list-style-type: none"> <li>(a) Non-payment of stipulated payments to the company.</li> <li>(b) At the option of the company, provisions related to benefits in the event of total and permanent disability and provisions that grant accidental-death-benefit coverage</li> </ul>	
		<p>Preliminary term coverage to precede a longer term plan of insurance may contain incontestability provisions and the successor plan shall compute the time period from the date of issue of the preliminary term coverage.</p>	
		<p>Policy does not contain incontestability provisions that exclude the riders that may be attached to the forms unless those riders contain their own incontestability provisions.</p>	
Joint last to die	ORS 743.168, ORS742.005(4)	<p>For policies that cover multiple lives, the policy provision satisfies one of the following two methods:</p> <ul style="list-style-type: none"> <li>(a) The policy is incontestable after it has been in effect during the lifetime of the surviving insured for two years.</li> <li>(b) With respect to each insured, coverage is incontestable after it has been in effect during the lifetime of that insured for two years, but only if the policy states that the company will provide written notice to the policyholder no later than 90 days from the end of the second policy year requesting that the policyholder notify the company of the death of any insured. The provision additionally states that failure to provide notice of death will not preclude a contest and could result in a contest even if premium payments continue to be made. The provision further states that any action of contest commences promptly upon notice of death.</li> </ul>	
Juvenile coverage	ORS 742.023, ORS 731.296	The policy must accurately describe all mortality tables used as either a composite table or separate smoker and nonsmoker tables for all ages.	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or check box
Juvenile coverage	ORS 742.023, ORS 731.296	<p>If policy provides juvenile coverage, indicate which of the following methods is used.</p> <ol style="list-style-type: none"> <li data-bbox="680 245 1791 310">1. The company uses the composite mortality table for juvenile issues for the life of the policy.</li> <li data-bbox="680 310 1791 472">2. A composite table is used at issue and changes to a smoker and nonsmoker mortality table at an attained age of 18 or older, and the policy states the company will notify the insured of his or her option to elect smoker or nonsmoker status at least 60 days prior to the attained age. The default classification resulting from failure to elect and any automatic reclassification to nonsmoker is described.</li> <li data-bbox="680 472 1791 537">3. The company uses a composite table and reclassifies the insured as a nonsmoker upon the insured reaching the attained age.</li> </ol> <p>When coverage is classified as juvenile smoker coverage at the time of application, and the juvenile later responds to a smoking question in the affirmative, the company may contest the response to the question concerning smoking status only if the policy specifically reserves the right, there is an entire contract provision in the policy that states that the application for the change in smoking status is attached to and made a part of the policy, and the policy describes the settlement payable upon a successful contest. A contest is limited to the amount of coverage that is purchased by the difference between the smoker and nonsmoker rates.</p>	<p>Yes N/A  <input type="checkbox"/> <input type="checkbox"/></p> <p>Yes N/A  <input type="checkbox"/> <input type="checkbox"/></p> <p>Yes N/A  <input type="checkbox"/> <input type="checkbox"/></p>
Legal action	ORS 743.225	The policy does not contain a provision that limits the time within which any action at law or suit in equity may be commenced to less than three years.	Confirm <input type="checkbox"/>
Loans	ORS 743.186, ORS 743.187	<ol style="list-style-type: none"> <li data-bbox="680 886 1791 951">1. If the policy develops cash value, it contains a loan provision and a statement that the loan shall be on the sole security of the policy.</li> <li data-bbox="680 951 1791 1211">2. The loan value is equal to the cash value at the end of the current policy year plus the cash value of any dividend additions, less any surrender charges and available for loan after the policy has a cash surrender value. The policy owner has the option to take less than the loan value. The company may calculate the policy value at the end of the policy year by either (a) reducing it by no more than three months current expense and current cost of insurance charges, or (b) projecting it from the date of the loan to the following policy anniversary and discounted at the loan interest rate.</li> <li data-bbox="680 1211 1791 1351">3. The provision may contain a statement that the company reserves the right to defer the payment of any loan for a period not to exceed six months after application for the loan is received. The company may not defer a loan for the payment of any premium to the company.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Loans ORS	743.186, ORS743.187	<ol style="list-style-type: none"> <li>4. The provision describes the loan interest rate. The loan interest rate plus any added administrative fees is not greater than the maximum fixed rate of eight percent in arrears or a variable rate determined not to be the greater of the fixed rate or the Moody's Corporate Bond Yield Average – Monthly Average Corporates, as published by Moody's Investors Service, Inc. for the calendar month that precedes by two months the month in which the determination date for the policy loan interest rate falls.</li> <li>5. The company may not charge any additional fees or expenses for the loan. Increases to the adjusted rate may be made for not less than one-half of one percent or more than the maximum rate. Decreases must be given when the decrease reaches one-half of one percent.</li> <li>6. A policy that describes the loan interest rate in relation to the interest rate credited to the portion of the account value equal to the loan balance may not exceed two percent. The resulting interest rate credited to the portion of the account value equal to the loan balance must not be less than the minimum guaranteed interest rate in the policy. The effective loan interest rate must not exceed the statutory maximum interest rate. The effective loan interest rate is the loan interest rate charged plus the differential between the policy credited interest rate and the interest rate credited to the portion of the account value equal to the loan balance.</li> <li>7. The policy may provide that if interest on any indebtedness is not paid when due, it is added to the existing indebtedness and bears interest at a rate no greater than the loan rate.</li> <li>8. The policy 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 policy may also provide that interest will be collected in advance to the end of the current policy year.</li> <li>9. The policy permits repayment of the loan and describes the conditions.</li> <li>10. The policy describes the effect of outstanding loans on the death benefit, policy value, and maturity value.</li> <li>11. The policy may provide that if and when the total indebtedness, including interest due and accrued, equals or exceeds the policy value less any surrender charges, the policy 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.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Loans, continued	ORS 743.186, ORS 743.187	12. The policy states how a deposit not designated as a premium or loan repayment will be treated if a loan is outstanding. Payments may be automatically applied as loan payments unless specified as premium payments.	
