



IIPRC-A-I-APP-2

https://www.insurancecompact.org/compact_rlmkng_record.htm

STANDARDS FOR INDIVIDUAL ANNUITY APPLICATION CHANGE FORM CHECKLIST

Effective Date: March 5, 2015

Scope: These standards apply to forms that are used during the underwriting process to make changes to answers that had been provided by the applicant in paper, telephonic or electronic applications for coverage provided by individual annuity contract forms.

Separate additional standards will apply to forms that are used to make changes to any combination of life, annuity, disability income and long term care applications. Consult the IIPRC web site to determine when additional standards are available for filing.

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Mix and Match: These standards are available to be used in combination with State Product Components as described in Section 111(b) of the Operating Procedure for the Filing and Approval of Product Filings. (https://www.insurancecompact.org/compact_rlmkng_record.htm). Please note that this applies to the entire state or Compact approved forms and NOT to particular provisions contained within such forms. Submit the following:

1. STATEMENT OF INTENT indicating the intent to use one or more State Product Components with a Commission Product Component. The Statement of Intent must identify the Compacting State(s) wherein the combined Product Components will be offered or sold, and sufficiently identify for each of such Compacting State(s) the State Component(s) that will be used with the Commission Component by listing the form numbers and Compacting State approval dates; and

2. CERTIFICATION stating that the combination of a Commission Component and a State Component does not contain inconsistent, ambiguous, unfair, inequitable or misleading clauses, or exceptions or conditions that unreasonably affect the risk purported to be assumed. The Certification must be signed by a company officer. This Certification shall not give rise to any presumption that the combination of Product Components, in fact, meets this standard for purposes of any action by the Commissioner of a Compacting State to prohibit the combined use of a Commission Product Component with a State Product Component. https://www.insurancecompact.org/industry_resources.htm

Self-Certification: These standards are not available to be filed using the Rule for the Self-Certification of Product Components Filed with the Interstate Insurance Product Regulation Commission.

Filing Information Notice (FIN) 2009-4 provides more guidance regarding the submission of filings using the “Mix and Match” process: <http://www.insurancecompact.org/fin.htm>

As used in these standards the following definitions apply:

“Application” means any form used to apply for an annuity whether or not the form is attached to the contract at issue. The application form shall be filed for approval.

“Signed or signature” means any symbol or method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper, electronic or telephonic media, and which is consistent with applicable law.

§ 1 ADDITIONAL SUBMISSION REQUIREMENTS

A. GENERAL

YES N/A

		(1) All forms filed for approval shall be included with the filing. Changes to a previously approved form shall be highlighted.
		(2) If the application change form is submitted for use by more than one company, the following requirements shall apply:
		(a) The name of each company shall appear at the top of the first or cover page of the form, and a means of designating the appropriate company must be available, such as checkboxes in front of each company’s name. A “blank space write in” format will not be acceptable;
		(b) Multiple companies may be represented in one filing, provided that:
		(i) All companies shown at the top of the first or cover page of the application change form are properly licensed in all states for which the filer is requesting approval;
		(ii) The filer is requesting approval for an identical filing (no exceptions for any company represented in the filing) in all states for which the filer is requesting approval; and
		(iii) Separate filing fees may apply and transaction fees for each combination of company and state shall apply; and
		(c) The application change form shall have the same form number for each company, and the form number shall be unique within each company.
		(3) If a filing is being submitted on behalf of a company, include a letter or other document authorizing the firm to file on behalf of the company with the filing.
		(4) If the application change form contains variable items, the submission shall include the Statement of Variability required in the specific Interstate Insurance Product Regulation Commission national product standard. The submission shall also include a certification that any change or modification to a variable item shall be administered in accordance with the requirements in the Variability of Information section, including any requirements for prior approval of a change or modification.
		(5) Include a certification signed by a company officer that the application change form has a minimum Flesch score of 50, if applicable. If an annuity application or sections of an annuity application are subject to federal jurisdiction, and accordingly the Appendix A requirements do not apply, the certification shall include a statement to that effect.
		(6) Include a statement of the types of applications with which the application change form will be used.

B. VARIABILITY OF INFORMATION

YES N/A

		(1) The company may identify items that will be considered variable in the application change form. The items shall be bracketed or otherwise marked to denote variability. The submission shall include a Statement of Variability that will discuss the conditions under which each variable item may change and shall include any terms and conditions that apply to a change.
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C. READABILITY REQUIREMENTS

YES N/A

		(1) The text of the application change form shall achieve a minimum score of 50 on the Flesch reading ease test or an equivalent score on any other approved comparable reading test. See Appendix A for Flesch methodology.
		(2) The text of the application change form shall be presented in not less than ten point type, one point leaded.
		(3) The style, arrangement and overall appearance of the application change form shall give no undue prominence to any portion of the text or section of the form.

D. FAIRNESS

YES N/A

		(1) The application change form shall not contain inconsistent, ambiguous, unfair, inequitable or misleading clauses, provisions that are against public policy as determined by the Interstate Insurance Product Regulation Commission, nor shall it contain exceptions and conditions that unreasonably affect the risk purported to be assumed in the general coverage of the contract forms with which the application change form will be used.
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§ 2 APPLICATION CHANGE FORM REQUIREMENTS

A. GENERAL

YES N/A

		(1) The full corporate name of the company shall appear in prominent print on the application change forms. “Prominent print” means, for example, all capital letters, contrasting color, underlined or otherwise differentiated from the other type on the form.
		(2) Two signatures of company officers may be included in the application change form.
		(3) If an application change form will be used by more than one company, each company’s full corporate name shall appear in prominent print on the application change form, and a means of designating the appropriate company must be available, such as checkboxes in front of each company’s name.
		(4) A form identification number shall appear at the bottom of the application change form in the lower left hand corner of the form. The form number shall be adequate to distinguish the form from all others used by the company. The form number shall include a prefix of ICCxx (where xx represents the appropriate year the form was submitted for filing) to indicate it has been approved by the Interstate Insurance Product Regulation Commission.

Standards for Individual Annuity Application Change Form Checklist

	(5) The application change form shall specify the name of each proposed annuitant, the date of the application, and the contract number, if one had been assigned.
	(6) The application change form shall include a statement that each person signing the application change form agrees that all representations made in the form are true and complete to the best of that person's knowledge and belief on the date signed.
	(7) The application change form shall include a signature section which includes the printed names and signatures of those persons who signed the application and the date of signature.

The Reviewer Checklist is intended for the sole purpose of assisting a company product filer ("User") in understanding the requirements of the applicable Uniform Standard(s) for IIPRC product filings. Users are hereby notified not to rely solely upon the Reviewer Checklist in preparing a product filing or in complying with the IIPRC Uniform Standards, Rules and Operating Procedures. The User also acknowledges there is a possibility of human, mechanical or technical error in the development, presentation or use of the Reviewer Checklist. The Interstate Insurance Product Regulation Commission (Commission) accepts no liability for any loss, cost or damage caused by use of this tool, including without limitation, direct or indirect, incidental, special, consequential or exemplary or punitive damages arising out of the use or inability to use the Reviewer Checklist. There are no warranties either express or implied and User specifically acknowledges the Commission does not warrant the truth, accuracy or completeness of the Reviewer Checklist.