

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

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**STANDARDS FOR GROUP LIFE
ORS 742.003(1)**

This checklist (product standards) has been provided as an aid to assist you in preparing your filing. It does not need to be included with a paper submission, nor does it need to be attached in SERFF under the Supporting Documentation tab. However, the reviewer may request the completed checklist (product standards) at any time during their review. ORS 731.296, OAR 836-010-0011 (2) & (3).

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, if possible, bookmark the provision(s) in the form(s) that satisfy the requirement and identify the page and paragraph on this form).

NOTE: All references to policy also apply to the certificate form when filing or determining the need to file a certificate with the group contract.

Insurer name: _____

Date: _____

TOI (type of insurance): L02G Group life - Endowment
 L04G Group life - Term
 L06G Group life - Variable

L07G Group life - Whole
 L09G Group life - Flexible premium adjustable life

Sub-TOI : NAIC Sub-TOI code: _____

<input type="checkbox"/> Single life	<input type="checkbox"/> Joint first to die	<input type="checkbox"/> Joint last survivor
<input type="checkbox"/> Fixed/indeterminate premium	<input type="checkbox"/> Single premium	<input type="checkbox"/> Modified single premium:
<input type="checkbox"/> Flexible premium	<input type="checkbox"/> External indexed (attach Supplement B):	
<input type="checkbox"/> Decreasing term	<input type="checkbox"/> Specified age or duration	

Type of group:

<input type="checkbox"/> Employer/employee	<input type="checkbox"/> Labor union	<input type="checkbox"/> Employer/employee qualified plan
<input type="checkbox"/> Employer/employee non-qualified 403(b)	<input type="checkbox"/> An association*	<input type="checkbox"/> Industry-related trust*
<input type="checkbox"/> Discretionary group*	(* Submit requirements for Association/trust/discretionary groups, form 440-2441)	

