

Agenda Item 1. Receive an update from the Actuarial Working Group on the status of the Substantive Change Item 1 in the IIPRC Office Report and Recommendation to Product Standards Committee for Phase 5 of the Five-Year Review.

Pete Weber, Ohio, Chair of the Actuarial Working Group (AWG), advised the PSC that the AWG has met in three member calls to discuss the Industry Advisory Committee request to eliminate the 7%/7 Year limitation on surrender charges for general account non-MYGA market value adjusted annuities that is contained in the Additional Standards for Market Value Adjustment Provided through the General Account. AWG members recognize that these products are being approved and sold without the limitation on surrender charges in the vast majority of states. The uniform standards as currently written are primarily only being used to get the product in the states that do not approve non-MYGA market value adjusted annuities. The AWG has a call scheduled for October 21, 2015 to discuss recommendations and revisions to the Uniform Standards and hopes to complete its task and provide the PSC with a recommendation for discussion on the PSC's October 27th call.

Agenda Item 2. Review item 4 of the Substantive Changes in the IIPRC Office Report and Recommendation to Product Standards Committee for Phase 5 of the Five-Year Review.

The PSC continued its review of the draft revisions to the Additional Standards for Guaranteed Living Benefits to accommodate enhanced benefits if the covered person becomes terminally ill or experiences certain other life events. The qualifying events in the draft are the same qualifying events listed in the Additional Standards for Waiver of Surrender Charges. The Chair asked if members had any feedback from their state reviews of similar products filed within their respective states as well as their review of the proposed revisions. Several members commented that they believed the draft revisions to the Additional Standards for Guaranteed Living Benefits provided increased consumer protections and benefits.

The PSC members discussed the defined terms and their review of similar products approved in member states and agreed to a maximum Elimination Period of 90 days and maximum Qualifying Event Election Waiting Period of 5 years, consistent with products they have seen in the marketplace. Under §2. C. GLB Amounts, the Committee agreed to add a new item (10) stating that the GLB form shall not contain any restrictions on the use of the benefit proceeds. They also agreed to revise the suggested language in new §2. F. Evidence of Continued Eligibility for a Qualifying Event Withdrawal Increase to make it clear that the company may not request that the covered person provide evidence of continuing to meet the requirements of a qualifying event any more frequently than once per contract year.

The PSC agreed to all of the other suggested revisions in the IIPRC office recommended draft revisions to this Uniform Standard.

Agenda Item 3. Any other matters.

The PSC will meet October 27, 2015 to review the AWG's recommendations regarding the Industry Advisory Committee request to eliminate the 7%/7 Year limitation on surrender charges for general account non-MYGA market value adjusted annuities that is contained in the

Additional Standards for Market Value Adjustment Provided through the General Account. The PSC plans to hold a Public Call November 10, 2015 to obtain public comment on its final Office's Report and Recommendation to the Management Committee for Phase Five of the Uniform Standards subject to 5-Year Review.