

Review Requirements Checklist  
GROUP VARIABLE LIFE

REVIEW REQUIREMENTS	REFERENCES	COMMENTS
<b>General Filing Requirements</b>		
Transmittal Letter	14VAC5-100-40	<b>For Paper Filings:</b> Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14VAC5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters, or a combination of both.
	14VAC5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms and describe the exact changes that are intended.
	14VAC5-100-40 3	Certification of Compliance signed by General Counsel or officer of company or attorney or actuary representing company is required.
	14VAC5-100-40 5	Description of market for which the form is intended.
	14VAC5-100-40 6	<b>For Paper Filings:</b> 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.
Variable Language		All variable information must be bracketed and explained in detail. A Statement of Variability (SOV) should be provided in all cases where variable information is presented. The SOV should be detailed and specific. It should identify each variable field appearing in the forms and describe specifically how that field will vary from the text as presented. For any variable numerical information, please express the minimum and maximum values. Any variable language must be defined sufficiently so that compliance with statutory or regulatory requirements can be determined. The SOV should be provided under Supporting Documentation.
<b>Additional SERFF Filing Requirements</b>	<b>Administrative Letter 2012-03</b>	<b>Additional SERFF filing requirements must be met as specified below for life and health forms and rate filings.</b>
<b>General Information – Filing Description</b>		(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.

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		(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.
<b>HELP TIP:</b>		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 state tracking information, form number, and the date that the form or rate filing was disapproved or withdrawn, if available.
<b>Forms</b>		
Form Number	14VAC5-100-50 1	Form number must appear in lower left-hand corner of first page of each form.
Company Name & Address	14VAC5-100-50 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	14VAC5-100-50 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	14VAC5-100-50 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	14VAC5-100-50 5 & § 38.2-311	Forms must be printed in a type size of at least 8-point type.
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 Code of Virginia does not define "Insurance Fraud". Any fraud notice that includes the term "insurance fraud" is not in compliance with this section of the Code. In Virginia, a fraud notice relating to life insurance, annuities, accident and sickness, health maintenance organizations, health services plans, credit accident and sickness and credit life insurance should not include references to imprisonment or fines. Variations in a notice warning of consequences of making fraudulent statements will be considered.
<b>Disclosures</b>		
Contents of Policies	§ 38.2-305 A	Each policy/contract shall specify the: (1) The names of parties to the contract, (2) The subject of the insurance, (3) The risk insured against, (4) The time the insurance takes effect, and the period during which the insurance is to continue, (5) A statement of premium, (6) Conditions pertaining to the insurance.

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Important Information Notice	§ 38.2-305 B	Each new or renewal policy/contract/certificate/evidence of coverage shall be accompanied by an important notice as stated in the statute.
Beneficiary Notice	§ 38.2-305 C	Every certificate that states that the beneficiary is the spouse of the certificate holder must contain a beneficiary notice either attached to or incorporated into the first page of the certificate.
<b>Standard Policy Provisions</b>		
Suicide	§ 38.2-3106 B	If the policy includes a suicide provision, the provision shall be no more restrictive than limiting 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 at the least the amount of the premium paid for the policy.
Dependent Coverage	§ 38.2-3323 A	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 and 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.
	§ 38.2-3323 B	A 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 incapable of self-sustaining employment by reason of intellectual disability or physical handicap 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. The individual life policy must be in an amount not in excess of the amount of life insurance which ceases, less the amount of any life insurance for which such person becomes eligible under the same or any other group policy within 31 days after termination.
	§ 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 the policy shall be incontestable after it has been in force for 2 years from its date of issue, except for nonpayment of premiums.
	§ 38.2-3326 B	The provision shall also provide that 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 A	Each policy shall contain a provision that the policy and any application of the policy owner and any individual applications of the persons insured shall constitute the entire contract.

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	§ 38.2-3327 B	The provision shall state that a copy of any application of the policy owner shall be attached to the policy when issued and all statements made by the policy owner or persons insured shall be deemed representations and not warranties. No written statement made by any person 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 under 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 and/or benefits shall be made if the age of the insured has been misstated.
Payment of Benefits	§ 38.2-3330	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 last 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.
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 § 38.2-3323, who has been insured for at least 5 years, shall be entitled to an individual policy. The individual life policy shall be subject to the conditions and limitations set forth in § 38.2-3332, however, the group policy may contain a provision that the amount of the individual policy shall not 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	14VAC5-80-120 1	Mortality and expense charges shall be subject to the maximums stated in the policy.

