

Review Requirements Checklist
GROUP VARIABLE LIFE

REVIEW REQUIREMENTS	REFERENCES	COMMENTS
General Filing Requirements		
Transmittal Letter	14 VAC 5-100-40	For Paper Filings: Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14 VAC 5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters, or a combination of both.
	14 VAC 5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms and describe the exact changes that are intended.
	14 VAC 5-100-40 3	Certification of Compliance signed by General Counsel or officer of company or attorney or actuary representing company is required.
	14 VAC 5-100-40 5	Description of market for which the form is intended.
	14 VAC 5-100-40 6	For Paper Filings: At least one copy of each form must be included in the filing. A duplicate copy of forms must be submitted if the company wants a “stamped” copy of forms for its records. A stamped self-addressed return envelope is required. The letter of transmittal must be addressed to: State Corporation Commission, Bureau of Insurance, P. O. Box 1157, Richmond, VA 23218.
	Administrative Letter 1983-7	Must include the name and individual NAIC number of the company for which the filing is made.
Additional SERFF Filing Requirements	Administrative Letter 2012-03	Additional SERFF filing requirements must be met as specified below for life and health forms and rate filings. Failure to provide the applicable information will result in a “rejected” filing.
General Information – Filing Description		(i) Description of each form by name, title, edition date, other; and intended use.
		(ii) Identification of changes in benefits and premiums (previously approved or filed forms). [Place changed contract provisions (red-lined or highlighted) in Supporting Documentation].
		(iii) Identification of SERFF or state tracking number for the previously approved or filed form for which the new form revises, replaces, or is intended to be used.
		(iv) A statement as to whether any other regulatory body has withdrawn approval of the form because the form contains one or more provisions that were deemed to be misleading, deceptive or contrary to public policy.
HELP TIP:		If a form or rate filing is submitted as new in Virginia, but was previously disapproved or withdrawn in Virginia, please provide details such as the tracking information, form number, and the date that the form or rate filing was disapproved or withdrawn, if available.
Rate Changes		(i) Specify the number of affected policyholders.
		(ii) Provide the reason(s) for the proposed change(s).
		(iii) Include a statement regarding an increase, decrease, revision of former rates.
		(iv) Specify the percentage amount(s) of the change(s).

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Forms		
Form number	14 VAC 5-100-50 1	Form number must appear in lower left-hand corner of first page of each form.
Company name & address	14 VAC 5-100-50 2	Full and proper corporate name (including "Inc.") must prominently appear on cover sheet of all policies and other forms. Home office address of insurer must prominently appear on each policy.
Final form	14 VAC 5-100-50 3	Form must be submitted in the final form in which it will be issued and completed in "John Doe" fashion to indicate its intended use.
Application	14 VAC 5-100-50 4	Any form, which is to be issued with an attached application, must be filed with a copy of the application completed in "John Doe" fashion to indicate its intended use. (If application was previously approved, advise date of approval.)
Type Size	14 VAC 5-100-50 5	Accident and Sickness forms must be printed with type size of at least ten-point type. All other forms must be printed with type size of at least eight-point.
Arbitration	§ 38.2-312	Contract may not deprive courts of Virginia jurisdiction in actions against insurer. Arbitration may not be binding.
Fraud Notice	§ 38.2-316 D 1	Title 38.2 of the Insurance Code does not define "Insurance Fraud." Any notice regarding insurance fraud is in non-compliance with this section of the Code. Variations in a notice warning of consequences of making fraudulent statements are acceptable. The notice may disclose that it does not apply in Virginia or may disclose states where applicable.
Disclosures		
Important Information Notice	§ 38.2-305 B	Virginia requires that an important notice accompany each new or renewal insurance policy, contract, certificate or evidence of coverage that contains information of where to get information regarding the policy, contract, certificate or evidence of coverage.
Beneficiary Notice	§ 38.2-305 C	Every life ins. contract that states that the beneficiary is the spouse of the policy owner must contain a beneficiary notice either attached to or incorporated into the first page of the contract.
Standard Policy Provisions		
Suicide	§ 38.2-3106 B	Limits the liability of the insurer to an insured who dies by his own act within 2 years from the date of the policy. The insurer is obligated to return or pay the amount of the premium paid for the policy.
Dependent Coverage	§ 38.2-3323 A 1	Coverage may be extended to insure the spouse and any child who is under the age 19 or who is a dependent and a full-time student under the age of 25, or any class of spouses and dependent children, of each insured group member who so elects.
	§ 38.2-3323 A 2	Any other person in whom the insured group member has an insurable interest as defined in §§ 38.2-301 and 38.2-302 as may be mutually agreed upon by the insurer and the group policyholder.