Maturity date	OAR 836-051-0100	A maturity date is not beyond the terminal age of the 2001 valuation mortality table. <i>(If policy uses the 1980 CSO valuation mortality table and includes an extended death-benefit provision, see required information on the standards for riders, endorsements, and amendments, Form 440-3602.)</i> For joint insureds, the age for maturity is based on the age of the youngest insured.	
Misrepresentation & misstatements	ORS 743.177	The policy contains a provision that all statements made by or on behalf of the insured, in the absence of fraud, are representations, not warranties, and that no statement is used in defense of a claim unless in a written application attached to the policy when issued.	
	ORS743.168	<b>Misstatement of smoking status.</b> If the policy includes a misstatement-of-smoking provision, during the first two years, the amount payable or the death benefit is recalculated to what the premium would have purchased had the smoking status been accurately reported. <i>(The adjusted amount is what would have been purchased at the correct smoking status using the most-recent mortality charge by adjusting the net amount at risk by the ratio of the incorrect insurance rate to the correct cost of insurance rate. The company shall not make retrospective recalculations to the account value or cash surrender value, and may adjust future months' deductions to reflect the corrected smoking status.)</i>	
	ORS 743.180	<b>Misstatement of age</b> 1. The policy shall contain a misstatement-of-age provision. The policy describes the method of adjusting values and benefits using one of the following methods: (a) The amount payable is the actual death benefit that the payment(s) to the company would have purchased at the correct age using current assumptions applied to the policy during the recalculated period. (b) The amount that would have been purchased at the correct age considering the most recent mortality charge calculated by adjusting the net amount at risk by the ratio of the incorrect insurance rate to the correct insurance rate. The company may not make retrospective recalculations to the account value or cash-surrender value. The company may adjust future months' deductions to reflect the corrected age.	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or check box
Misrepresentation & misstatements, continued	ORS 743.180	<p><b>Misstatement of age (continued)</b></p> <ol style="list-style-type: none"> <li>2. The amount payable at death on the policy after recalculation is not less than the cash value that would have been paid had the policy been surrendered on the date of death based upon the misstated age.</li> <li>3. If the terminology such as “proceeds” is used that could be interpreted to mean more than the death benefit, the provision describes how each benefit or value accruing will be adjusted or indicates that no adjustment will be made.</li> <li>4. If spouse or dependent coverage is part of the policy, the provision may refer to an adjustment of the duration of the benefits.</li> <li>5. If more than one life is insured, the misstatement provision may state that the amount payable may be adjusted due to the misstatement of age of any insured.</li> <li>6. The company may not terminate coverage and refund premiums if the correct age is outside the issue age ranges of the form. A mortality charge and benefit is extrapolated.</li> </ol>	
	ORS 731.062, ORS 744.078	Any provision allowing for modification does not directly or indirectly imply that the company is not bound by statements given to the producer. Knowledge of or information given to the producer is knowledge or information of the company.	