*Name of group entity to be the policyholder: _____

Review requirements	Reference	Description of review standards requirements	
GENERAL REQUIREMENTS (FOR ALL FILINGS)			
Submission package requirements	OAR 836-010-0011 As required on SERFF or our website	<p>Required forms are located on SERFF or on our website: http://dfr.oregon.gov/rates-forms/life/Pages/life.aspx. These must be submitted for your filing to be accepted as complete:</p> <ol style="list-style-type: none"> 1. NAIC transmittal form. 2. Filing description on transmittal form (cover letter). 3. Third party filer’s letter of authorization. 4. Certificate of compliance form signed by authorized person. 5. Readability certification for the certificate and group policy if fewer than 1,000 lives in the group, or if the forms are not subject to federal jurisdiction as securities. 6. Product standards for forms (this document and other applicable standards). 7. If filing a rider, endorsement, or amendment, the information listed in the guidelines from of Form 440-3602. 8. Statement of variability (See description under Variable Text). 9. Actuarial memorandum with an overview of the contents of the filing, and the reasons and procedures used to derive charges. (<i>See Requirements for Rates.</i>) 10. Forms filed for approval. (<i>If filing revised forms, include a highlighted copy of the revised form to identify the modification, revision, or replacement language.</i>) 11. For mailed filings, two sets of the entire filing and one large self-addressed stamped envelope in which the Division of Financial Regulation can return the approved if the 	<p>Yes N/A</p> <p><input type="checkbox"/> <input type="checkbox"/></p>
	Cover letter or filing description on transmittal form ORS 743.303(2)	<ol style="list-style-type: none"> 1. group policy or group certificate is not being filed, the cover letter identifies the approved policy or certificate to be used that meets the requirements. ORS 743.330 2. The cover letter describes the groups that will be marketed and verifies that they are valid employer/employee groups under ORS 743.303, or a prior approved group under 743.351, 743.354, or 743.360. 3. The cover letter includes a statement affirming that each group will meet the requirement for insuring no fewer that two lives at the date of issue of the policy. 	<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		
Review	ORS 742.003(1), OAR 836-010-0011(3)	Check all that are submitted in this filing for review: 1. New policy and/or certificate. 2. Amending an approved policy. Complete revised policy/certificate is included with a current revision date and changes highlighted on one copy. Filing individual insert pages is not accepted. 3. Adding new plan options for a previously approved policy, number: _____ (Include new specification page or application with changes with a separate form number or revision date.) 4. Certificate is illustrated under OAR 836-051-0530) and (4) for non-term groups, John Doe participant sample enclosed.	Yes <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Advertising	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.		
Amount of premium	ORS743.303(3)	The amount of premium is based on some plan precluding individual selection.		
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. Accident, accidental death or dismemberment, Form 440-3631.	Yes <input type="checkbox"/> <input type="checkbox"/>	N/A <input type="checkbox"/> <input type="checkbox"/>
		If filing riders for 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. If filing only such riders, this document is not required; submit Form 440-3602.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Association/ trusts/ discretionary groups	ORS 731.486, ORS 743.351, ORS 743.354, ORS 743.360	For qualifying an association, trust, or discretionary group, form 440-2441 has been included in the filing.	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Assumptions/ mergers, etc.	Form 440-3637	See standards for <i>Changes to Business Operations that Require a Filing</i> , Form 440-3637.		
Application	Form 440-2442 ORS743.318	1. If filing includes an application form, the product standard for <i>Life, AD&D, and Annuity Applications</i> , Form 440-2442, is included. 2. If the policy issued requires consent, the consent form is made a part of the policy and is included. 3. 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 person insured are representations and not warranties.	Yes <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	
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, ambiguous, abstruse, or likely to mislead.	Confirm <input type="checkbox"/>
	ORS 743.104(1)(b)	Statement of readability is included for the policy and certificate. (<i>Check "N/A" if the policy is exempt from readability covering more than 1,000 lives at date of issue, but the statement of readability is included for the certificate.</i>)	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS 743.104(1)(a)	Policy is subject to federal jurisdiction and meets requirements for exemption.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Combination plans	ORS 731.170,	Endorsement for classes of coverage not authorized under ORS 742.041(5) are acceptable only when such endorsement meet the definition of "every insurance appertaining" to the annuity coverage. An endorsement meets the definition if it does not provide for additional coverage amounts and if provided at no charge, i.e., waiver of premium for involuntary unemployment.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
	ORS742.041(5)	The classes of life and health insurance may be combined in which the liability of the company for unearned premium or the reserve for unpaid, deferred, or undetermined loss claims is estimated in a different manner.	
	ORS742.041(8)	Insurance under more than one class may be effected in one policy if the director finds it in the public's best interest.	
Credibility	ORS 742.005(2)	Fairness. The policy does not contain inconsistent, ambiguous, abstruse, unintelligible, 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, and 0055	A statement is included 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, all sources of funds going into the policy and funds being withdrawn are treated alike.</i>) Distinction between men 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 law if the form makes reference to spouse, marriage, husband and wife. There are several exceptions to this and they involve language that specifically limit 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.)	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Eligibility	ORS 743.348(1)(2)	Membership is not sold to qualify an applicant for group life insurance, and group life insurance is not sold for the purpose of offering membership in the group.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	
Entire contract provision	ORS 742.016	The administration agreement between the company and policy owner or third-party administrator is a separate agreement from the insurance policy and not tied to the benefits paid under the policy.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Form number	ORS 742.005(2) or ORS 742.003(1)	<ol style="list-style-type: none"> 1. The policy and certificate are filed under one form number, which provides the core coverage, including all the basic requirements. 2. The form number is in the lower left corner of the policy and appears on each page. 3. Basic policy requirements are not bracketed unless an alternative selection is included. Additional benefits, optional to the policyholder, are filed under separate form numbers. If optional coverages are incorporated into the policy, separate form numbers are disclosed on the schedule page with the option listing or filed as a separate rider. 	Confirm <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Insurable interest	ORS 743.024, ORS 743.027, ORS 743.030	<ol style="list-style-type: none"> 1. This policy provides benefit payments to the insured, insured's personal beneficiary, or the insured's estate. 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. 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. 	Yes <input type="checkbox"/> N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Legal action	ORS743.225(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 <input type="checkbox"/>
	ORS743.225(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 thereof.	Yes <input type="checkbox"/>
Backdating	ORS743.225(2)	The policy shall not contain a provision by which the policy purports to be issued or to take effect more than six months before the original application for the insurance was made.	Yes <input type="checkbox"/>
Jurisdiction	ORS 743.187(2)(a), ORS743.207(1)(f)(A)(C) ORS743.278(d)	The jurisdiction for the policy is where the policy is delivered.	Yes <input type="checkbox"/>
Non-English policy	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 <input type="checkbox"/> N/A <input type="checkbox"/>
Qualified		If filing an IRS or TSA policy, it must be filed using the individual standards, form 440-2454 (fixed or variable). If filing an endorsement, use Form 440-3602.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Supplemental insurance	ORS743.303(3)	The amount of insurance is based upon age, salary, rank, or similar objective standard.	Yes <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	
Table of contents	ORS 743.106(1)(d), ORS 743.103	Policy and certificate contain a table of contents or index of the principal sections, if longer than three pages or 3,000 words.	Confirm <input type="checkbox"/>
Unilateral amendments	ORS 742.003(1)	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. Amendments, riders, or endorsements that change policy provisions are filed only to enhance benefits or policy provisions or to add tax-qualified federal requirements. 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 <input type="checkbox"/> N/A <input type="checkbox"/>
Variable text	ORS 742.003(1), ORS 742.005(2)	1. The company identifies items considered variable in brackets or otherwise marked to denote variability. The submission includes a statement on variability that discusses the conditions under which each variable item may change with specific alternate language that will be used.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		2. The company may 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. Fixed charges, fees, etc. can only be bracketed when the range from which fees will be issued is included within the brackets.	Yes <input type="checkbox"/>
		3. Guaranteed interest rate(s) and surrender charges are not filed in variable brackets.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
		4. All contract provisions are guaranteed, key terms defined, and all rights to make changes include the specific circumstances and extent of the reserved right with timely notice to the contract owner. (Open-ended provisions do not meet the requirements of ORS 742.023(1)(f) and 742.005(2), and changes require prior approval under ORS 742.003(1).)	Yes <input type="checkbox"/>
		5. The filing identifies ranges for specific items or alternative language that may be used without prior approval. Changes outside of approved ranges or alternative language must be filed for approval.	Yes <input type="checkbox"/>