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	§ 38.2-3323 B	Spouse shall have the same conversion rights as the insured group member.
	§ 38.2-3323 D	Coverage may be extended to any child who is mentally retarded or physically handicapped and chiefly dependent upon the employee for support and maintenance.
	§ 38.2-3323 E 1	A child shall have issued to him, without evidence of insurability, an individual life policy if group coverage terminates.
	§ 38.2-3323 E 2	If the death of a group member results in termination of the group coverage or the dependent ceases to be a qualified family member while the group member remains insured under the group policy, a conversion privilege shall be made available to the surviving dependent.
Incontestability	§ 38.2-3326 A	Each policy shall contain a provision that a policy shall be incontestable after it has been in force for two years from its date of issue except for nonpayment of premiums.
	§ 38.2-3326 B	No statement made by any person insured shall be used in contesting the validity of the insurance unless the statement is contained in a written instrument signed by him.
Entire Contract	§ 38.2-3327 B 1	Each policy shall contain a provision that states that a copy of any application shall be attached to the policy when issued.
	§ 38.2-3327 B 2	Each policy shall contain a provision that states that all statements shall be deemed representations and not warranties.
	§ 38.2-3327 B 3	Each policy shall contain a provision that states that no written statement made by the insured shall be used in any contest unless a copy of the statement has been furnished to the person, his beneficiary, or his personal representative.
Evidence of Insurability	§ 38.2-3328	Each policy shall contain a provision that sets forth any condition which the insurer reserves the right to require evidence of individual insurability.
Misstatement of Age	§ 38.2-3329	Each policy shall contain a provision that an equitable adjustment of premiums or benefits shall be made if the age of the insured has been misstated.
Payment of Benefits	§ 38.2-3330	Each policy shall contain a provision that any sum payable because of the death of the insured shall be payable to the beneficiary. The insurer reserves the right to pay part of a sum, not exceeding \$2,000, to any person appearing to be equitably entitled because of incurred funeral or other expenses due to the death or illness of the insured.
Individual Certificate	§ 38.2-3331	Each policy shall contain a provision that the insurer will issue to the policyholder an individual certificate for delivery to each person insured.
Conversion upon Termination of Employment or Membership	§ 38.2-3332	Each policy shall contain a provision that if the insurance ceases because of termination of employment or membership in the class, the person shall be entitled to an individual policy. The amount of the individual policy shall not exceed the amount of the terminated group policy less the amount of any group life insurance that the person is or becomes eligible for within 31 days after termination.

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Conversion upon Termination of Group Policy/Elimination of Class	§ 38.2-3333	Each policy shall contain a provision that if the group policy terminates or is amended so as to terminate any class of insured persons, every person, other than a minor child pursuant to Section 38.2-3323, who has been insured for at least 5 years, shall be entitled to an individual policy. The amount of the insurance offered cannot exceed the smaller of the amount of coverage terminating less the amount of any life insurance for which the person is or becomes eligible under any group policy within 31 days after termination or \$10,000.
Death after Termination	§ 38.2-3334	The amount of the life insurance shall be payable as a claim under the group policy if the person dies during the period within which he is entitled to an individual policy and before the policy has become effective.
Additional Persons – Eligibility	§ 38.2-3335	Each policy shall contain a provision that states that any person who becomes a member of a group or class covered under the policy shall be eligible for group life insurance with the same requirements as any other member of the group or class.
Benefit and Design Requirements	14 VAC 5-80-120 1	Mortality and expense charges subject to the maximums stated in the contract.
	14 VAC 5-80-120 2	For scheduled premium policies, a minimum death benefit shall be provided that is at least equal to the initial face amount of the policy, less any indebtedness.
	14 VAC 5-80-120 3	Policy shall reflect the investment experience of one or more separate accounts.
	14 VAC 5-80-120 4	Each policy shall be credited with the full amount of the net investment return applied to the benefit base.
	14 VAC 5-80-120 5	Any changes in variable death benefits of each variable life insurance policy shall be determined at least annually
	14 VAC 5-80-120 6	The cash value shall be determined at least monthly.
	14 VAC 5-80-120 7	Computations of values required for each policy may be based on reasonable and necessary approximations acceptable to the Commission.
Policy Cover (First Page)	14 VAC 5-80-130 1 a	Each policy shall contain a prominent statement in boldface type that is at least 2 points larger, in capital letters, indicating that the amount and duration of the death benefits may be variable or fixed under specified conditions.
	14 VAC 5-80-130 1 b	Each policy shall contain a prominent statement in boldface type that is at least 2 points larger, in capital letters, indicating that the cash values may increase or decrease.
	14 VAC 5-80-130 1 c	For scheduled premiums, a description of any minimum death benefit required must be prominently stated, in contrasting color, capital letters, boldface type at least 2 points larger.
	14 VAC 5-80-130 1 d	A statement describing the method, or a reference to the policy provision which describes the method, for determining the amount of insurance payable at death.
	14 VAC 5-80-130 1 e	When appropriate, the policy shall contain a prominent statement in boldface type at least 2 points larger, in capital letters, that the policy loan value is less than 100% of the policy's cash surrender value.