Nonforfeiture values	ORS 743.204 to 743.222, ORS 743.023(1)(f), ORS 743.218(2), ORS 731.296	<ol style="list-style-type: none"> <li>1. The policy clearly describes how the account value, cash value, surrender value, or any other value under the policy is calculated, and indicates which cost factors used in the calculations are subject to adjustment. The right to adjust the cost factor is limited by cost factor guarantees and the adjustment must be based on future anticipated or emerging experience.</li> <li>2. The policy specifies the experience factors upon which any indeterminate charges are adjusted. “Experience factors” are factors experienced by the company that are variable in nature that affects the profitability of the policy. Depending on the policy design, experience factors may include, but are not limited to, investment earnings, mortality, persistency, taxes and expenses based on the policy’s definition of what constitutes the cost of insurance.</li> </ol>	<p>Yes <input type="checkbox"/></p> <p>Yes <input type="checkbox"/></p>
	ORS743.207(C)	<ol style="list-style-type: none"> <li>3. The policy states the guaranteed factors of mortality, expense, and interest. In addition to the inclusion of a table of mortality charges (cost of insurance rates) in the policy, the policy states that its basis for such charges and the method of computation are filed with and available from the Division of Financial Regulation of the state in which the policy is delivered. The policy also describes the factors the policy uses to make up the cost of insurance rates and defines the net amount at risk used to determine the cost of insurance charge.</li> </ol>	<p>Yes <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	check box
Nonforfeiture values, continued	ORS743.023(1)(f)	<p>4. The policy provides a statement of the method used by the company in calculating actual policy values.</p> <p>(a) The procedure for the crediting of interest to the account value must be unambiguous.</p> <p>(b) The order of application of charges and credits must be described.</p> <p>(c) All related terms must be fully defined.</p> <p>5. In any policy under which additional amounts may be credited, the policy states that additional amounts are nonforfeitable after crediting except indirectly due to surrender charges made.</p> <p>6. The policy describes when additional amounts will be credited.</p> <p>7. If interest is charged on cost of insurance, expense and partial withdrawals from the date of deduction, the policy provides that interest is credited on premium payments from the date of payment.</p>	<p>Yes <input type="checkbox"/></p> <p>Yes <input type="checkbox"/></p> <p>Yes <input type="checkbox"/></p> <p>Yes <input type="checkbox"/></p>
	OAR836-051-0106	<p>8. The CSO Mortality Table establishes smoker status and non-smoker status (composite table) (for example: 2001 CSO Table) and their corresponding rates.</p>	<p>Yes <input type="checkbox"/></p>
	ORS743.023(1)(f)	<p>9. If the policy provides for the election of a paid-up nonforfeiture benefit, the paid-up nonforfeiture benefit is such that its present value is at least equal to the cash-surrender value provided for by the policy on the effective date of the election. The present value is based on mortality and interest rates at least as favorable to the policy owner as the mortality and interest rates guaranteed in the policy for determining the account value. Net single premiums used to calculate a paid-up nonforfeiture benefit prior to the age that the nonsmoker class is first available does not exceed net single premiums based on the applicable combined nonforfeiture mortality table. The cash value of any paid-up nonforfeiture benefit is calculated on the mortality and interest basis used in determining the amount of such paid-up nonforfeiture benefit.</p>	<p>Yes <input type="checkbox"/></p>
	ORS743.207(1)(d)	<p>10. A provision that if the policy is continued under any paid-up nonforfeiture benefit that became effective on or after the third policy anniversary; the company will pay upon policy surrender within 30 days after any policy anniversary, a cash-surrender value.</p>	<p>Yes <input type="checkbox"/></p>
	ORS743.207(1)(e)(A)	<p>11. A statement of the mortality table, interest rate, and method used to calculate the cash-surrender values and the paid-up nonforfeiture benefits available under the policy. The statement of the mortality table is complete including whether sex distinct or unisex (including the percentage for female/male), smoker or nonsmoker, or age nearest birthday or age last birthday.</p>	<p>Yes <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	Page & paragraph or check box
Nonforfeiture values, continued	ORS.743.207(1)(f)(A)	12. A statement that any cash-surrender values and paid-up nonforfeiture benefits available under the policy are not less than the minimum values and benefits required by or pursuant to the insurance law of the state in which the policy is <b>delivered</b> . <i>(Another term may be used as long as it requires the policy to be subject to the laws of the state of residence of the policy owner.)</i>	Yes <input type="checkbox"/>
	ORS743.207(1)(B)	13. An explanation of the manner in which the cash-surrender values and the paid-up nonforfeiture benefits are altered by the existence of any paid-up additions credited to the policy or any indebtedness to the company on the policy.	Yes <input type="checkbox"/>
	ORS 743.210(4)	A provision that the policyholder may surrender the policy for the cash value at any time, and if surrendered within 30 days following a policy anniversary, that the value available is not less than the anniversary value.	
	ORS 743.219	A provision that any cash-surrender value and any paid-up nonforfeiture benefit available under the policy in the event of default in premium payment due at any time other than on a policy anniversary is calculated with allowance for lapse of time and the payment of fractional premiums beyond the last preceding policy anniversary.	