Review requirements	Reference	Description of review standards requirements	
Variable text, continued	ORS 742.003(1), ORS 742.005(2)	<p>6. Separate account and funds available under the policy may be identified as variable. They may be changed without notice or prior approval as long as the new account or funds do not significantly alter the underlying structure of the policy and comply with ORS 733.220(6). The statement on variability includes a statement to that effect, and the investment policy of the separate account will not be changed without filing for and receiving the approval of the insurance commissioner of the state of domicile of the company. <i>(An example of an unacceptable change would be the introduction of a separate account or fund with investment performance guarantees.)</i></p> <p>7. 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>8. The marketing name and logo may be bracketed.</p>	<p>Yes <input type="checkbox"/></p> <p>Yes <input type="checkbox"/></p> <p>Yes <input type="checkbox"/></p>

FORMS			
Cover page	ORS 743.245, ORS 743.198	<p>1. The full corporate name of the insuring company appears prominently on the first page of the policy.</p> <p>2. A marketing name or company logo, if used on the policy, must not mislead as to the identity of the insuring company. Policy title and subtitles are generic and clearly describe the guaranteed elements; policy title contains no marketing or group names.</p> <p>3. The insuring company's address, consisting of at least a city and state, appear on the first page of the policy.</p> <p>4. The signatures of at least two company officers appear on the first page of the policy.</p> <p>5. 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.</p> <p>6. The policy and certificate contain a brief caption that appears prominently on the cover page and describes the coverage.</p> <p>7. If variable accounts are included, the face page and application include a statement in prominent print to the effect that policy values based on the separate account assets are not guaranteed and will decrease or increase with investment experience.</p> <p>8. An indication of any war risk exclusion.</p>	<p>Yes N/A</p> <p><input type="checkbox"/> <input type="checkbox"/></p>

