

WEST VIRGINIA
SECRETARY OF STATE

KEN HECHLER

ADMINISTRATIVE LAW DIVISION

Form #4

FILED

Nov 27 2 44 PM '95

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

NOTICE OF RULE MODIFICATION OF A PROPOSED RULE

AGENCY: Insurance Commissioner TITLE NUMBER: 114

CITE AUTHORITY W. Va. §§ 33-2-10 and 33-7-9(e) (2), (3), and (5)

AMENDMENT TO AN EXISTING RULE: YES NO

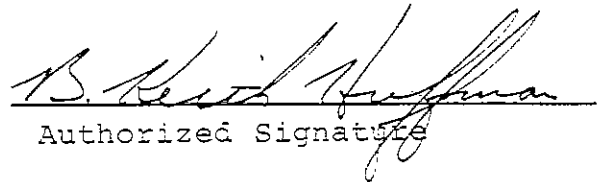
IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: Series 45

TITLE OF RULE BEING PROPOSED: Recognizing Mortality Tables
for use in Determining Reserve Liability for Annuities

THE ABOVE PROPOSED LEGISLATIVE RULE, FOLLOWING REVIEW BY THE LEGISLATIVE RULE
MAKING REVIEW COMMITTEE IS HEREBY MODIFIED AS A RESULT OF REVIEW AND COMMENT
BY THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE. THE ATTACHED MODIFICATIONS ARE
FILED WITH THE SECRETARY OF STATE.


Authorized Signature

114CSR45

TITLE 114
LEGISLATIVE RULE
INSURANCE COMMISSIONER

SERIES 45
RECOGNIZING ANNUITY MORTALITY TABLES
FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES

Section

- 114-45-1. Authority
- 114-45-2. Purpose
- 114-45-3. Definitions
- 114-45-4. Individual Annuity or Pure Endowment Contracts
- 114-45-5. Group Annuity or Pure Endowment Contracts

114CSR45

TITLE 114
LEGISLATIVE RULE
INSURANCE COMMISSIONER

SERIES 45
RECOGNIZING ANNUITY MORTALITY TABLES
FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES

§ 114-45-1. Authority.

This Legislative rule applies to all life insurance companies and fraternal benefit societies doing business in this State and to all life insurance companies and fraternal benefit societies which are authorized to reinsure life insurance, annuities or accident and health insurance business in this State.

1.2. Authority. -- West Virginia Code §§ 33-2-10 and 33-7-9(a)(2), (3) and (5).

1.3. Filing Date. --

1.4. Effective Date. --

§ 114-45-2. Purpose.

The purpose of this rule is to recognize two mortality tables, the 1983 table "a" and the 1983 GAM (Group Annuity Mortality) table, for use in determining the minimum standard of valuation for annuity and pure endowment contracts.

§ 114-45-3. Definitions.

3.1. As used in this rule "1983 Table 'a'" means that mortality table developed by the Society of Actuaries Committee to recommend a new mortality basis for individual annuity valuation and adopted as a recognized mortality table for annuities in June 1982 by the National Association of Insurance Commissioners.

Insurance Commissioner
Legislative Rule
Title 114, Series

3.2. As used in this rule "1983 GAM Table" means that mortality table developed by the Society of Actuaries Committee on annuities and adopted as a recognized mortality table for annuities in December 1983 by the National Association of Insurance Commissioners.

§ 114-45-4. Individual Annuity or Pure Endowment Contracts.

4.1. The 1983 table "a" is recognized and approved as an individual annuity mortality table for valuation and, at the option of the life insurance company or fraternal benefit society, may be used for purposes of determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after April 6, 1977.

4.2. The 1983 table "a" shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 1997.

§ 114-45-5. Group Annuity or Pure Endowment Contracts.

5.1. The 1983 GAM table and the 1983 table "a" are recognized and approved as group annuity mortality tables for valuation and, at the option of the life insurance company or fraternal benefit society, either table may be used for purposes of valuation for any annuity or pure endowment purchased on or after April 6, 1977 under a group annuity or pure endowment contract.

5.2. The 1983 GAM table shall be used for determining the minimum standard of valuation for any annuity or pure endowment purchased on or after January 1, 1997 under a group annuity or pure endowment contract.



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

GASTON CAPERTON
Governor

HANLEY C. CLARK
Insurance Commissioner

November 27, 1995

HAND DELIVERED

Ms. Judy Cooper, Director
Administrative Law Division
Office of Secretary of State
State Capitol
Charleston, West Virginia 25305

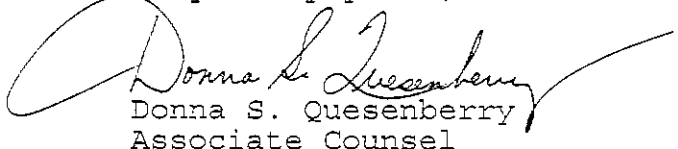
Dear Ms. Cooper:

Enclosed please find for filing one (1) copy of the following:

- (1) Notice of Rule Modification of a Proposed Rule and Filing with the Legislative Rule-Making Review Committee;
- (2) The proposed rule entitled "Recognizing Mortality Tables for Use In Determining Reserve Liabilities for Annuities" (Series 45).

Please contact me if further information is required.

Very truly yours,


Donna S. Quesenberry
Associate Counsel

DSQ/sar
Enclosures

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

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Nov 27 2 12 PM '95

West Virginia Legislature
Legislative Rule-Making Review Committee

Room MB47-State Capitol
Charleston, West Virginia 25305
(304) 347-4840

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

Senator Mike Ross, Co-Chair
Delegate Vickie Douglas, Co-Chair

Debra A. Graham, Counsel
Joe Altizer, Associate Counsel
Marie Nickerson, Admr. Assistant

November 15, 1995

NOTICE OF ACTION TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

TO: Ken Hechler, Secretary of State, State Register

TO: Mr. B. Keith Huffman
General Counsel
Office of Insurance Commissioner
2019 Washington St., East
Charleston, WV 25305

FROM: Legislative Rule-Making Review Committee

PROPOSED RULE: Recognizing Mortality Tables for Use in Determining Reserve
Liability for Annuities

The Legislative Rule-Making Review Committee recommends that the West Virginia
Legislature:

- 1. Authorize the agency to promulgate the Legislative Rule
(a) as originally filed
(b) as modified by the agency
2. Authorize the agency to promulgate part of the Legislative
rule; a statement of reasons for such recommendation is
attached.
3. Authorize the agency to promulgate the Legislative rule
with certain amendments; amendments and a statement of
reasons for such recommendation is attached.
4. Authorize the agency to promulgate the Legislative rule
as modified with certain amendments; amendments and a
statement of reasons for such recommendation is attached.
5. Recommends that the rule be withdrawn; a statement of
reasons for such recommendation is attached.

Pursuant to Code 29A-3-11(c), this notice has been filed in the State
Register and with the agency proposing the rule.

cc: Donna S. Quesenberry
Associate Counsel