Ownership of policy	ORS 743.043	<ol style="list-style-type: none"> <li>1. The policy may contain an ownership provision. The provision describes the terms and conditions for designating or changing ownership and indicating when such designation is effective.</li> <li>2. The policy states that changes in owner designation, unless otherwise specified by the policy, take effect on the date the notice of change is signed by the policy owner, subject to any payments made or actions taken by the company prior to receipt of such notice.</li> <li>3. The policy describes how contingent owner and joint-owner provisions operate, if being made available.</li> </ol>	
Participating policy(dividend)	ORS 743.183	<p>If the policy participates in the divisible surplus of the company, the conditions of the participation are as follows:</p> <ol style="list-style-type: none"> <li>1. The conditions of the participation are included in the policy.</li> <li>2. The policy provides that the company annually ascertains and apportions any divisible surplus, beginning not later than the third year.</li> <li>3. The policy provides that the owner may receive any dividend payment in cash or as a reduction in premium payments. Other dividend options may be provided in the policy.</li> <li>4. The policy provides for an automatic dividend option if more than one dividend option is provided. If the policy provides for more than one dividend option, the policy identifies the automatic option.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Participating policy(dividend)	ORS 743.183	<p>(continued)</p> <ol style="list-style-type: none"> <li>5. Any additional supplemental benefits attached to a participating policy, whether or not considered in determining surplus earnings, may not be specially labeled or described as non-participating.</li> <li>6. Whenever one-year term insurance is purchased by dividends, the policy provides for the return of the unearned charge in the event of termination of the policy (other than by death) prior to the expiration of such one-year term insurance.</li> </ol>	
Premium payment	ORS 742.162, ORS 743.153, ORS 743.106	<ol style="list-style-type: none"> <li>1. The policy provides for payment of premiums and contains an address or methods for making premium payments.</li> <li>2. Advance premium deposits are not subject to fees or surrender charges and are credited a stated interest rate.</li> <li>3. For joint coverage, unless the policy becomes paid up upon the first death of an insured, the policy permits premium payments to continue during the lifetime of a surviving insured.</li> </ol>	
	ORS 742.162, ORS 743.153	<p>The requirements for premium payments are at least as favorable as the following:</p> <ol style="list-style-type: none"> <li>1. Provision does not allow the company to arbitrarily refuse premium payments.</li> <li>2. Policy includes an upper and/or lower dollar limit on premium payments, which the company may waive in a uniform and non-discriminatory manner upon written notice of any new limits to the owner. The form describes the initial limits and the required written notice of any new limits.</li> <li>3. The minimum planned premium is not less than will guarantee to keep the policy in force to the end of the surrender charge period.</li> <li>4. The maximum premium payment for a flexible premium life policy is not lower than the amount that will continue to qualify the policy as life insurance or the amount necessary to keep the policy in force, if greater.</li> </ol> <p>The policy provides for the refund of the excess of any premium payment made over the maximum amount that could be paid without disqualifying the policy as life insurance under Section 7702 of the Internal Revenue Code. However, the premium shall not be refunded if it is necessary to continue coverage</p>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Premium Tax	ORS 731.854	<ol style="list-style-type: none"> <li>1. Oregon does not have a premium tax. No contract issued in Oregon may collect a premium tax charge based on premium collected and reported in Oregon.</li> <li>2. If an insurer must pay tax on premium collected outside of Oregon on contracts originally issued in Oregon, the insurer may collect a premium tax charge no greater than the premium tax the insurer was required to pay on the corresponding premium.</li> <li>3. No premium or retaliatory tax charge may be collected on contracts issued in Oregon whatsoever unless the insurer is actually paying a premium or retaliatory tax on the contract. <ol style="list-style-type: none"> <li>a. The amount of any premium or retaliatory tax charge on any contract must not be greater than the premium or retaliatory tax the insurer is required to pay on the contract or corresponding premiums.</li> <li>b. The terms and conditions of the premium or retaliatory tax charge must be the same as those required by the law requiring their payment; for example, if the state charging the premium tax does not allow insurers to defer payment of the tax, the premium tax charge may not be deferred by the insurer.</li> </ol> </li> <li>4. Any reference to assessing or deducting a premium tax charge must state any "applicable premium tax charge" or "any applicable retaliation tax charge".</li> </ol> <p>If there is a premium tax statement on the cover page and/or specifications page, it overrides any conflicting statement within the main body of the contract.</p> <p>The actuarial memo should be congruent with and mirror the contract. There should not be any conflicting statements between the two documents.</p> <p>Such as, "no premium tax applies to Oregon contracts" or "no premium tax in Oregon" also means the insurer may not deduct premium tax from premiums/policy paid outside this state unless the insurer also adds a statement that they will deduct premium tax after moving to another state that does assess premium tax.</p> <p>Other Taxes: References to other taxes are specific as to the type with the specific charge stated on the specifications page. General references are made only for personal income tax deductions and a tax solely on the operation of the separate account.</p>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Qualified plan	ORS 742.023	References to federal requirements clearly describe the requirement and the effect on policy provisions. Federal requirements do not include limitations that are not part of the federal regulation. <i>(If the provision addresses a new federal requirement, include a copy of the applicable section of the federal requirement that details the requirements and highlight the portion that identifies the new requirement. Include your legal justification for the requirement, and explain how the provision meets federal requirements.)</i> The company cannot deny responsibility for compliance with federal regulation regarding the operation of the policy it has issued. A company may limit responsibility only to the policy issued without regard to other policies or assets.	