Review requirements	Reference	Description of review standards requirements	
Specification page	ORS 743.156, ORS 743.245	<p>The specification page of the policy is completed with hypothetical data that is realistic and consistent with the other documents for the policy and supporting actuarial memorandum.</p> <ol style="list-style-type: none"> Any information appearing on the specification page that is variable is bracketed or otherwise marked to denote variability. A clear explanation of how the material will vary is provided. See section "Variable text". The certificate specification page includes the date on coverage amount, any minimum policy-premium requirements, and any supplemental benefits provided. If subaccounts are included, the policy specification page or application identifies the separate accounts under the policy. Premiums are disclosed for each benefit, and policy fees and charges are disclosed separately on the specification pages. The specification page includes statements regarding guaranteed benefit periods, including restrictions or changes. All surrender charges applicable to the certificate holder are disclosed on the certificate specification page, including any additional reduction by a market value adjustment. Any changes to surrender charges are filed for approval. 	<p>Confirm <input type="checkbox"/></p> <p>Yes N/A <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"/> <input type="checkbox"/></p>
	ORS 746.015(1)	Any extra credits are fair and equitable and do not unfairly discriminate in their application and availability. Rollovers from other plans are not unfairly discriminatory. <i>(For example, all sources of funds going into the policy and funds being withdrawn are treated alike.)</i>	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 746.015, ORS 746.035	Any initial interest bonus included in the policy/certificate is disclosed separately on the specification page with a statement that the offer is an inducement to purchase. <i>(Incentives to roll funds are not permitted.)</i>	Yes N/A <input type="checkbox"/> <input type="checkbox"/>
	ORS 742.005(2)	Term periods that guarantee the initial interest rate longer than one year are disclosed on the specification page and available term periods are stated on the application for selection. If term periods are not renewable, the initial term period clearly discloses the limited offer and explained in the policy.	Yes N/A <input type="checkbox"/> <input type="checkbox"/>

