

**SECTION .0700 – DETERMINING MINIMUM RESERVE LIABILITIES FOR CREDIT LIFE
INSURANCE**

**11 NCAC 11F .0701 DETERMINING RESERVE LIABILITIES FOR CREDIT LIFE INSURANCE
MODEL REGULATION**

- (a) The North Carolina Department of Insurance incorporates by reference, including subsequent amendments and editions, the National Association of Insurance Commissioners Model No. 818, Determining Reserve Liabilities for Credit Life Insurance Model Regulation. Copies of Model No. 818 may be obtained from: The National Association of Insurance Commissioners, 2301 McGee Street, Kansas City, MO 64108-1662; 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, Section 4.C. of Model No. 818 shall read as follows:
"Credit life insurance" means insurance on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction as defined in G.S. 58-58-10.
- (c) For purposes of this Rule, Section 6.A. of Model No. 818 shall read as follows:
11 NCAC 11F .0400 shall not apply to credit life insurance.
- (d) For purposes of this Rule, Section 6.B. of Model No. 818 shall read as follows:
The interest rates used in determining the minimum standard for valuation shall be the calendar year statutory valuation interest rates as defined in G.S. 58-58-50(c)(4).
- (e) For purposes of this Rule, Section 6.C. of Model No. 818 shall read as follows:
The method used in determining the minimum standard for valuation shall be the Commissioner's Reserve Valuation Method as defined in G.S. 58-58-50(d).
- (f) This Rule applies to credit life insurance policies and certificates issued on or after January 1, 2006. For credit life insurance policies and certificates issued prior to January 1, 2006, the minimum standard mortality tables and interest rates shall be those provided by the statutes and rules in effect as of the issue date of those policies and certificates.

*History Note: Authority G.S. 58-2-40; 58-58-50(k);
 Eff. September 1, 2005;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December
 20, 2015.*