Reinstatement	ORS 743.189	<ol style="list-style-type: none"> <li>1. The policy contains a reinstatement provision with respect to policies that have not been surrendered to the insurer and cancelled for which the grace period has expired and includes the conditions of the reinstatement.</li> <li>2. The period of reinstatement may not be less than three years from the date of lapse.</li> <li>3. Evidence of insurability may be required. The policy requires evidence of insurance only for any insured alive on the date the grace period expired.</li> <li>4. If applicable, repayment/reinstatement of any policy loan may be required with interest rates not exceeding the interest rates as permitted in the loan provision of the policy.</li> </ol>	
		<ol style="list-style-type: none"> <li>1. Policy clearly describes the amount necessary to reinstate. The company may require that monthly deductions be paid in advance for three months or less and that the monthly deduction for any grace period be paid. Monthly deductions cannot be charged for the period of default beyond the grace period.</li> <li>2. If the policy imposes charges for a limited period (for example, surrender charges on the account value), the reinstatement provision states whether and in what manner the charges will be imposed on the reinstated policy. Otherwise, no charges are applicable with respect to the reinstatement policy.</li> <li>3. The policy describes how the account value will be determined upon reinstatement. If the account value and any loan value are reinstated, interest is credited to the account value consistent with any interest charges on the loan during the period of lapse.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Reinstatement, continued	ORS 743.189	<p>The following applies to any reinstated policy:</p> <ul style="list-style-type: none"> <li>(a) With respect to statements made in an application for reinstatement, the policy is incontestable after it has been in force during the (surviving) 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.</li> <li>(b) The suicide exclusion shall not exceed two years from the original issue date of the policy.</li> <li>(c) All other policy provisions that reference reinstatement are consistent with these requirements.</li> </ul>	
Reports and statements to policy owner	OAR 836-051-0580	<ol style="list-style-type: none"> <li>1. The policy provides for the delivery, at least annually and without charge, of a report to the owner that informs the owner of the policy status and any other requirements of state or federal law, including the following: <ul style="list-style-type: none"> <li>a. The status report of the policy provides current information as of a date not more than four months prior to the date of mailing</li> <li>b. Accumulation values at the beginning and end of the report period</li> <li>c. Surrender value in compliance with nonforfeiture values at the beginning and end of the report period</li> <li>d. Any withdrawals or surrenders</li> <li>e. The dollar amount of the death benefit</li> <li>f. Amounts credited, charged, or paid</li> <li>g. Any outstanding loan(s)</li> </ul> </li> <li>2. Illustrative report <ul style="list-style-type: none"> <li>a. The policy shall provide for the delivery, at least annually and without charge, of an illustrative report that will be sent to the owner upon request.</li> <li>b. The company may charge the owner a reasonable fee for additional illustrations beyond the first report per year. The maximum fee shall be identified in the policy.</li> </ul> </li> </ol>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph or "N/A"
Suicide ORS	742.023(f) ORS 743.005(3)(4) ORS 743.168	<ol style="list-style-type: none"> <li>1. The policy may provide a suicide exclusion, whether the insured is sane or insane, it does not exceed two years from the date of issue of the policy.</li> <li>2. The policy requires a minimum refund of all premiums paid, minus dividends paid, any indebtedness, and withdrawals paid by the company in the event of death by suicide during the suicide-exclusion period.</li> <li>3. For joint coverage, the exclusion applies only if all insureds or the last surviving insured commits suicide during this time period.</li> <li>4. The policy may allow a separate suicide period, no greater than two years from the date of any increase, for any increase in specified amount that was requested by the owner and subject to evidence of insurability.</li> <li>5. The suicide limitation is limited to the amount of the increase and applies if all insured or the last insured to die commits suicide during this time period.</li> </ol>	
Surrenders ORS	743.207(3), ORS 743.210, ORS 742.023(f)	<ol style="list-style-type: none"> <li>1. The policy describes how the surrender value is calculated. (See details under Nonforfeiture Values.)</li> <li>2. The policy states that the company reserves the right to defer the payment of any cash- surrender value for six months after demand with surrender of the policy, except for payment of any premium to the company.</li> <li>3. The policy describes any partial withdrawal conditions in a separate provision.</li> <li>4. The policy describes all charges and limits in amount applicable to the withdrawal, and the effect, if any, such withdrawal will have on the account value and specified amount.</li> <li>5. The policy may allow the company to defer payment of a partial withdrawal for six months.</li> <li>6. If a portion of the surrender charge is collected for a partial withdrawal, the policy discloses how this charge is calculated and that a corresponding reduction will be made in subsequent surrender charges.</li> </ol>	

**SPECIALIZED PRODUCTS/MARKETING (Additional requirements for no-lapse provisions)**

Review requirements	Reference	Description of review standards requirements	Check Answer
Guarantees	ORS 742.023	<p>There are at least two basic types of no-lapse-guarantee premium provisions. Check the type included in this filing:</p> <p>1. A cumulative no-lapse provision that defines a period of time during which payment of premiums in excess of an accumulation of the specified no lapse guarantee premium will continue the policy in force when it normally would lapse. The no-lapse premiums may be measured cumulatively or on a periodic basis. When measured cumulatively, the owner is permitted to pay additional premiums to “catch up” to the minimum no lapse requirement. When measured on a periodic basis, the company requires that the no-lapse premium be fully funded on a continual basis and that the premiums paid to date must meet the minimum no-lapse requirement at specific intervals (such as monthly).</p>	<p>Yes N/A  <input type="checkbox"/> <input type="checkbox"/></p>