POLICY PROVISIONS			page & paragraph
Review requirements	Reference	Description of review standards requirements	Location of item in filing
Applications	ORS 743.318	The policy contains a provision that a copy of the application, if any, is attached to the contact 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>	
Assignment of policy	ORS 743.345, ORS 743.043	<ol style="list-style-type: none"> 1. If the policy is assignable, the policy shall describe procedures for accepting assignments and states that assignments are effective as specified by the owner, subject to the terms of the policy or agreement of the insured and the group policyholder. 2. The policy may state that the company is not liable for the validity of the assignment. 	
Beneficiaries	ORS 742.023, ORS 743.327	<p>The policy and certificate include the following beneficiary provision unless filed for specific situations as allowed by the insurable interest requirements.</p> <ol style="list-style-type: none"> 1. The policy contains a beneficiary provision that describes the terms and conditions for designating or changing the beneficiaries, for selecting default beneficiaries as may be necessary, and indicating when such designation is effective. 2. The policy states that changes in beneficiary, unless otherwise specified by the owner, shall take effect on the date the notice of change is signed by the owner, subject to any payments made or actions taken by the company prior to receipt of such notice. 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. 4. The default beneficiary is the participant's estate; however, \$500 may be paid to an entitled person having incurred funeral or other expenses incidental to the final illness or death of the person insured. 	
Certificates	ORS 743.330	The group policy contains a provision that individual certificates will be provided to the participants that describe the benefits under the group policy. If the certificate is incorporated as part of the group policy, the certificate is also included as part of the entire policy provision. <i>(This requirement may be satisfied by plan information for qualified pension plans.)</i>	
Claim payment	OAR 836-080-0235	If the provision describes the insurer's response practices in handling claims, the response time is within 30 days.	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Claim settlement	ORS 743.153	<p>Settlements</p> <ol style="list-style-type: none"> 1. The provision describes each type of settlement option and includes a table of guaranteed minimum payout amounts for each option, the guaranteed interest rate (not less than one percent), and the mortality table being used. Policies may reserve the right to change the guaranteed tables for future contributions with prior approval. 2. The settlement provision describes any limitations to options for non-human beneficiaries. 3. If this policy is filed as unisex, the annuitization provision includes a description of the mortality table used in the policy, the interest rate, and the percentage for the blend of male and female mortality data used to develop the annuitization rates. 4. Policies offering only a lump-sum payout prominently state this limitation. 5. The settlement provision states that the annuity benefits at the time of their commencement will not be less than those that would be provided by the policy accumulation amount to purchase an immediate annuity policy at purchase rates offered by the company at that time to the same class of annuitants. 	
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 743.333(1) to ORS 743.339, ORS 743.303, ORS 743.354, ORS 743.356, ORS 743.336(2)	<ol style="list-style-type: none"> 1. The conversion policy provides that the incontestability and suicide provisions of the conversion policy run from the date of issue of the original coverage under the group policy. 2. The policy includes a provision for employee conversion rights upon coverage termination. Conversion amount for termination of policy or class is not less than \$10,000 or the amount insured, whichever is smaller. 3. The policy includes a provision that continues coverage for those under disability waiver at the time the policy is replaced by another group life insurance policy. 4. If the group policy offers continuation of coverage by allowing the insured to retain group coverage after termination, the extended coverage is limited to 12 months and the conversion rights are still provided at the end of the continuation period. (See also the portability section.) 	
Death benefits	ORS 743.327(2)	<ol style="list-style-type: none"> 1. Plans that reduce the death benefit at older ages prominently disclose a schedule of the decreasing nature of the proceeds on the specification page. 2. The policy contains a provision that settlement of the death-benefit proceeds is made to the beneficiary upon receipt of due proof of death. 3. The death-proceeds provision specifies that which satisfies proof of death and includes standard proof (certified death certificate or finding from a court of competent jurisdiction) and other proof satisfactory to the company. 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Death benefits, continued	ORS 743.327(2)	<ol style="list-style-type: none"> 4. The policy contains a provision that settlement of death benefit is made promptly to the beneficiary upon receipt of proof of death. If delayed longer than 30 days, payment includes interest from the date of death at the current withdrawable (loan) interest rate for life policies issued by the insurer. No time limit can be stated. 5. Death proceeds are available as a lump sum whether or not settlement options are available. 	
Entire contract provision	ORS 742.016, ORS 743.174, ORS 743.261	<ol style="list-style-type: none"> 1. The policy contains a provision that the policy constitutes the entire contract between the company and the owner and does not reference other agreements as a way to incorporate additional terms to the policy (i.e., statement of variability). 2. If the application is to be part of the policy, the entire contract provision states that the application is part of the policy. 3. If a variable life policy, the application and policy do not reference the prospectus as part of the contractual agreement nor do they reference fees or details in the prospectus that are not in the policy and that would serve to control the policy. 4. 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. 5. Certificates include a provision that indicates it is a statement of benefits, rights, and conditions set forth in the policy. 	
Exclusions	ORS 742.005(2)	The policy may not exclude from coverage death due to any specific medical condition.	
	ORS 742.023, ORS 742.005(4)	<p>The policy may provide for an exclusion only when death occurs by the following conditions:</p> <ol style="list-style-type: none"> 1. During declared or undeclared war while the insured is serving in the military, naval, or air forces of any country, combination of countries, 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>) 2. While the insured is a non-combatant civilian, as a result of war or an act of war or 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. 	
		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.	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
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"> 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. 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. 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. 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. 	
Grace period	ORS 743.312	<ol style="list-style-type: none"> 1. The policy provides for a grace period of not less than 31 days during which the policy stays in force to allow for the payment of any premium after the first. The premium due and interest may be deducted from any claim proceeds. 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 a grace period. 3. The premium due interest maybe deducted from any claims proceeds. 	