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Grace Period	14 VAC 5-80-130 2	Grace period for scheduled premiums should be no less than 31 days. Grace period for flexible premiums should be no less than 61 days.
Reinstatement	14 VAC 5-80-130 3	For scheduled premium policies, a policy can be reinstated anytime within 3 years from date of default. All overdue premiums shall not exceed 6% per year or 100% of the increase in cash value resulting from reinstatement not exceeding 6% per annum compounded annually. For flexible premium policies, a policy can be reinstated anytime within 3 years from date of default. Payment of any amount shall not exceed 3 months cost of insurance or 100% of the increase in cash value.
Description of Base, Method of Calculation	14 VAC 5-80-130 4	Need to state a full description of the benefit base and the method of calculation and application of any factors used to adjust variable benefits.
Separate Accounts	14 VAC 5-80-130 5	A provision designating the separate accounts must be included.
Designation of Officers	14 VAC 5-80-130 6	Designation of officers who are allowed to make an agreement or representation on behalf of the insurer must be included.
Beneficiary Designation	14 VAC 5-80-130 7	A provision that sets forth conditions or requirements as to the designation, or change of designation, of a beneficiary.
Assignment	14 VAC 5-80-130 8	A statement of any conditions or requirements concerning the assignment of a policy.
Misstatement of Age	14 VAC 5-80-130 9	A description of adjustments which need to be made in the event of a misstatement of age or sex of the insured.
State of Domicile Approval	14 VAC 5-80-130 10	The investment policy of the separate account shall not be changed without approval of the insurance supervisory official of the state of domicile of the insurer and the approval process is on file with the Commission.
Deferral of Payment of Benefits	14 VAC 5-80-130 11 a	Payments of variable death benefits in excess of any minimum death benefits, cash values, policy loans or partial withdrawals or partial surrenders that do not depend on the investment performance of the separate account may be deferred up to six months from the date of request.
	14 VAC 5-80-130 11 b	Payments for variable death benefits in excess of any minimum death benefits, cash values, policy loans or partial withdrawals or partial surrenders that depend on the investment performance of the separate accounts may be deferred for any period during which the New York Stock Exchange is closed for trading or when the Securities and Exchange Commission has determined that a state of emergency exists.
Settlement Options	14 VAC 5-80-130 12	At least one settlement option, if provided, must be offered on a fixed basis.
Description of Basis	14 VAC 5-80-130 13	Include a description of the basis for computing the cash values and the surrender values.
Incidental Benefits	14 VAC 5-80-130 14	Premiums or charges shall be stated separately.

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Loans	14 VAC 5-80-140	With a few exceptions, every variable life policy shall contain a provision for policy loans after the policy loan has been in force for two full years.
	14 VAC 5-80-140 6	A provision for policy loans may provide that at least 90% of the policy's cash surrender value may be borrowed.
Prospectus	14 VAC 5-80-300	Each insurer shall deliver to every applicant a prospectus.
Reports	14 VAC 5-80-320 1	Each insurer is responsible for mailing to each policyholder an annual report.

Access to Administrative Letters, Administrative Orders, Regulations and Laws is available at:
<http://www.scc.virginia.gov/boi/laws.aspx>

The Life and Health Division, Forms and Rates Section reviews group variable life insurance. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

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I hereby certify that I have reviewed the attached group variable life filing and determined that it is in compliance with the group variable life checklist.

Signed: _____

Name (please print): _____

Company Name: _____

Date: _____ Phone No: () _____ FAX No: () _____

E-Mail Address: _____