		<p>2. A shadow account that defines a reference amount equal to an accumulation of premiums at specified minimum interest rates and specified maximum expenses and/or costs of insurance. The interest rates, expenses, and costs used for the shadow account may be different than those specified in the policy for purposes of calculating the policy value. Whenever the monthly deduction cannot be paid by the policy value, the shadow account reference amount is checked. If the reference amount is above zero, the policy remains in force.</p>	<p>Yes N/A  <input type="checkbox"/> <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	Check answer
Guarantees, continued	ORS 742.023	<p><b>General Form Requirements</b></p> <p>1. The no-lapse-guarantee provision guarantees that the policy will not lapse so long as premiums paid to date meet a minimum premium requirement or support a minimum accumulation amount and satisfies the following:</p> <p>a. Any no lapse premium and the period for which it is payable is disclosed on the specifications page. All multiple no lapse periods are described in the no lapse provision and shown on the specifications page. For policies that allow the applicant to select between various optional guarantee periods and allow for a future change in the guarantee no lapse period, the specifications page lists the selected guarantee no-lapse period as well as the maximum guarantee no-lapse period.</p> <p>b. The policy value at the end of the guarantee period (assuming payment of any no lapse premiums and guaranteed credits and charges) is sufficient to prevent lapse. This will typically be the case for no-lapse tests if the surrender charges are zero by the end of the guarantee period. The requirement is also not applicable if the no-lapse period extends to the end of the policy, such as a lifetime no-lapse period.</p> <p>c. The policy provides for a grace period with respect to payment of the no-lapse premium consistent with the grace period of the underlying policy. The provision allows the no-lapse premiums to be paid to keep the policy in force as an alternative to the monthly deduction or other amount specified. For no-lapse provisions measured periodically, the provision provides for written advance notice prior to termination of the no-lapse feature whenever premiums paid are insufficient to maintain the no-lapse requirement.</p> <p>d. The grace period for the policy is coordinated with the grace period provided for the no-lapse premium. The amount required to avoid lapse is the amount required to fund the no lapse guarantee or the amount to pay any balance due for the monthly deduction, whichever is less. This required amount is the amount to be deducted from any death claim during the grace period.</p> <p>e. The policy states when the no-lapse provision is not in effect</p> <p>f. The no-lapse provision states that as long as the policy value is sufficient to pay the monthly deduction the policy will not lapse even if the no-lapse guarantee has terminated.</p>	<p>Yes N/A  <input type="checkbox"/> <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	Check answer
Guarantees	ORS 742.023	g. If the no-lapse feature allows a policy to remain in force with a negative policy value, then no interest is credited to the policy value (resulting in an interest charge), and the cost of insurance charge cannot increase the net amount at risk to reflect the negative policy value.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		h. The policy may allow for the reinstatement of the no-lapse provision upon reinstatement of the policy. The reinstatement provision describes any additional amounts necessary to reinstate the feature. If applicable, the no-lapse provision or reinstatement provision clearly states that the no-lapse guarantee will be reinstated only if it was in effect at the time the policy lapsed.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		i. The no-lapse provision is not nullified upon obtaining a loan or partial withdrawal. However, the cumulative premium amounts used to determine the adequacy of the no-lapse test may be reduced by loans and partial withdrawal. These amounts may be adjusted for interest.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		j. The no-lapse provision clearly defines the policy benefits available during the no-lapse periods. The amount of the no-lapse guaranteed premium may be adjusted for policy changes (increases or decreases in the specified amount, death benefit option changes, or addition of any riders) which are covered by the no-lapse provision.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		k. The no-lapse guarantee provision may be terminated due to requested changes to the policy, such as death-benefit-option changes, specified amount increases or decreases, and the addition of any riders. However, proper disclosure must be made to the owner: (a) when the policy is issued and (b) when such changes are made to the policy. Alternatively, policy provisions such as death-benefit option changes, specified amount increases or decreases, and the addition of any riders cannot be limited, disallowed, or affected due to the existence of the no-lapse guarantee provision.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		l. There is no separate additional premium and/or monthly charge for the no-lapse provision.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		m. The company may not terminate a no lapse provision upon the prior death of an insured, but shall continue the provision during the lifetime of a surviving insured.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		The actuarial memorandum submitted pursuant to the additional submission requirements shall describe all available no-lapse periods applicable to each issue age.	

## REQUIREMENTS FOR RATES

Actuarial filing requirements for demonstrating compliance: **Information requested under this section is necessary to evaluate the filing for compliance. ORS 731.296**

Review requirements	Reference	Description of review standards requirements	Check answer