Incontestability	ORS 743.315, ORS 743.318, ORS 743.013	<ol style="list-style-type: none"> 1. The policy contains an incontestability provision and includes the conditions of the provision. 2. The contestable period is no greater than two years during the lifetime of the insured. 3. Coverage may be contested based on a material statement contained in an application only 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. 4. The <i>only</i> exception to the incontestability provision is for non-payment of stipulated payments 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. 5. The coverage does not contain an incontestability provision that excludes riders that may be attached to the form unless those riders contain their own incontestability provision. 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Insurability	ORS743.321	<ol style="list-style-type: none"> 1. Any changes to current coverage do not require new evidence of insurability. 2. Any increases in the proceeds amount may require evidence applicable only to the increased amount. 3. The insurer has the right to require a person eligible for insurance to furnish evidence of individual insurability satisfactory to the insurer as a condition to part of or all of the coverage. 	
Loans	ORS 743.358, ORS 743.186, ORS 743.187	<p>If the policy develops cash value, it may provide for loans. If a loan provision is included, it meets the requirements of OARS 743.358, 743.186 and 743.187. (See Flexible Premium Adjustable Life product standards, Form 440-256f for details on general loan requirements)</p> <p>In addition, the provision contains the following criteria:</p> <ol style="list-style-type: none"> 1. The loan value is not less than 90 percent of the cash-surrender values less any existing indebtedness including unpaid interest after three full years' premiums have been paid, except to comply with federal requirements. 2. Minimum loan amount does not exceed \$1,000. 3. Maximum loan amount may be limited to federal requirements for qualified plans. 4. The interest rate of the loan may not exceed 8 percent per year or an adjustable interest rate. 	
Misrepresentations & misstatements	ORS 743.177 ORS 743.318	The policy contains a provision that all statements made by or on behalf of the insured, in the absence of fraud, are representations and not warranties, and that no statement is used in defense of a claim unless in a written application attached to the policy when issued.	
	ORS 743.324	<p>Misstatement of age</p> <ol style="list-style-type: none"> 1. The policy contains a misstatement-of-age provision, that the amount payable shall be such as the payment(s) to the company would have purchased at the correct age. 2. Any overpayment(s) by the company on account of misstatement of age are, with interest at a rate specified in the policy but not exceeding six percent, charged against the current or next succeeding payment(s) to be made by the company. 3. 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 as appropriate, of any insured. 	
	ORS 743.315	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.	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Mortgage	ORS 743.303(1)(b), (5),(6)	<ol style="list-style-type: none"> 1. The eligibility provision defines loans covered as first and/or second mortgages secured by real estate. 2. Coverage is 100 percent of the outstanding loan. Partial coverage is filed as an individual policy. 	
Ownership of policy	ORS 743.043	The policy contains an ownership provision. The provision describes the terms and conditions for designating or changing the ownership or for designating default ownership as may be necessary and indicates when such designation is effective.	
Portability	ORS 743.303, ORS 743.354	Under a cash-value policy, the certificate can be converted to an individual policy when the individual is no longer eligible under the group. The portability provision describes the conversion of the certificate to an individual policy, which is no longer governed by the group-policy provisions. The provision provides for the issue of a schedule page for the individual coverage. The certificate is filed in compliance with the standards for the individual coverage provided.	
Premium payment	ORS 743.303(4) ORS 746.005(6)(2)	<ol style="list-style-type: none"> 1. The policy states the dollar amount of any minimum or maximum policy premium requirements. 2. Advance premium deposits are not subject to fees or surrender charges and are credited a stated interest rate. 3. The policy contains a provision that premium payments are submitted by the group policyholder, or from funds contributed by the person insured under the policy, or from both sources. 4. Method of payment using salary savings, bank draft, preauthorized check, payroll-deduction, or similar plans is offered at a reduced rate reasonable to the savings made by use of the plan. 	
Qualified plan	ORS 742.005(2)	<p>Provisions disclosing ERISA requirements and rights are included only in qualified policies and certificates and contain only what is required by federal regulation.</p> <p>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 in regards to the operation of the policy they have issued. A company may limit responsibility to only the policy they issued without regard to other policies or assets.</p>	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Reinstatement	ORS 743.189	<ol style="list-style-type: none"> 1. The policy may be reinstated upon furnishing evidence of insurability satisfactory to the insurer and payment of arrears of premium and payment or reinstatement of any other indebtedness to the insurer under the policy, with interest at a rate not exceeding the maximum permitted by the loan provision. 2. The policy may be reinstated if the original policy has not been surrendered to the insurer and canceled, and if a period of not more than three years has elapsed since the default. 	
Suicide	ORS 742.023(f), ORS 743.005(3)(4), ORS 743.168	<ol style="list-style-type: none"> 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. 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. 3. 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. 	
Universal life	ORS 743.309	<p><u>Nonforfeiture values for fixed policies or fixed accounts.</u> Disclose the policy guaranteed crediting rate on the certificate specification page and include a provision that explains how the guarantees are determined and interest is credited. (<i>See the rate requirement section.</i>)</p>	
	ORS 743.309	<p>Policy guarantees. (Fixed accounts and fixed policies)</p> <ol style="list-style-type: none"> 1. If a policy contains a fixed account, any interest rate used in the determination of the account value, cash-surrender value, annuity value, and death benefit, and stated in the policy, are guaranteed. Nonguaranteed interest rates may be stated only on the specification page as current rates. 2. For a policy that contains a fixed account and a separate account, any expense charges, surrender charges and partial withdrawal charges used in determination of the account value, cash-surrender value, annuity value, and death benefit, and stated in the policy, are guaranteed. Nonguaranteed expense charges, surrender charges, and partial withdrawal charges may be stated only on the specification page, as current charges. (<i>If filing ranges for different markets, explain in the statement of variability.</i>) 3. The policy states that paid-up annuity benefits, cash-surrender benefits, and death benefits are the greater of the policy accumulation values and the minimum values guaranteed under the policy. 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Universal life, continued	ORS 742.005(2)	<ol style="list-style-type: none"> 1. If the policy offers term periods that guarantee initial premium rates or current interest rates longer than one year, a provision describes the renewal requirements for subsequent guaranteed periods and surrender values available during the guaranteed term. <i>(If a market value adjustment is used, see Requirements for Rates.)</i> 2. If the policy includes a market value adjustment (MVA) associated with guaranteed periods, the application is limited to periods in excess of one year and the calculation for adjustment is limited to that guaranteed period. When applied to a fixed account, the adjusted amount does not adjust values below the guaranteed minimums used to support compliance with nonforfeiture under ORS 743.309. 3. For guaranteed periods exceeding one year that include a market value adjustment upon surrender, the guaranteed period is not automatically renewed without signed consent from the policy owner when the maturity date falls during the guaranteed period unless all charges and adjustments are waived on the maturity date. 	
