

Agenda Item 2. Discuss referrals to the Actuarial Working Group and status.

The IIPRC staff provided an overview of the Substantive and Clarification items that were referred to the Actuarial Working Group for feedback and recommendations. It was noted that the suggested revisions to the Private Placement Standards would also be reviewed by the AWG members to make sure the proposed changes do not raise any actuarial concerns as well as to obtain input from as many regulators as possible since these are more specialized products with limited filings. The AWG is scheduled to meet two more times this year and recommendations will be provided to the Product Standards Committee (PSC) as they are finalized.

Agenda Item 3. Discuss Interim Work (Homework) for review of proposed changes to the Additional Standards for Private Placement Plans for Individual Variable Adjustable Life Insurance Policies and Additional Standards for Private Placement Plans for Individual Deferred Variable Annuity.

Mary Mealer, Chair of the PSC, noted that the redlined revisions to the Private Placement Uniform Standards primarily address situations where a qualified owner ceases to be a qualified owner, as well as private placement products that offer investment options with limited availability and/or limited liquidity. Noting that there does not appear to be a substantial volume of these filings and that the proposed changes appear to primarily provide additional guidance in the standards, PSC members were asked to review the proposed revisions and email any questions or concerns to [Anne Marie Narcini](#) by December 12th. Member call time will be devoted to specific comments or questions on the standards. It was noted that the Industry Advisory Committee (IAC) was still working on a response to the request for information to document the specific federal law supporting the IAC's assertions, and that this information would be provided as soon as it is received. The IIPRC staff will also work internally to provide further research related to Private Placement.

Agenda Item 4. Discuss Substantive Item #1-Individual Deferred Paid-Up Non-Variable Annuities and Period Certain Payments in the IIPRC Office Report and Recommendations for the Uniform Standards Currently Subject to Five-Year Review (Phase 7).

The PSC reviewed the recommendation to amend the Scope and §3G.(3) of the Individual Deferred Paid-Up Non-Variable Annuity Contract Standards to allow for contracts for a minimum period certain of five years and maximum of 20 years. Maryland noted that their law requires an annuity to be based on continuance of human life, but stated that if they are in the minority they would not object. Pennsylvania stated that at one time they held the same view, but believed it was an outlier and have since relaxed their position. The Chair asked if there was opposition to the proposal. Hearing none, the PSC agreed that IIPRC staff would update the recommendation in support of the change for the PSC's review.

Agenda Item 5. Discuss the following Clarification Items in the IIPRC Office Report and Recommendations for the Uniform Standards Currently Subject to Five-Year Review (Phase 7).

- (a) **Clarification Item #1 - Available Dividend Options:** The PSC agreed in principal to reformatting this provision depending on the resolution of Substantive Change Item #3.
- (b) **Clarification Item #6 - Overloan Protection – Exercising Benefit:** The PSC agreed with the IIPRC Office recommendation in the Report.
- (c) **Clarification Item #8 - Scope of Change of Insured Benefit:** The PSC noted that the revision was not necessarily needed since the Scope already made the points clear, but had no objection to the IAC suggested revisions.
- (d) **Clarification Item #9 - Change of Insured Benefit and Accelerated Death Benefits:** Pennsylvania suggested amending the words in the IAC proposal “at the time of the exchange” to “prior to the exchange.” Oregon stated that the proposal could be discriminatory if the Change of Insured is offered to everyone except those where an accelerated death benefit has been made. The IIPRC staff noted that existing §3A.(3)(a) permits evidence of insurability as a condition. The PSC agree to the proposed revision with PA’s suggested change:
 - (j) That an accelerated death benefit payment has not been made at the time of prior to the exchange
- (e) **Clarification Item #11 - Actuarial Memorandum Requirements–Graded Death Benefit:** The PSC agreed with the IIPRC Office recommendation in the Report.

Agenda Item 6. Discuss timeframe for review of Conforming and Technical Items

The Chair asked the Committee to review the Conforming and Technical Items in IIPRC Office Report and Recommendations for the Uniform Standards Currently Subject to Five-Year Review (Phase 7) and notify [Anne Marie](#) of any questions or concerns related to these items by Monday December 19th.

Agenda Item 7. Any other matters.

Ms. Mealer stated that because of the NAIC National Meetings, the next PSC member call would be Tuesday December 20th, but reminded members to work on the assigned items and submit questions and comments by the deadlines.