Actuarial memorandum (Ratemaking generally)	ORS 731.296	<p><b>Additional submission requirements:</b>                      A signed actuarial memorandum by a member of the American Academy of Actuaries that includes the following information. (See nonforfeiture section for details.):</p> <ol style="list-style-type: none"> <li>1. A description of the policy and policy provisions that develop nonforfeiture values including an explanation of how the policy values are at least equal to the minimum nonforfeiture values.</li> <li>2. The formulas, assumptions, and methodology used.</li> <li>3. Sample calculations for representative issue ages, including issue age 35, if within the issue-age range.</li> <li>4. The range of issue ages.</li> <li>5. Guaranteed periods for current premiums, if applicable. (See no-lapse section)</li> <li>6. A description of any innovative or unique features.</li> <li>7. Certification by a member of the American Academy of Actuaries that filing complies with the Standard Nonforfeiture Law for life insurance, and the NAIC Universal Life Insurance Regulation, Model 585.</li> <li>8. Appropriate policy pages completed for each type market that with a different rating class used by the company; for example, percentage of standard class premium, extra premium, or temporary or permanent flat charge per \$1,000 to demonstrate how the policy will disclose the rates and charges applicable to each type of rating class. This is not intended to require pages for all rating classes within a specific market, see the use of variable brackets for variations within a market.</li> </ol>	Yes <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/>  <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>  <input type="checkbox"/>
	OAR 836-051-0500 to 0590	If the form is to be illustrated, the required actuarial certification from the illustration actuary is included.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	OAR 836-051-0110	Use of blended tables does not include the use of a single-sex table as a blended table unless it is shown that at least 90 percent would be of that sex. The blend of the table is identified and tables are consistent for both premiums and settlement options.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 731.296	Identify the use of smoker/nonsmoker mortality tables in developing rates, values, and reserves as being consistent.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 733.220, ORS 746.160, ORS 742.005(3)	Any guaranteed interest or an initial bonus includes a statement of how these values are generated by the policy structure and a statement of the reserving.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Ratemaking, continued	ORS 746.015, OAR 836-080-0050, 0055	Filing includes a copy of the approved application (if not part of this filing). The extent of medical questions is consistent with the mortality assumptions used in pricing the policy. Only one set of medical underwriting questions is filed for each policy form or plan. Any request for evidence of insurability or re-underwriting after the policy is issued applies only to increased benefits or added risk, e.g., reinstatement.	Yes <del>AN/A</del> <input type="checkbox"/> <input type="checkbox"/>
	ORS 742.023, ORS 743.153	Any evidence of insurability or re-underwriting after the policy is issued applies only to increased benefits or added risk, e.g., reinstatement.	Confirm <input type="checkbox"/>
Discrimination	ORS 746.015, ORS 742.005(3), and (4), OAR 836-080 0050-0055	Filing includes a statement that no assumptions or provisions unfairly discriminate in availability, rates, benefits, or any other way for individuals of the same class, equal expectation of life, and degree of risk or hazard. ( <i>For example, sources of funds going into the policy and funds being withdrawn are treated alike.</i> ) Distinctions between men and women, married and unmarried, are considered discriminatory with respect to kinds of policies and amount.	Yes <del>AN/A</del> <input type="checkbox"/> <input type="checkbox"/>
Joint last to die	ORS 731.296	<b>Additional submission requirement for joint last to die.</b> 1. The formulae, assumptions, and methodology used; indicate whether the “triple status” approach or the Frasier approach (as described in the March 1978 issue of <i>The Actuary</i> , a publication of the Society of Actuaries) is used. 2. The sample calculations for representative ages are for combinations of two issue ages, including when each insured is issue age 35 if within the issue-age range. If the “triple status” methodology is used, sample calculations must be performed for instances in which both insureds are alive and for instances in which only one insured is alive. 3. A description of the methodology to be used for determining the ages to be used for nonforfeiture values (for example, exact ages and rate classes or joint equal-issue ages). If nonforfeiture values are determined using a joint-equal-issue-age approach developed using a methodology or tables described in a generally accepted publication of the actuarial profession, a description of such methodology and tables is included, with information adequate to support its acceptance and validity.	Yes <del>AN/A</del> <input type="checkbox"/> <input type="checkbox"/>
Juvenile coverage	ORS 731.296	The company uses the composite mortality table for juvenile issues and changes to a smoker and nonsmoker mortality table upon the insured reaching attained age between 16 and 23. However, a company may only apply a default classification of smoker to an insured whose attained age is at least 18 after the insured is properly notified. (See <i>Juvenile Coverage under Policy Provisions.</i> )	Yes <del>AN/A</del> <input type="checkbox"/> <input type="checkbox"/>
		The company uses the composite mortality table for issue ages at which there is no distinction between smoker and nonsmoker mortality rates and continues to use the table for all future attained ages (for the insureds involved).	Yes <del>AN/A</del> <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Juvenile coverage, continued	ORS 731.296	If the company intends to waive the right to contest the response to the question regarding juvenile smoking status, the submission includes a statement to that effect.	Yes <del>N/A</del> <input type="checkbox"/> <input type="checkbox"/>
Misstatement of age	ORS 731.296, ORS743.180	<p>A policy that contains a misstatement-of-age provision shall adjust the values and benefits by one of the following two methods (See also Misrepresentations &amp; Misstatements under Policy Provisions.):</p> <ol style="list-style-type: none"> <li>1. (a) The company may recalculate all policy values since the inception of the policy to the extent that the recalculation, in and of itself, shall not result in termination of the policy prior to the date of death. If the policy terminates as a result of the recalculation, this method of recalculation may not be used.</li> <li>(b) The amount payable at death on the policy after recalculation shall not be less than the cash value that would have been paid had the policy been surrendered on the date of death based upon the misstated age.</li> <li>(c) The company shall assume when making an adjustment at the time of surrender, maturity, or death that the death benefit in all preceding years is the actual death benefit which would have been paid under the corrected age of the insured had death occurred in any preceding year. The company may not use guaranteed assumptions in the calculations, but shall use the actual assumptions applied to the policy during the recalculated period.</li> <li>2. The company may provide that the adjusted death benefit be the amount that would have been purchased at the correct age according to the most-recent mortality charge calculated by adjusting the net amount at risk by the ratio of the incorrect insurance rate to the correct insurance rate. In this instance, the company shall not make any retrospective recalculations to the account value or cash-surrender value. The company may adjust future months' deductions so as to reflect the corrected age.</li> </ol>	<p>Yes <del>N/A</del> <input type="checkbox"/> <input type="checkbox"/></p> <p>Yes <del>N/A</del> <input type="checkbox"/> <input type="checkbox"/></p>