	ORS 742.023	<p>Policy adjustments.</p> <ol style="list-style-type: none"> 1. The policy may contain a provision allowing the owner to increase or decrease the specified amount or change death-benefit options. The policy may permit 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. 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. 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 changes 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 and/or a suicide exclusion is 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. 4. The maximum surrender charges and the maximum age for increases are described in the form at issue. 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. 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. 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Universal life, continued	ORS 742.023	<ol style="list-style-type: none"> 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. 8. For a policy adjustment being requested by the owner, including 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. 9. The policy provides that it will refund 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, such premium shall not be refunded if it is necessary to continue coverage. 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> 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 cost of insurance rates, if applicable. 	
	ORS 742.023(1)(f)	<p>Surrenders and partial withdrawals:</p> <ol style="list-style-type: none"> 1. A policy that develops cash values clearly describes any surrender charges and other fees deducted and how they are applied to a partial withdrawal. If no surrender charges are applied to recover issuing expenses, assumptions for covering these expenses are explained. 2. Participant surrender-value payout is available in a lump sum and is not restricted to payment over a period of time. 3. A policy that develops cash values may contain a partial-withdrawal provision. 4. The policy contains the conditions applicable to a partial withdrawal. 5. Partial surrenders are allowed for withdrawals that qualify as penaltyfree under the Internal Revenue Code. 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Variable life	ORS 743.309	<u>Nonforfeiture values for fixed accounts.</u> Disclose the policy guaranteed crediting rate on the certificate specification page and include a provision that explains how the guarantees are determined and interest is credited. (<i>See the rate requirement section.</i>)	
	ORS 743.245, ORS 733.220(5)	<p>Separate accounts, if applicable.</p> <ol style="list-style-type: none"> 1. The policy credited and explains the allocation to subaccounts and any restrictions (e.g., transfers between/among subaccounts and between/among fixed accounts, see deferral and transfer requirements). 2. The policy contains a provision stating that the portion of assets of the separate account equal to the reserves and other policy liabilities with respect to the account are not charged with liabilities arising out of any other business the company may conduct. 3. The policy provides that income gains or losses, whether or not realized, from assets allocated to a separate account is credited to or charged against such account without regard to other income or gains or losses of the company. 4. The policy identifies or describes the separate accounts available. 5. The policy describes how variable values are derived and specifies the dates on which the assets of the separate account will be valued and provide that assets allocated to a separate account are valued at their market value on those dates. If there is no readily available market for assets in the separate account, the policy specifies how the assets would be valued. (<i>See claim payment section.</i>) 6. An account that requires participation in an asset-allocation model indicates, in the policy and/or the application, the asset-allocation models available. The name of the asset allocation model is stated; if the name does not indicate the risk level, that information is included in the policy, the application, or both. 	
	ORS 743.245, ORS 743.230(3)(a)	<p>Variable annuity payment options.</p> <ol style="list-style-type: none"> 1. If the policy provides for variable-annuity payment options, it provides a description of how annuity payments are determined. 2. It provides a statement on the smallest annual rate of investment return that would have to be earned on the assets of the separate account so that the dollar amount of variable annuity payments will not decrease or a statement of the conditions under which the dollar amount of variable annuity payments will not decrease. 3. In computing the dollar amount of variable benefits or other contractual payments or values under an individual variable annuity policy, the annual net investment increment assumption does not exceed five percent (5%). (continued on next page) 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Variable life, continued	ORS 743.245, ORS 743.230(3)(a)	4. The policy stipulates the investment increment factors to be used in computing the dollar amount of variable benefits or other variable contractual payments or values and must guarantee that expense and mortality results shall not adversely affect the dollar amounts. Guaranteeing a range of values for expense and/or mortality factors is allowable only during any deferral period before variable benefit payments are determined. However, once variable-benefit payments are determined, the mortality and expense factors used in their determination are guaranteed with no variation permitted thereafter. "Expense" as used in this subsection may exclude some or all taxes, as stipulated in the policy.	
	ORS 743.247	<p>1. The policy provides for the delivery, at least annually and without charge, of a report to the owner that serves to keep the owner advised of the status of the policy and that provides any other information required under state or federal law including the following:</p> <ul style="list-style-type: none"> (a) Investments held in the applicable separate account (b) Number of accumulation units credited to the policy and the dollar value of a unit or the value of the policy owner's account (c) Any withdrawals or surrenders (d) The dollar amount of the death benefit <p>2. The status report of the policy must provide current information as of a date not more than four months prior to the date of mailing.</p>	
	ORS 742.005(2), ORS 743.153, ORS 743.309	<p>Deferral and valuation of payments. The policy may provide for the deferral of valuation of payments providing the following:</p> <ol style="list-style-type: none"> 1. The provision describes any conditions and/or limitations on the valuation of any variable account amounts payable upon surrender, withdrawal, election of a loan, or transfer of funds. There is no deferral of payment to any portion of the death benefit. 2. The right to defer, at the company's option, is limited to any period during which: <ul style="list-style-type: none"> (a) the New York Stock Exchange is closed for trading (b) the Securities and Exchange Commission has determined that a state of emergency exists that may make determination and payment impractical (c) a disaster has occurred that is dealt with under the company's disaster-recovery plan. 	
	ORS 742.005(4)	<p>Transfers. The policy may provide that the company reserves the right, at its option, to defer transfers providing the following:</p> <ol style="list-style-type: none"> 1. For any period during which the New York Stock Exchange is closed for trading, the Securities and Exchange Commission has determined that a state of emergency exists or has imposed transfer restrictions that may make determination and transfer impractical, or disasters are being dealt with under the company's disaster-recovery plan. Transfers are not subject to surrender charges. (continued on next page) 	