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	14VAC5-80-120 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.
	14VAC5-80-120 3	Policy shall reflect the investment experience of one or more separate accounts.
	14VAC5-80-120 4	Each policy shall be credited with the full amount of the net investment return applied to the benefit base.
	14VAC5-80-120 5	Any changes in variable death benefits of each variable life insurance policy shall be determined at least annually.
	14VAC5-80-120 6	The cash value shall be determined at least monthly.
	14VAC5-80-120 7	Computations of values required for each policy may be based on reasonable and necessary approximations acceptable to the Commission.
Policy Cover (First Page)	14VAC5-80-130 1 a	Each policy shall contain a prominent statement in boldface type that is at least 2 points larger than the type used for policy provisions, printed in all capital letters, indicating that the amount or duration of the death benefits may be variable or fixed under specified conditions.
	14VAC5-80-130 1 b	Each policy shall contain a prominent statement in boldface type that is at least 2 points larger than the type used for policy provisions, printed in all capital letters, indicating that the cash values may increase or decrease.
	14VAC5-80-130 1 c	For scheduled premium policies, a description of any minimum death benefit required must be prominently stated in contrasting color and in boldface type at least 2 points larger than the type used for policy provisions, printed in all capital letters.
	14VAC5-80-130 1 d	Each policy shall contain 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.
	14VAC5-80-130 1 e	When appropriate, the policy shall contain a prominent statement in boldface type at least 2 points larger than the type used for policy provisions, printed in all capital letters, that the policy loan value is less than 100% of the policy's cash surrender value.
Grace Period	14VAC5-80-130 2 a	Grace period for scheduled premium policies shall be no less than 31 days from the premium due date.
	14VAC5-80-130 2 b	Grace period for flexible premium policies shall be no less than 61 days after the mailing date of the report to policyholders.
Reinstatement	14VAC5-80-130 3 a	For scheduled premium policies, a policy can be reinstated anytime within 3 years from date of default. All overdue premiums with interest shall not exceed 6% per year or 100% of the increase in cash value resulting from reinstatement not exceeding 6% per annum compounded annually.

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	14VAC5-80-130 3 b	For flexible premium policies, a policy can be reinstated anytime within 3 years from date of default. Payment of an amount shall not exceed 3 months cost of insurance or 100% of the increase in cash value resulting from reinstatement not exceeding 6% per annum compounded annually.
Description of Base, Method of Calculation	14VAC5-80-130 4	The policy must include a full description of the benefit base and the method of calculation and application of any factors used to adjust variable benefits.
Separate Accounts	14VAC5-80-130 5	The policy must include a provision designating the separate accounts to be used. The policy must also state that the assets of such separate account shall be available to cover the liabilities of the general account only to the extent that the assets of the separate account exceed the liabilities of the separate account. The assets of the separate account shall be valued at least as often as any policy benefits vary but at least monthly.
Designation of Officers	14VAC5-80-130 6	Designation of officers who are allowed to make an agreement or representation on behalf of the insurer must be included in the policy.
Beneficiary Designation	14VAC5-80-130 7	A provision that sets forth conditions or requirements as to the designation, or change of designation, of a beneficiary must be included in the policy.
Assignment	14VAC5-80-130 8	A statement of any conditions or requirements concerning the assignment of a policy.
Misstatement of Age	14VAC5-80-130 9	The policy must include 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	14VAC5-80-130 10	The policy must include a provision stating that 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	14VAC5-80-130 11	The policy must include a provision that payments of variable death benefits in excess of any minimum death benefits, cash values, policy loans or partial withdrawals (except when used to pay premiums) or partial surrenders may be deferred for up to 6 months if payments are based on policy values that do not depend on the investment experience of the separate account or for any period during which the New York Stock Exchange is closed for trading or when the Securities and Exchange Commission has determined a state of emergency.
Settlement Options	14VAC5-80-130 12	At least one settlement option, if provided, must be offered on a fixed basis.
Description of Basis	14VAC5-80-130 13	Include a description of the basis for computing the cash value and the surrender value.
Incidental Benefits	14VAC5-80-130 14	Premiums or charges for incidental insurance benefits shall be stated separately.
Policy Loans	14VAC5-80-140	A provision for policy loans after the policy has been in force for 2 full years may be included in the policy.
	14VAC5-80-140 6	Policy loan provisions may provide that at least 90% of the policy's cash surrender value may be borrowed.
Prospectus	14VAC5-80-300	Each insurer shall deliver to every applicant a prospectus.
Reports	14VAC5-80-320 1	Each insurer is responsible for mailing to each policyholder an annual report.

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<b><i>Out-of-State Requirements</i></b>		
Defined Groups	§ 38.2-3318.1	This section provides that no policy of group life insurance shall be delivered in this Commonwealth unless it conforms to one of the listed groups defined.
Non-Defined Groups	§ 38.2-3319.1	Group life insurance offered to a resident of this Commonwealth under a policy issued to a group other than one described in § 38.2-3318.1 shall be subject to certain requirements for policies issued in Virginia or in other states.
Policies Issued Outside of Virginia	§ 38.2-3320.1	Policies issued outside of this Commonwealth, providing coverage to residents of this Commonwealth, that do not qualify under §§ 38.2-3318.1 or 38.2-3319.1 shall be subject to the statutory requirements of this title.

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

The Forms and Rates Section of the Life and Health Division 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: \_\_\_\_\_