Nonforfeiture	ORS743.204 to 222, OAR 836-051-0100, ORS731.296	<p>Include an actuarial memorandum prepared, dated, and signed by a member of the American Academy of Actuaries that provides the following information concerning the determination of the nonforfeiture values:</p> <ol style="list-style-type: none"> <li>1. A demonstration that the values of the policy comply with the minimums required by the Standard Nonforfeiture Law for Life Insurance showing that the values of the policy comply using the 2001 CSO Mortality Tables (or the 1980 CSO mortality tables for temporary use until January 1, 2009). The demonstration provided is for the minimum policy size and all issue ages; males and females; unisex, if applicable; smokers; and nonsmokers. The demonstration includes the initial-acquisition-expense charge, if any, for all values tested for compliance and a sample calculation of the initial-acquisition-expense charge for one of the values tested. If applicable, the premium used in calculating the initial acquisition expense charge shall be provided</li> </ol>	Confirm <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	Check answer
Nonforfeiture, continued	ORS 743.204 to 222, OAR 836-051-0100, ORS 731.296	<p>(continued)</p> <ol style="list-style-type: none"> <li>2. The demonstration is presented in the format prescribed in Appendix B to these standards.</li> <li>3. A demonstration for the account values must be per \$1,000 amount of insurance for the durations for which surrender charges apply and the minimum policy size and all issue ages.</li> <li>4. A description of the policy provisions that affect the interest rates, cost of insurance rates, expense charges, surrender charges, and/or nonforfeiture values.</li> <li>5. Identification of the applicable mortality tables that are the basis of the guaranteed cost of insurance rates. The methodology applicable for determining the rates and insured ages is the same as that used in developing the mortality table used in demonstrating compliance.</li> <li>6. All guaranteed-maximum expense charges by age and duration for males and females; unisex, if applicable; smokers and nonsmokers; and all underwriting classes, including per-policy charges; per-\$1,000 amount-of-insurance charges; percentage-of-premium charges, and surrender charges.</li> <li>7. The formulae, assumptions, and methodology used.</li> <li>8. If applicable, identification of the mortality table used in demonstrating compliance for issue ages younger than those for which rates are nonsmoker/smoker distinct, the composite version of the mortality table used for demonstrating compliance.</li> </ol>	Answer on prior page
	Joint last survivor ORS731.296	<ol style="list-style-type: none"> <li>1. If filing multiple lives, the mortality table used in demonstrating compliance with the minimums is the Frasier methodology (as described in the March 1978 issue of <i>The Actuary</i>, a publication of the Society of Actuaries). The actuarial memorandum should also include a description of the methodology to be used for determining the ages to be used for determining the mortality rates (for example, exact ages and rate classes or joint equal issue age). If mortality rates are determined using a joint-equal-issue-age approach developed using a methodology or tables described in a generally accepted publication of the actuarial profession, a description of such methodology and tables shall be included with information adequate to support its general acceptance and validity. If applicable for the policy form submitted, for any issue ages less than that for which rates are nonsmoker/smoker distinct, the composite version of the mortality table shall be used for demonstrating compliance.</li> </ol>	

Review requirements	Reference	Description of review standards requirements	Check answer
Nonforfeiture, continued	Joint last survivor ORS731.296	<p>2. The range of issue ages and the minimum specified amount for which the policy will be issued, and the maximum number of insureds that may be covered at any one time. Include a specification page reflecting the maximum number of multiple insureds.</p> <p>3. Any formula consistent with generally accepted actuarial methodologies and applicable Actuarial Standards of Practice may be used to convert the guaranteed maximum annual cost of insurance rates to their equivalent modal guaranteed maximum cost of insurance rates provided such modal rates do not exceed the lesser of:</p> $\{1 - (1 - qx)^{(1/n)}\} / \{(1 - qx)^{(1/n)}\} \text{ or } q[w]/n$ <p>where n equals the number of cost of insurance deductions from the account value per year, qx is the annual mortality rate from the applicable table and [w] equals the terminal age of the mortality table.</p>	
Rate schedule	ORS 743.018(1)	A complete table of guaranteed maximum cost of insurance rates for all ages, male and female, unisex, if applicable, smoker and nonsmoker, and all underwriting classes.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 743.218(2)	Subsequent rate changes are based on mortality experience. Only current rate changes can be filed for a previously approved policy. ( <i>Guaranteed rate change requires refiling the policy or policy specifications page with a revision date added to the policy form number.</i> )	Confirm <input type="checkbox"/>
	ORS 746.005(7), ORS 744.077	Any reduction in premium rates is not more than corresponding reductions in administration and issuance expenses reasonably attributable to the policy. When filing reduced rates, an actuarial demonstration shows the relationship between the savings and the reduction in rates. A reduction in savings does not include reduction in commissions when policy is sold by a producer.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
Variable benefits	ORS 742.003(1)	A change or modification to any item that may affect the derivation of and compliance of policy values with any required minimum nonforfeiture values are subject to prior approval and refiling of the applicable demonstration.	Confirm <input type="checkbox"/>