

**UNIVERSAL LIFE (SECONDARY GUARANTEE)
RIDER UPDATES AND INSERT PAGE FILINGS IN RESPONSE TO AG38**

The new section 8E of Actuarial Guideline 38 (AG 38) will be effective for policies and certificates, together with any attached riders, issued on or after January 1, 2013. It is anticipated that product design changes will be considered desirable in response to the revised AG 38 and that numerous form filings may be received. In order to facilitate the prompt review of filings that are revised **solely** to ensure that the policy or certificate will qualify for "Method I" reserve treatment, the Department offers the following guidance.

Any previously approved form revised as noted above must be submitted to the Department via SERFF for review. The Filing Description in the General Information tab (or a separate cover letter provided under Supporting Documentation) should clearly state the purpose of the submission. The explanation must identify by form number, the previously approved form(s) that will be revised along with their SERFF tracking number(s). If the previously approved form(s) was filed as a paper filing, a copy of the form(s) bearing the Department's approval stamp should be provided as Supporting Documentation. In addition, the following information is required:

Form Schedule Tab

- Revised data/specifications pages, as applicable
- If the text page(s) present any attributes that need to be revised, new text page(s) must be filed accordingly

Supporting Documentation Tab

- A certification that no other changes have been made to the form
- An updated actuarial memorandum or a statement that no changes to the previously filed document are necessary
- For insurers domiciled in Pennsylvania, an actuarial memorandum with formulas and an example of the methodology used in the calculation of reserves required under AG 38
- For insurers domiciled in Pennsylvania, the Actuarial Opinion and Company Representation required under AG 38 or an explanation as to why such documentation must be delayed

In other cases, including riders that are substantially rewritten, the form must be submitted for review by the Department as a new filing or in accordance with Chapter 153 of Title 31, Pennsylvania Code as applicable.

Please contact Wayne Fetsko at (717) 783-2312 or via email at wfetsko@pa.gov with any questions.