

11 NCAC 11F .0505 MODEL RULE FOR RECOGNIZING A NEW ANNUITY MORTALITY TABLE FOR USE IN DETERMINING RESERVE LIABILITIES FOR ANNUITIES

- (a) The North Carolina Department of Insurance incorporates by reference, including subsequent amendments and editions, the National Association of Insurance Commissioners Model No. 821, NAIC Model Rule (Regulation) for Recognizing a New Annuity Mortality Table for Use in Determining Reserve Liabilities for Annuities. Copies of Model No. 821 may be obtained from: The National Association of Insurance Commissioners, 1100 Walnut Street, Suite 1500, Kansas City, MO 64106-2197; the North Carolina Department of Insurance, Actuarial Services Division, 1201 Mail Service Center, Raleigh, NC 27699-1201; and from the Department of Insurance web page at <http://www.ncdoi.com/>.
- (b) For purposes of this Rule, Subsection A of Section 4 of Model No. 821 shall read as follows:
Except as provided in Subsections B and C of this section, the 1983 Table "a" is recognized and approved as an individual annuity mortality table for valuation and, at the option of the company, 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 19, 1979.
- (c) For purposes of this Rule, Subsection B of Section 4 of Model No. 821 shall read as follows:
Except as provided in Subsection C of this section, either the 1983 Table "a" or the Annuity 2000 Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 1987.
- (d) For purposes of this Rule, Subsection C of Section 4 of Model No. 821 shall read as follows:
Except as provided in Subsection D of this section, the Annuity 2000 Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 2000.
- (e) For purposes of this Rule, Subsection D of Section 4 of Model No. 821 shall read as follows:
Except as provided in Subsection E of this section, the 2012 IAR Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 2015.
- (f) For purposes of this Rule, Subsection E of Section 4 of Model No. 821 shall read as follows:
The 1983 Table "a" without projection is to be used for determining the minimum standards of valuation for an individual annuity or pure endowment contract issued on or after January 1, 2000, solely when the contract is based on life contingencies and is issued to fund periodic benefits arising from:
- (1) Settlements of various forms of claims pertaining to court settlements or out of court settlements from tort actions;
 - (2) Settlements involving similar actions such as worker's compensation claims; or
 - (3) Settlements of long term disability claims where a temporary or life annuity has been used in lieu of continuing disability payments.
- (g) For purposes of this Rule, Subsection A of Section 6 of Model No. 821 shall read as follows:
Except as provided in Subsections B and C of this section, the 1983 GAM Table, the 1983 Table "a" and the 1994 GAR Table are recognized and approved as group annuity mortality tables for valuation and, at the option of the company, any one of these tables may be used for purposes of valuation for an annuity or pure endowment purchased on or after April 19, 1979, under a group annuity or pure endowment contract.
- (h) For purposes of this Rule, Subsection B of Section 6 of Model No. 821 shall read as follows:
Except as provided in Subsection C of this section, either the 1983 GAM Table or the 1994 GAR Table shall be used for determining the minimum standard of valuation for any annuity or pure endowment purchased on or after January 1, 1987, under a group annuity or pure endowment contract.
- (i) For purposes of this Rule, Subsection C of Section 6 of Model No. 821 shall read as follows:
The 1994 GAR Table shall be used for determining the minimum standard of valuation for any annuity or pure endowment purchased on or after January 1, 2000, under a group annuity or pure endowment contract.
- (j) For purposes of this Rule, Section 1, Section 8, and Section 9 of Model No. 821 are not applicable.

History Note: Authority G.S. 58-2-40; 58-58-50(k);
Eff. January 1, 2015.