Review requirements	Reference	Description of review standards requirements	Page & paragraph
Variable life, continued	ORS 742.005(4)	2. For a period not to exceed six months. The policy owner is notified of the specific date the transfer will be paid, the reason for the delay, and the value of the transfer as determined at the time the request is received by the company.	
	ORS 743.207, ORS 743.210	Surrenders and partial withdrawals: 1. A policy that develops cash values clearly describes any surrender charges and other fees deducted and how they are applied to a partial withdrawal. If no surrender charges are applied to recover issuing expenses, assumptions for covering these expenses are explained. 2. Participant surrender-value payout is available in a lump sum and is not restricted to payment over a period of time. 3. A policy that develops cash values may contain a partial-withdrawal provision. 4. The policy contains the conditions applicable to a partial withdrawal. 5. Partial surrenders are allowed for withdrawals that qualify as penalty free under the Internal Revenue Code.	

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	
Submission requirements	ORS 731.296	Additional submission requirements: An actuarial memorandum signed by a member of the American Academy of Actuaries that describes the policy and all maximum benefit, surrender, and expense charges.	Confirm <input type="checkbox"/>
		Certification by a company officer that any single-consideration immediate-annuity policy purchase rates offered by the company to the recipient at the time of policy settlement will be appropriately adjusted by the company to reflect any difference in acquisition expenses applicable to the purchase.	Confirm <input type="checkbox"/>
Bonus	ORS 746.015(1), ORS 742.005(4)	Any initial bonus is not limited to rollover funds. All fund sources are treated equitably.	Confirm <input type="checkbox"/>
	ORS 743.309	Recapture of any part of a bonus demonstrates the cost period for the bonus in relation to the percentage of the recaptured amount for each duration.	Yes <input type="checkbox"/> N/A <input type="checkbox"/>
Combination plans	ORS 742.041(5)	<u>Combined classes.</u> The classes of life and health insurance may be combined. No other classes are 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 <input type="checkbox"/> N/A <input type="checkbox"/>

